



Suppliers' ESG Code of Conduct

Summary

Summary 2

1. Introduction and purpose of the document 3

1.1. Feltrinelli's commitment3

1.2. Purpose of the Suppliers' ESG Code of Conduct.....3

2. Scope 3

3. Reference regulations, standards and guidelines 4

4. Principles 4

4.1. Ethical conduct and legal compliance5

4.2. Environmental protection.....5

4.3. Human and labour rights.....6

5. Dissemination, monitoring and updates 7

5.1. Sharing and dissemination methods7

5.2. Monitoring and response to violations7

5.3. Updates7

1. Introduction and purpose of the document

1.1. Feltrinelli's commitment

The Suppliers' ESG¹ Code of Conduct represents a key element in Gruppo Feltrinelli's sustainability integration path. Started in 2023, this process began with the materiality analysis aimed at identifying the most relevant environmental, social, and economic issues for the Group. It then progressed with the development of the 2024–2027 **Sustainability Plan**, which is aligned with the Group's strategic objectives, including, among others, the goal of consolidating Feltrinelli's position as a leading advocate of a sustainability culture, both within the publishing value chain and among the general public.

Feltrinelli acknowledges that suppliers play a critical role in ensuring a sustainable value chain by adopting ethical and responsible business practices. For this reason, the Suppliers' ESG Code of Conduct (hereinafter referred to as "the Code") has been introduced to set out the **social, economic, human, and environmental sustainability standards** that the Group is committed to upholding.

1.2. Purpose of the Suppliers' ESG Code of Conduct

- a) **Increasing transparency** across supply chains and ensuring the traceability of materials and products.
- b) **Reducing the environmental impact** of the value chain through more sustainable and responsible production and sourcing practices.
- c) **Ensuring that suppliers respect human and labour rights**, including fair wages, safe working conditions, and the prohibition of child and forced labour.
- d) **Promoting diversity, equity and inclusion principles** in suppliers' hiring and employment practices.
- e) **Minimising legal risks and protecting the company's reputation** by complying with ethical standards and respecting applicable national and international laws.
- f) **Fostering responsible practices throughout the value chain**, guiding suppliers in generating sustainable value and promoting long-term innovation.

2. Scope

This Code applies to **all suppliers of goods and/or services**, including contractors and business partners – hereinafter referred to as "Suppliers" – who maintain a commercial and/or contractual relationship with Gruppo Feltrinelli starting from January 2025².

Suppliers are required to share the contents of this document with their collaborators and to promote a responsible conduct throughout their own supply chains. They must ensure compliance with the Code both within their internal organizational structures and among their subcontractors/sub-

¹ The acronym ESG (Environment, Social, Governance) reflects Feltrinelli's comprehensive commitment to sustainability.

² Authors are excluded from the scope of application of this Code.

suppliers, thereby facilitating effective monitoring of compliance with the Code at all levels of the supply chain.

3. Reference regulations, standards and guidelines

The Suppliers' ESG Code of Conduct is inspired, in both its formulation and implementation, by the principles outlined in Gruppo Feltrinelli's **Organizational, management and control model** pursuant to the Legislative Decree No. 231/2001 and in the Group's **Code of Ethics**. It also draws upon the guidelines of leading international standards, including:

- a) the Corporate Sustainability Reporting Directive (CSRD) and the new European Sustainability Reporting Standards (ESRS) annexed to the Directive;
- b) the Corporate Sustainability Due Diligence Directive (CS3D);
- c) the United Nations Guiding Principles on Business and Human Rights;
- d) the International Labour Organization (ILO);
- e) the United Nations International Bill of Human Rights, including the Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights, and the International Covenant on Economic, Social and Cultural Rights;
- f) the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct;
- g) the United Nations Global Compact;
- h) the ISO 20400 standard.

4. Principles

The Suppliers' ESG Code of Conduct is founded on **three fundamental pillars**, reflecting Feltrinelli's comprehensive commitment to sustainability.

The first pillar concerns **ethical conduct and legal compliance**. It sets out the core principles by which the Group expects its suppliers to operate—with integrity, transparency, and full compliance with national and international regulations. These principles are inspired by the provisions set forth in the Group's Code of Ethics³.

