FIPPI

CODE OF CONDUCT FOR SUPPLIERS AND BUSINESS PARTNERS

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The Fippi Management

Stamp and signature

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INTRODUCTION

Fippi, one of the main European leaders in the production of solutions for children's hygiene and well-being, is committed to promoting a path of sustainable development, which respects people and life on Earth and makes the company more resilient and ready to face future challenges.

Today, we cannot talk about economic growth without also considering the environmental and social impacts along the entire value chain with great attention. Fippi wants to be an engine of change and actively contribute to the ecological transition and the construction of a fairer and more inclusive society for us and for the next generations.

The company expects that the partners it works with to create the highest quality products will also share these values and want to invest in the future, working together for a more sustainable and humane economy. For this reason, it has developed a "Code of Conduct for Suppliers and Business Partners" that all companies that collaborate with Fippi are required to respect.

It is a set of principles and practical rules regarding labour standards and social responsibility, environmental protection, ethics and business integrity, which the company asks you to honour in carrying out your business. The aim is to promote responsible, ethical and sustainable business practices throughout the value chain, with the aim of **minimising the environmental and social impact of our activities.**

Compliance with the principles contained in this Code of Conduct is essential to work with Fippi and create a **relationship of trust that lasts over time and generates mutual benefits.** The company hopes that this Code of Conduct will be the **foundation of a fruitful collaboration**, capable of bringing value to the community, stakeholders and the planet we inhabit.

PRINCIPLES, STANDARDS AND REFERENCE FRAMEWORKS

To write its Code of Conduct for Suppliers and Business Partners, Fippi was inspired by the main international standards for sustainability and human rights, including:

- **United Nations Universal Declaration of Human Rights**.
- **Fundamental conventions of the ILO (International Labour Organization),** to promote decent work.
- **UN Guiding Principles on Business and Human Rights** and the **Ten Principles of the UN Global Compact**.
- **OECD Guidelines for Multinational Enterprises**, on Social and Environmental Responsibility.
- **CEO Guide to Human Rights by the World Business Council for Sustainable Development (WBCSD),** a guide to developing business practices that respect human rights.
- **United Nations Sustainable Development Goals (SDGs),** to promote equitable and inclusive development, which leaves no one behind.
- **Paris Climate Agreement** to reduce emissions and combat climate change.

BUSINESS INTEGRITY

All Suppliers who work with Fippi are required to behave with integrity and responsibility, in full compliance with the laws and regulations that apply to the performance of their business, with the aim of being exemplary and **promoting an ethical and transparent working environment.**

Prohibition of all forms of corruption

Fippi **does not tolerate corruption and influence peddling** and expects its Business Partners to develop appropriate measures to prevent, detect and manage any corrupt practices in the context of their business. It also requires maximum transparency in all transactions and **prohibits so-called facilitator payments** or other benefits granted to public officials to speed up their ordinary actions.

Prevention of conflicts of interest

Our Suppliers must make every effort to **avoid creating or being involved in situations of conflict of interest**, whether real, potential, or perceived, in the context of their working relationship with Fippi.

Recycling ban

Our Business Partners must take all measures to prevent their activities from being used as tools for money laundering.

Privacy and protection of personal data

Our Suppliers protect the confidentiality of Fippi's, its customers' and employees' information, **adopting security measures for personal data and sensitive information** and complying with all relevant laws and regulations.

Information transparency

Our Suppliers are required to **provide clear and accurate information** about their manufacturing facilities, the methods and resources used, and the characteristics of their products or services, and to refrain from any misleading claims.

Intellectual property protection

Fippi, as a supplier of Large-scale retail groups, has the responsibility to protect its customers' information and their intellectual property, such as, but not limited to, registered trademarks, graphic elements, product trademarks, copyrights. Our suppliers are in turn required to:

- To consider confidential any information received about our customers.
- Use such information solely for the performance of the requested service.
- Consider that Fippi customers have the sole and exclusive ownership of all rights.
- Undertake not to determine claims or claims against Fippi and its customers in relation to the rights to the products or trademarks of the customers.
- Not to use the intellectual property of Fippi customers for purposes other than productions/services carried out on behalf of Fippi.

