



CASALGRANDE  
PADANA  
Pave your way

# Code of Ethics

Code of Ethics	Organisation and Management model pursuant to Italian Legislative Decree 231/2001	Rev. 00 dated 17.07.2014
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**This document is an integral part of the Organisation, Management, and Control Model.**

**The Board of Directors approved this version on 20/11/2014.**

**Revisions may be made upon indication and/or suggestion of the Supervisory Board and/or on the basis of amendments and additions resulting from changes inside and outside the company, as well as from experiences acquired over time.**

**These revisions must be approved with the same procedure indicated above.**

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## **CODE OF ETHICS**

### **Foreword**

This document defines the rights, duties, and responsibilities of all the people (employees, suppliers, collaborators, institutions, and clients), who have direct or indirect relationships with Casalgrande Padana. This document establishes the rules of conduct based on values that have always been the distinctive features of the company.

In accordance with the above, the top management has decided to implement this Code of Ethics in compliance with the provisions of Italian Legislative Decree 231/2001 (“Administrative liability of legal entities, companies and associations including those without legal status”), in order to build a transparent company that meets the ethical and conduct standards of a civilised society.

In particular, this Code of Ethics contributes to the implementation of an environmental and occupational health and safety policy, minimising adverse external effects and strengthening the procedures making them a common tool.

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## ***Recipients***

The recipients of the Code of Ethics are the corporate bodies, employees (of any level and degree), and external collaborators, i.e. those who act in the name or on behalf or in the interest or to the advantage of Casalgrande Padana, regardless of the legal characterisation of the relationship. All the recipients are required to comply with the provisions of this Code of Ethics and have them complied with.

The pursuit of the company's interest may not, under any circumstance, justify any conduct that does not comply with this document.

As for relationships with other stakeholders, Casalgrande Padana prefers counterparts who act based on rules inspired by ethical conduct similar to the one expressed in this Code of Ethics.

This Code of Ethics is valid in Italy and in all countries where Casalgrande Padana has commercial relationships and public relations, taking cultural, social, economic, and regulatory differences into account.

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## **Profile**

Casalgrande Padana was founded in 1960. It was Italy's first company to focus its production on porcelain stoneware. It experienced an extraordinary growth, soon becoming one of the world's leading companies in the industry.

Today, Casalgrande Padana has 600 employees, in addition to the 500 of the subsidiary, Nuova Riwal, distributed in six high-tech production plants, which cover an overall surface of 700,000 sq.m, located in the heart of the world's most important ceramics district.

The production and sales volumes have been growing consistently for the past five decades, bearing witness to the company's ability to intercept market trends. This is possible thanks to an exceptional offering in terms of innovation and quality: universal tiles for floor and wall coverings, high traffic areas, residential, commercial, and industrial spaces.

Respect for natural resources, environment protection, and social responsibility are deeply rooted in the company's DNA. Casalgrande Padana is always striving for excellence to meet any architectural requirement.

The company also provides an array of services through Padana Engineering – a consultancy company that assists clients during every stage, from the selection of materials to the development of the project – and the Creative Centre – a laboratory in direct contact with the factory open to industry professionals, where innovation and creativity blend in the fields of architecture, design, art, and production.

Casalgrande Padana's history has always been characterised by its commitment to support important initiatives in the field of architectural design. One of these, is the Grand Prix, the international competition founded in 1990 to award the works that have enhanced the technical

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properties and expressive potential of the Casalgrande Padana's porcelain stoneware elements. The Grand Prix is regarded as one of the primary international events in the architectural ceramics industry.

Production and design have been the essential fields that have characterised Casalgrande Padana's development strategies over the past fifty years. And they will continue to do so in the pursuit of the perfect balance between economic growth, technological progress, environment protection, and shared wellbeing.

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## ***Our principles***

Our philosophy is based on a conduct based on integrity, honesty, fairness, loyalty, transparency, equality, and objectiveness, as well as respect for people, responsible and rational use of the corporate, environmental, and social assets and resources.