The second pillar focuses on **environmental protection**. It encompasses principles such as climate change mitigation, biodiversity conservation, and the responsible use of natural resources—all of which are particularly relevant to the upstream stages of Feltrinelli's value chain, such as paper production.

Finally, the third pillar addresses **labour and human rights**, aiming to ensure full respect for human rights throughout the entire supply chain, in line with the United Nations International Bill of Human Rights and the standards of the International Labour Organization (ILO).

³ The Group's Code of Ethics is available at the following link: <https://www.gruppofeltrinelli.it/brand-equity/>

4.1. Ethical conduct and legal compliance

- a) **Compliance with laws and regulations:** suppliers must comply with all applicable laws, regulations, and legal requirements in the countries where they operate and in all interactions with Feltrinelli. They are expected to stay informed with respect to relevant legal developments and act in full compliance with them. This includes, but is not limited to, compliance with competition, data protection, and labour laws.
- b) **Business integrity:** Feltrinelli expects suppliers to conduct their business with the highest standards of integrity and transparency. This means acting honestly, fairly, and in good faith in all dealings and business relationships with Feltrinelli.
- c) **Anti-Corruption:** suppliers must not offer, promise, request, or accept any unlawful payments, bribes, favours, or other forms of corruption in their dealings with Feltrinelli or any third party. This prohibition also covers facilitation payments, undue advantages, or any behaviour that may compromise the integrity of business operations.
- d) **Anti-Money laundering:** suppliers must not engage in any transactions that could facilitate money laundering or involve assets of illicit origin. They are required to comply fully with all applicable anti-money laundering regulations and implement appropriate procedures to identify and mitigate such risks within their operations.
- e) **Information disclosure:** suppliers are expected to provide accurate financial and non-financial information to Feltrinelli, in line with the disclosure requirements applicable to the Group.
- f) **Data protection and confidentiality:** suppliers must strictly observe data protection laws and ensure the confidentiality of personal and sensitive information in relation to Feltrinelli, its employees, and its customers. This includes confidential, strategic, or proprietary business information, which must not be disclosed without Feltrinelli's explicit authorisation.
- g) **Fair competition:** suppliers must conduct their business in a way that promotes efficiency and openness to the market, upholding the principles of fair competition and complying with all relevant antitrust regulations. Any anti-competitive behaviours involving coercion, threats, or conduct that violates the law or internal codes of conduct are strictly prohibited.
- h) **Intellectual Property:** Feltrinelli places great importance on the protection of intellectual property in all its forms (copyrights, trademarks, patents, and other intangible assets). Suppliers must respect all relevant intellectual property laws and refrain from any activity involving the alteration, counterfeiting, or misuse of trademarks, distinctive signs, or patents. They are also expected to avoid the unauthorised reproduction, dissemination, use, transmission, distribution, or sale of copyrighted material.

4.2. Environmental protection

- a) **Energy consumption and greenhouse gas emissions/climate change mitigation:** suppliers shall monitor their energy consumption to identify and implement energy efficiency initiatives. They are also expected to use energy from renewable sources and to maintain up-to-date data on both direct and indirect greenhouse gas emissions, thereby contributing to the efforts to fight climate change.

- b) **Pollution:** suppliers shall take all the necessary measures to prevent risks associated to the use of chemicals and other hazardous substances, minimising environmental impact and ensuring full compliance with applicable environmental regulations.
- c) **Circular economy and use of natural resources:** suppliers shall implement measures aimed at preventing waste generation and shall carefully monitor data on the waste they produce. They are required to strictly comply with environmental regulations and to promote the responsible use of natural resources. Suppliers shall also commit to minimising and optimising packaging use, increasing the share of recycled content and recyclability. In addition, they are expected to provide clear and complete information on the composition and recycled content of packaging materials, supported by third-party certification where applicable.
- d) **Biodiversity protection:** suppliers shall monitor the risk of deforestation associated with their operations and implement preventive measures to protect biodiversity and natural ecosystems. It is essential that suppliers avoid operating in ecologically sensitive areas and take steps to minimise the environmental impact of their activities, such as reforestation and habitat conservation initiatives.
- e) **Water resource management:** suppliers shall measure and monitor their water use, ensuring that all wastewater is treated in accordance with regulatory standards before discharge. They are expected to prioritise efficient water use and ensure the availability of data on water withdrawal, discharge, and consumption.

