



SUPPLIER CODE OF CONDUCT AND BUSINESS PARTNERS

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INTRODUCTION

The ERCA Group is committed to the highest standards of social and environmental responsibility and ethical conduct as described in its Code of Ethics.

The Group requires its business partners and suppliers to comply with or demonstrate equivalent policies and standards and to operate in accordance with the principles of this Code of Conduct and in full compliance with all applicable laws and regulations. Where applicable legislation or regulation and this Code address the same topics with different standards, the highest standards shall apply

The company, striving to build strong and lasting relationships and partnerships with its suppliers, intends to promote responsible behavior throughout its supply chain, firmly believing that sustainable sourcing is an effective means of promoting responsible values and practices throughout the value chain.

The purpose of this Code is:

- establish clear expectations for suppliers so that an ongoing business relationship is created based on adherence to the same value principles and regulatory standards;
- improve risk management within the supply chain;
- ensure regulatory compliance at all levels, guaranteed by compliance with international, regional, national and local directives and regulations in force;
- develop a sustainability path together with its partners and suppliers, in the acquisition of governance tools towards sustainability, in the development of new more sustainable products or services based on innovation.

This Code therefore constitutes an integral part of the agreement between the business partner and the companies of the group

To verify compliance with the Code, group companies can use self-assessment or auditing tools or direct confrontation with the partner.

In carrying out its activities, the companies undertake to comply with all applicable national and international laws, regulations and conventions, as well as best practices, in particular with regard to labour standards and social responsibility, environmental protection, ethics and business integrity

Suppliers and partners are required to comply with and implement the following initiatives, divided on the basis of the areas defined by the European Sustainability Reporting Standard, assessed as relevant to the company.



ERCA



Erca
Specialty Chemicals



ERCA
TEXTILE CHEMICAL SOLUTIONS



ERCA
ADVANCED POLYMER SOLUTIONS



ErcaWilmar
Cosmetic Ingredients



arp
aroma performance

ENVIRONMENTAL AREA

ENVIRONMENTAL PROTECTION

Comply with national and international environmental regulations and standards and provide for an effective environmental management system that may be certified and conducting its business processes in such a way as to ensure compliance

To carry out activities to minimise environmental impacts and optimise the use of energy and natural resources, including through the use of suitable reporting tools prepared for this purpose, thus contributing to the achievement of energy efficiency and greenhouse gas emission reduction objectives.

Prevent, reduce and mitigate any form of environmental pollution (air, water, soil and groundwater, etc.) and environmental accidents, taking care to restore damage promptly in the event of an accident.

To share – at the request of the client company – information relating to environmental aspects (greenhouse gas emissions of products and/or services, use of water, soil and other resources), calculated according to internationally recognized standards.

Supporting and promoting good practices and high standards of environmental protection also within its supply chain, in order to collectively reduce environmental impact, combat climate change and achieve greater transparency in supply chains.

Adhere to chemical compliance initiatives also through adherence to initiatives such as Bluesign® or Zero Discharge of Hazardous Chemicals (ZDHC) or the application of the Life Cycle Assessment (LCA) methodology of organization or product.

CIRCULAR ECONOMY

Promote the use and development of renewable or recycled raw materials (secondary raw materials).

Design and develop processes and products/services to optimize the use of resources, in line with the Circular Economy model.

WASTE MANAGEMENT

Adopt a waste management system to responsibly manage the waste produced, with particular attention to hazardous waste, in compliance with current regulations

REDUCING GHG EMISSIONS

Commit to becoming aware of, measuring and reporting their GHG emissions according to internationally recognized standards (GHG Protocol, ISO 14064, ISO 14067, etc.).

Improve energy efficiency and increase the use of energy from renewable sources, setting science-based greenhouse gas reduction targets aimed at progressively decarbonizing its operations and their supply chain

Provide companies that request it with transparent data in relation to emissions from their operations and upstream activities.

WATER PROTECTION

Preserve and responsibly manage water resources, optimize water use, set targets to reduce water exploitation and return water with a quality appropriate to the ecosystem concerned, with particular attention to those located in areas subject to water stress or of high environmental and biodiversity value.

Commit to becoming aware, measuring and reporting on their water consumption according to internationally recognized standards (ISO 14046).

Adopt solutions aimed at the reuse of wastewater, including through dedicated treatments Share – at the request of the client company – information on its water consumption according to internationally recognized standards (ISO 14046)

RESPONSIBLE HANDLING OF HAZARDOUS MATERIALS

Comply with all applicable laws and regulations regarding formal obligations on commercial products supplied to the ordering company, adopting the best production practices and addressing their potential environmental, health and safety issues as prescribed by the highest internationally recognized standards and regulations.

Identify hazardous chemicals and mixtures appropriately and on the basis of international standards and regulations and communicate them to the contracting company, also ensuring that they are handled, used, transported, stored, recycled and disposed of safely.

Educate and train employees and material suppliers on the health, safety, and environmental aspects of hazardous materials through the tools and documents required by the aforementioned international standards and regulations.

SOCIAL AREA

HUMAN RIGHTS

Conduct its activities in a manner that respects human rights according to the UN Universal Declaration of Human Rights and complies with minimum standards recognized at national, regional, international level and/or locally established regulations.

PROHIBITION OF HARASSMENT AND ABUSE

Treat its employees with respect and dignity.

Refrain from and prohibit all forms of intimidation, humiliation, threats, abuse, violence, corporal punishment, and physical, sexual, verbal, or moral harassment expressed through behavior, actions, or gestures, or in writing.