### **Equality and impartiality**

Operating in an equal and impartial manner, with the same conduct towards every person who comes into contact with the company. Being impartial, in form and in substance, in every decision, which must be made objectively, without any discrimination for gender, sexual orientation, age, nationality, health, political and trade union views, race, creed, and any other characteristic of a human person.

### **Physical integrity protection**

Ensuring a suitable workplace in terms of occupational health and safety by complying with the protection and prevention measures set forth by the standards in force and the continuous improvement of the safety conditions. For this reason, the company has voluntarily decided to undergo the certification process according to the BS OHSAS 18001 standard.

### **Natural environment protection**

Promoting the protection of the environment as a common resource to be safeguarded for the benefit of the community and future generations. All this promotes sustainable development, in compliance with the limitations established by the standards in force, and the continuous improvement of the environmental conditions. For this reason, the company has voluntarily decided to undergo the EMAS registration process.

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### **Transparency and clarity**

Communicating with everyone in a clear and transparent manner using a simple and understandable language. In particular, the Company is committed to informing consumers correctly also through communication that does not influence their judgement. The Company is also committed to informing suppliers about its goals, to allow for efficient planning and resource optimisation.

### **Effectiveness and efficiency**

Continuously improving the effectiveness and efficiency of the company performance by improving the quality of the service with technological and organisational solutions that combine customer satisfaction with efficient and economical management.

### **Confidentiality**

Acknowledging the strategic value of information, ensuring the necessary confidentiality to prevent improper dissemination. In particular, special caution is required when handling information about the company's activities and the personal data of collaborators and third parties, in compliance with the principles of the privacy code and protection of the company's personality and interest. Therefore, all collaborators are required to pay special attention not to disclose confidential information with any means implemented within the Company.



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## **Fair competition**

Acknowledging the importance of a competitive market, complying with the provisions of law. The Company avoids any practice that may infringe competition laws. With reference to fair competition, Casalgrande Padana does not knowingly infringe the intellectual property rights of third parties.

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## ***Rules of good conduct***

Below is a summary of the relevant rules of conduct to facilitate the recipients' understanding of the Dos and Don'ts with reference to the prevention of crimes pursuant to Italian Legislative Decree 231/2001.

### **1. Rules of conduct to protect occupational health and safety**

Casalgrande Padana undertakes to disseminate and consolidate a safety culture. It does so by raising awareness of the risks, and promoting the knowledge of and compliance with the standards in force concerning risk prevention and occupational health and safety protection. It also promotes and demands a responsible conduct from all employees and external collaborators, as well as from contractors and profit-sharing associates, each in their sphere of competence. The Company operates to preserve and improve the work, health, and safety conditions for all workers, mainly by implementing preventive measures.

The company's activities must be carried out in compliance with applicable prevention and protection standards in force, in particular with reference to Italian Legislative Decree 81/2008 and subsequent amendments and additions. The operational management must refer to advanced environmental protection and energy efficiency criteria, in the pursuit of the improvement of occupational health and safety conditions, including – but not limited to – the purpose of the reasonable prevention of manslaughter, personal injury or grievous bodily harm committed by infringing occupational health protection standards.

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The essential principles and criteria that guide the Company's decisions concerning occupational health and safety are the following:

- avoiding risks
- assessing risks that cannot be avoided
- combating risks at the source
- adapting work to people, in particular with reference to the workplace, tools, work and production methods, thereby making the job as less monotonous and repetitive as possible and reduce effects on health
- considering the level of technical evolution and providing for continuous updates. Replacing what is dangerous with what is not or with what is less dangerous
- programming prevention by aiming at a consistent complex that integrates technique, work organisation, work conditions, social relations, and the influence of social factors of the work environment
- giving priority to collective protection measures against individual protection measures
- providing workers with instructions and specific training courses

Casalgrande Padana undertakes to ensure suitable work conditions and the protection of workers' psychological and physical integrity. It does so by respecting their moral personality and preventing any undue pressure or discomfort.