4.3. Human and labour rights

- a) **Forced and child labour:** suppliers must not engage in or tolerate any form of child or forced labour. The minimum age for employment is 15, while hazardous work must not be undertaken by anyone under the age of 18, in line with ILO Conventions 138 and 182. No form of forced, bonded, or compulsory labour is permitted. All work must be undertaken voluntarily, without coercion—whether physical or psychological—and free from harassment or abuse.
- b) **Temporary and agency workers:** suppliers must comply with all local laws regarding the employment of temporary and agency workers, ensuring that such arrangements are not used to circumvent legal obligations towards regular employees. Clear agreements must be established with labour providers to guarantee that temporary workers are given the same rights and treatment of directly employed staff.
- c) **Non-discrimination and equal opportunities:** suppliers must ensure equal opportunity and fair treatment for all employees, avoiding any form of discrimination based on ethnicity, religion, gender, age, nationality, disability, culture, gender identity, sexual orientation, or trade union membership. They are also expected to foster an inclusive work environment, free from any form of harassment.
- d) **Freedom of expression:** suppliers must respect employees' right to freedom of expression, allowing them to express their views and beliefs without restriction. All workers must be free to raise concerns and offer suggestions without fear of retaliation.
- e) **Decent working hours:** suppliers must respect local laws governing working hours or, where such laws are absent, adhere to ILO standards, which provide for a maximum of 48 working hours per week, selecting whichever option offers greater protection to workers. Overtime must be voluntary, not exceed 12 hours per week, and be compensated at a premium rate.

- f) **Fair wages:** suppliers must provide wages sufficient to meet the basic needs of workers and their families, even in the absence of a statutory minimum. Wages must not be withheld as a disciplinary measure, and all local laws regarding remuneration must be observed. Suppliers must also contribute to all legally required social security and welfare schemes, including medical insurance, workplace injury insurance, pensions, housing, and unemployment benefits, ensuring full contributions are paid for all employees in accordance with applicable regulations.
- g) **Freedom of association:** suppliers must allow workers to freely join or refrain from joining trade unions or worker organisations, without threat or intimidation. Legal provisions for collective bargaining must be respected, and suppliers are encouraged to pursue recognised certifications such as SA 8000, OHSAS 18001, or ILO-OSH 2001.
- h) **Grievance mechanism for workers:** suppliers must provide an anonymous mechanism through which all workers, including indirectly employed staff, can report workplace concerns confidentially and without fear of retaliation (e.g. whistleblowing procedures).
- i) **Occupational health and safety:** suppliers must comply with all occupational health and safety regulations, ensuring a safe working environment for all employees. A health and safety management system must be in place, appropriate training must be provided, and all relevant laws must be followed. Risks must be mitigated proactively, and the necessary protective equipment made available.

5. Dissemination, monitoring and updates

5.1. Sharing and dissemination methods

Feltrinelli shares the Code with all suppliers, making **it part of the contracts** governing relationships with business partners. The Code is also publicly available on the Group's website at the following link: <https://www.gruppofeltrinelli.it/brand-equity/>.

To support awareness and encourage compliance, Feltrinelli organises supplier engagement activities, including dedicated workshops and training sessions.

5.2. Monitoring and response to violations

To ensure compliance with the Code, Gruppo Feltrinelli will implement an **audit plan** involving random audits and covering all suppliers. This process may include tools such as questionnaires, surveys, and one-to-one meetings. In the case of an audit, suppliers must provide all documentation requested.

Any suspected or actual breaches of the provisions of this Code may be reported through Feltrinelli's whistleblowing system, available at: <https://www.gruppofeltrinelli.it/whistle-blowing/>.

If a supplier is found to be in breach of the Code, Feltrinelli may request the implementation of **corrective actions within a set timeframe**. Should the supplier fail to adequately reply within the specified deadline, Feltrinelli shall be entitled to terminate the contract with the failing supplier.

5.3. Updates

The Suppliers' ESG Code of Conduct will be periodically revised to ensure its alignment with regulations, industry best practices and developments in the ESG space, both within the value chain and the Group itself.