HUMAN RIGHTS AND SOCIAL PRACTICES

Child labour

Fippi does not allow child labour in its value chain. Suppliers are required to ensure that all their employees have reached the minimum legal age and are employed voluntarily. Employees under the age of 18 should not do risky work, nor should they work night shifts. Students can only be welcomed into the company through internship and apprenticeship programs, which are lawful and adequately managed.

Forced, illegal or undeclared labour

Fippi's Business Partners are required to take all necessary measures to prevent illegal, clandestine and undeclared work. The company **does not tolerate any form of forced or** abusive labour. All workers have the right to accept or leave their employment freely.

Harassment and abuse

For Fippi it is essential to treat every person with respect and dignity. Business Partners are obliged to **avoid any form of intimidation, humiliation, threat, abuse, violence, corporal punishment and harassment**, whether physical, sexual, verbal or moral. These behaviours cannot be tolerated.

Combating discrimination and promoting diversity

The company asks its Suppliers to foster an inclusive and respectful work environment that ensures fair and equitable treatment for all their employees. **Any form of discrimination based on ethnicity, national, social, or cultural origin, gender, sexual orientation, disability, age, family status, religion, political beliefs, or trade union membership is strictly prohibited.** These factors must not influence hiring processes, compensation, training, or career opportunities.

Wages and working hours

Fippi expects its Suppliers to implement **fair and just compensation practices** and to ensure a living wage that covers workers' basic needs. Additionally, it requires its Business Partners to comply with labor hour regulations and the guidelines of the International Labour Organization.

Freedom of association

The company expects Suppliers to ensure their employees the right to form and join trade unions and to engage in collective bargaining. Furthermore, Fippi encourages its Business Partners to promote dialogue and constructive engagement between employees and company management.

Health and safety

Fippi expects its suppliers to offer a healthy and protected working environment, in which the health and safety of employees are a priority. This means:

- **Compliance with health and safety laws**, adhering to both local and international regulations and ensuring safe working conditions for all employees.
- **Accident prevention**, implementing preventive measures to minimise the risk of injury and illness, including providing employees with safety training.
- **Safety culture**, promoting a culture of safety and encouraging employees to report potential hazards without fear of retaliation.

ENVIRONMENTAL PROTECTION

Fippi is committed to protecting biodiversity and natural ecosystems, in the interest of future generations. For this reason, it encourages its business partners to reduce the environmental impact of their activities by promoting best practices throughout the entire supply chain.

Compliance with environmental regulations

Business Partners are obliged to **comply with all local and international environmental regulations** and to obtain the necessary permits.

Safeguarding biodiversity and natural ecosystems

For Fippi, the protection of the forest heritage is a priority. For this reason, it expects its pulp suppliers to exclude any illegal trade in wood and adopt certified forest stewardship schemes to ensure an ethical and sustainable wood supply chain, which implements best **practices to protect natural ecosystems and life on Earth**.

In particular, the Suppliers of fluff pulp are required to:

- comply with all applicable laws and regulations regarding formal obligations on commercial products supplied to Fippi, adopting the best production practices and addressing their potential environmental,

health and safety issues as prescribed by the highest internationally recognized standards and regulations.

- in accordance with EUTR 995/2010 and EUDR 1115/2023 to apply the Due Diligence required to pre-assess the risks associated with each supply of pulp, based on the wood species, the country of harvest and the specific supply chain, to prevent illegal timber trade and deforestation practices in the countries of origin of the timber.
- to share, at the request of Fippi, in a timely and transparent manner, information on wood species, geographical origin and environmental impacts.
- actively contribute to the protection of natural ecosystems, biodiversity and ecosystem services, prevent overexploitation of natural resources, promote ecosystem restoration, stop any contribution to deforestation, forest degradation and/or conversion.
- adopt - where the provider operates in sites with critical biodiversity - the mitigation hierarchy model (avoid, minimise, restore, and compensate) to protect and enhance biodiversity.

Resource Management

Fippi is aware of the importance of reducing the waste generated by production, which is why it requires its suppliers to **reduce waste and encourage recycling**, using resources carefully and responsibly. The goal is to commit to seeking new solutions to promote the transition to a circular economy, in which waste reduction goes hand in hand with an increase in the possibility of recovery and recycling.

In this regard, Fippi requires its suppliers to:

- support the use and development of renewable or recycled raw materials.
- design and develop processes and products/services that optimize the use of resources, progressively replacing non-renewable resources with renewable, recycled or recyclable ones, to prevent the production of waste and reduce its hazardousness.
- maximising the amount of waste sent to recovery operations and preferably recycling of materials, in line with the Circular Economy model.