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## 2. Rules of conduct to protect the environment

Casalgrande Padana is aware of the direct and indirect effects of its activities on economic and social development and on the community's general wellbeing, as well as of the importance of social acceptance from the community it operates in.

Therefore, Casalgrande Padana carries out its activities whilst striving for the perfect balance between economic initiatives and environmental requirements, in compliance with the standards in force and in consideration of the future generation's rights.

Casalgrande Padana undertakes to ensure that projects, processes, methods, and materials take scientific research developments into account to respect territorial balance and promote pollution prevention, environment and landscape protection.

The Company has implemented an effective system of company rules that takes all the applicable national and international standards into consideration. The principles that have inspired this set of rules are the following:

- preventing or at least minimising any form of pollution
- optimising the use of any resource
- helping educate stakeholders to respect the environment
- carrying out all the necessary checks to prevent any damage to the environment

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- minimising waste resulting from company activities and, where necessary, handling it through specialised and qualified subjects

Casalgrande Padana wishes to keep the public's trust regarding the integrity of its activities. It does so through reports and open discussions to promote in-depth knowledge of the environment-related topics associated with its activities.

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### ***Implementation, control, and update***

All the powers with reference to the dissemination and implementation of this Code of Ethics are reserved to the Board of Directors.

### **Duties of the Supervisory Board**

The Supervisory Board is responsible for checking and having this Code of Ethics complied with. The Supervisory Board is appointed in compliance with articles 6 and 7 of Italian Legislative Decree 231/01, and has the following duties:

- promoting activities that promote the communication and dissemination of the Code of Ethics within the organisation and among the subjects, who are required to comply with its provisions and principles
- responding to any clarification request from anyone internal or external to the Company
- verifying the application of and compliance with the Code of Ethics through mystery audits and suggesting adjustments, revisions and/or improvements based on any emerging criticality
- receiving and analysing Code of Ethics infringement reports and initiate the relative investigations
- making decisions concerning the infringement of the Code of Ethics, identifying the penalties to apply and notifying them to the Board of Directors for its application

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- being informed of the organisation's will to introduce updates/amendments/additions to policies and/or procedures to ensure continuous compliance with the Code of Ethics
- reviewing, at least once a year, the Code of Ethics' consistency with the overall system
- assessing whether the communication and training plans are consistent and effective with respect to the goals established by the Board of Directors

All the activities listed above are carried out with the corporate functions involved, gaining free access to any documentation deemed useful.

### **Communication and training**

This Code of Ethics is brought to the attention of all the interested parties through systems that help raise awareness about the topics related to ethical values and principles. To this end, and to encourage suppliers to share this Code of Ethics, it will also be published on the Casalgrande Padana website.

### **Reporting to the Supervisory Board**

The Supervisory Board will create the conditions, for anyone who wishes so, to report in writing, even anonymously, any infringement or suspected infringement of the Code of Ethics. The Supervisory Board has the duty to analyse the report and decide whether to initiate an assessment procedure. The choice to proceed with an assessment procedure must be justified and notified to the Board of Directors. In the event of an assessment procedure, the Supervisory Board will carry out the investigation, listening to witnesses and the alleged offender, as well as collecting any useful evidence.

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### ***Infringements and penalties***

Following the analysis of the alleged infringements of the Code of Ethics reported by stakeholders, and the results of the assessment procedure, the Supervisory Board will judge whether the reported conduct is to be deemed an infringement of the Code of Ethics or not.

The Supervisory Board will notify the Board of Directors about any infringement and resulting measures to be taken, according to the standards in force and the disciplinary system implemented by the Company.

The corporate functions of the Board of Directors apply the measures, verify their implementation and notify the outcome to the Supervisory Board.