FREEDOM OF ASSOCIATION AND THE RIGHT TO COLLECTIVE BARGAINING

Ensure respect for workers' rights and trade union freedoms, such as freedom of association and the right to collective bargaining, including the right of workers to choose their own representatives and to represent workers, providing adequate access to the workplace for workers as well.

Define clear and fair working conditions within a contract drafted in the language(s) provided for by local legislation, providing for fair remuneration, sustainable working hours, parental leave and holidays, in a safe and healthy environment and in accordance with applicable agreements

NON-DISCRIMINATION

Unconditionally comply with all anti-discrimination conditions in national and international legislation and regulations, guaranteeing equal opportunities for all and ensuring an inclusive and non-discriminatory working environment, with particular regard to fragile categories (migrant workers, disabled people, young people, the elderly, women, indigenous workers, LGBTQIA+).

FAIR TREATMENT

Ensure that all stages of working life – including traineeships, decisions regarding remuneration, job classification, assignment of responsibilities, training and career advancement – are determined solely on the basis of skills, experience and professional potential and the results achieved.

Equal pay must be guaranteed on the conditions of equal merit.

FORCED LABOR AND MODERN SLAVERY

Prohibit all forms of forced labour, irregular labour, compulsory labour, modern slavery, human trafficking, debt slavery.

Ensure that its employees start their employment on a voluntary basis and that they are guaranteed the right to terminate the relationship with a reasonable period of notice

WORKING HOURS

Ensure that working hours comply with at least the minimum standards set by national, international, regional and/or local laws and regulations, local industry standards or international standards defined by the International Labour Organization (ILO).

Adapt its overtime policies to national, international, regional and/or local laws and regulations.

Ensure that overtime does not exceed the limits defined by national, international, regional and/or local laws and regulations or by the ILO.

Ensure the right to sick or parental leave, vacation and any other paid or unpaid leave as defined by national, international, regional and/or local laws and regulations

CHILD LABOUR

Comply with all national and supranational laws and regulations applicable to child labour in line with Convention 138 (Minimum Age) and Convention 182 (Worst Forms of Child Labour) of the International Labour Organization.

Prevent any form of child labour and hire workers who are of the minimum age required by law, in accordance with national, international, regional and/or local laws and regulations. The minimum working age is the age of completion of compulsory schooling, but is never less than 15 years old.

Do not expose young employees (aged 15-18) to jobs that may put their physical or mental health, safety, or morale at risk, including overtime and night shifts.

LOCAL COMMUNITIES

Respect the cultural, economic, social and human rights of the communities in which they operate, including those in relation to the use of land, water and other natural resources.

Contribute to local development by providing employment opportunities and developing local businesses in the areas where operations are carried out.

HEALTH AND SAFETY

Ensuring that all workers have a safe and healthy workplace where they are protected from work-related accidents, injuries and illnesses, including promoting the mental well-being of all staff.

Organise working hours and conditions in such a way as not to jeopardise the health, safety or well-being of the individual worker.

Assess the risks to which personnel may be exposed, not only during work, but also considering those that may be present during the journey and during rest and breaks in the performance of their employment.

Encourage the workforce and subcontractors to report any accident, injury, illness, or unsafe condition immediately, so that appropriate action can be taken.

Have appropriate controls, safe work procedures, proper maintenance, and prevention and protection tools necessary to reduce health and safety hazards in the workplace.

Pursue continuous improvement in the field of health and safety at work and ensure collaboration with the client company and other suppliers, for example in monitoring programs for specific indicators, in emergency management and in the application of good practices.

GOVERNANCE AND INTEGRITY AREA

LAWS AND REGULATIONS

Comply with applicable international, EU, national, regional and local laws and regulations, including those relating to the performance of contracts carried out with group companies

BUSINESS ETHICS AND BUSINESS INTEGRITY

To act with fairness, honesty, transparency and responsibility in all commercial activities and in relations with its business partners, public officials or other third parties.

Promote transparency and accountability in the conduct and administration of business, including ensuring an adequate and effective internal control system that provides processes and procedures to proactively prevent:

- Corruption
- Money laundering
- Conflicts of interest
- Anti-competitive conduct
- Disclosure of Confidential Information
- Improper gifts or forms of hospitality of any kind

Comply with all applicable anti-corruption laws and regulations.

Prohibit without exception bribes, illegitimate favors, collusion, requests for personal or career advantages for oneself or for others, directly or through third parties.

FREE AND FAIR COMPETITION

Operate in compliance with national, international, regional and/or local laws and regulations to protect and promote fair and free competition.

Refrain from abusing a possible dominant position on the market.

INFORMATION AND DATA PROTECTION

Comply with all obligations under data protection law, including regulations on the processing and retention of personal information.

Ensure that all personal data is erased or anonymized when it is no longer necessary for the relevant purpose for which the data was collected.

Protect all confidential information provided as part of the collaboration and promptly report any suspected or actual information security incidents as soon as possible.

PROTECTION OF INTELLECTUAL PROPERTY

Respect intellectual property rights and safeguard customer information and manage technology and know-how in a way that protects intellectual property rights.

REPORTING PROCESS

Report, even anonymously and without fear of retaliation, any type of worrying circumstance of an ethical nature, actual or potential, through the [ERCA SPA - Whistleblowing Portal reporting website](#)

ACKNOWLEDGMENT AND CONFIRMATION

the Supplier indicated below certifies compliance with this Code and its principles

Company Name	_____
Name and Surname :	_____
Role	_____
Address:	_____
DUNS n:	_____
Signature of the representative:	_____
Stamp (if applicable):	_____

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