Reducing emissions

Climate change is one of the main challenges facing humanity. For this reason, Fippi asks its suppliers to manage energy responsibly, committing themselves to counteracting the increase in the earth's temperature and reducing greenhouse gas emissions in their production activities.

Each Supplier is required to:

- commit to minimizing its environmental impacts and optimizing the use of energy and natural resources, developing, and implementing improvement plans and specific performance indicators to monitor performance.
- to point out the availability of innovative solutions that can allow Fippi to improve its energy performance.

- provide Fippi with transparent data in relation to the emissions of its operations and activities along its value chain.
- to provide – at the request of Fippi – products and services made with renewable energy, as well as proof of the origin of the renewable energy assigned to the supply to Fippi.
- improve energy efficiency and increase the use of energy from renewable sources.

Culture of sustainability

Fippi requires its suppliers to train workers whose activities have a direct impact on the environment, so that they take all the necessary measures to protect it.

SUBCONTRACTING

Business Partners **may not subcontract** the obligations they have assumed towards Fippi and the activities they have undertaken to carry out unless they have been authorized by the company with a written agreement. If Business Partners are permitted to engage a subcontractor, they must ensure that their **subcontractors comply with the principles set forth in this Code.**

THE MANAGEMENT SYSTEM AND THE REPORTING OF VIOLATIONS

To ensure compliance with the Code of Conduct, Fippi requires its Suppliers to develop a management system in which they undertake to:

- **Adopt policies and safeguards** that allow the ethical, social and environmental principles shared in this code to be put into practice.
- Ensure that the rules set out in this Code of Conduct are respected and **enforced throughout the value chain.**
- **Create a reporting system** that allows its employees to highlight non-compliance with this Code, or any issues of concern, protecting those who make a report in good faith from retaliation or negative disciplinary consequences. Or to collaborate in promoting reporting systems proposed by Fippi customers of large-scale retail trade.

SUPPLIER DUE DILIGENCE

Fippi reserves the right to verify compliance with the Supplier and Commercial Partner Code of Conduct. The verification methods may include:

- **Self-assessment questionnaires** sent by Fippi to evaluate the Supplier's practices in terms of ethics, environmental sustainability, and human rights.

- **Participation in ESG assessment platforms**[1] that provide an independent evaluation of the Supplier's environmental and social performance.

- **On-site audits** to ensure that the requirements contained in the Code of Conduct are actually respected. These audits can be conducted by Fippi staff or by independent companies, specialized in ESG assessments.

RESOLUTION OF NON-CONFORMITIES

Business Partners are expected to make efforts to improve or correct any deficiencies or non-conformities. To this end, Fippi supports its Partners by agreeing with them on the most appropriate corrective actions, including:

- **Development of improvement plans** in a reasonable time.
- **Monitoring progress** towards achieving agreed targets, with periodic reviews to assess the effectiveness of the actions taken.

[1] For example, EcoVadis or other ESG ratings.

Fippi expects its Business Partners to **commit themselves with constancy and responsibility** to put into practice the principles contained in this Code of Conduct. If this does not happen and there is a lack of willingness to work together to correct the violations, Fippi reserves the right to:

- **Suspend purchases for a period** and refuse to take delivery of new orders, until the critical issues raised are completely resolved.
- **Terminate the business relationship:** in the most serious cases, in which the Business Partner does not show the willingness to commit to improving or correcting the deficiencies found, Fippi may terminate the employment relationship, in addition to any other rights or remedies available.

Transparency and continuous dialogue

Fippi focuses on dialogue, because it wants to build a relationship based **on collaboration and trust** with its suppliers and business partners. To this end, it encourages Business Partners to communicate in a timely manner any difficulties or problems that may hinder compliance with this Code of Conduct, to find together a solution that allows them to improve working practices.

ACKNOWLEDGMENT AND CONFIRMATION

To enter into an Employment relationship with Fippi, the Business Partner indicated below certifies compliance with this Code and its principles:

Signed on: ..... (day) ..... (month) ..... (year).

Name: .....

Address: .....

Name and position of representative: .....

Signature of the representative: .....

Stamp (if applicable)