

# VENDORS' CODE OF CONDUCT FOR RESPONSIBLE PROCUREMENT

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## 1. INTRODUCTION

The Unipol Group undertakes to engage in sustainable development as defined by the United Nations 2030 Objectives (SDGs, Sustainable Development Goals)<sup>1</sup> by integrating that commitment into its business model. That integration shall be carried out by doing business with absolute integrity and foresight and cooperating with the Group's stakeholders in processes for creating shared value.

To that end, Unipol's commitment to integrate Sustainability into its procurement practices is expressed primarily through its participation in the United Nations' "Global Compact"<sup>2</sup> initiative and applying ISO 20400 - Sustainable Procurement, which collectively set forth the Group's expectations for Vendors on fundamental aspects of responsibility, including human rights, labour standards, work conditions, environmental protection, anti-corruption and business ethics.

## 2. APPLICATION

The scope of application of this document can be defined as follows:

- All goods and services purchased by the Unipol Group
- All forms of procurement including – but not limited to – purchases, leasing, contracts, tender proceedings, franchising, licences or subcontracts.

This Vendors' Code of Conduct for responsible procurement (hereinafter VCC) does not apply to agents, which are governed by specific contractual arrangements.

## 3. FUNDAMENTAL PRINCIPLES

The principles and provisions of the VCC represent the guidelines adopted by Unipol in conducting its business. The Group requires its Vendors and their collaborators, subcontractors and other parties working on their behalf to conform to the minimum rules of conduct and fundamental practices outlined in this document. Compliance with the provisions of this Code is ensured by means of adequate monitoring procedures that take into account the different risk profiles of categories of vendors and potential differences in legal and cultural contexts. In any event, Unipol expects Vendors to inform it promptly if they are unable to fully comply with the provisions of this Code for such reasons. If these principles are violated, Unipol reserves the right to exceptional termination of the agreement for just cause.

Consequently, it is agreed that, as a requirement to collaborate, business partners must also adhere to the principles of the United Nations' Global Compact, which are briefly listed below:

### HUMAN RIGHTS

#### Principle I

Businesses should promote and respect universally recognised human rights within their respective spheres of influence.

#### Principle II

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<sup>1</sup> [www.un.org/sustainabledevelopment](http://www.un.org/sustainabledevelopment).

<sup>2</sup> The ten principles of the United Nations' Global Compact in the areas of human rights, labour, environment and anti-corruption enjoy universal acceptance and derive from:

*The Universal Declaration of Human Rights* <http://www.un.org/en/universal-declaration-human-rights/index.html>

*The International Labour Organization's Declaration on Fundamental Principles and Rights at Work*

*The Rio Declaration on Environment and Development*

*The United Nations Convention Against Corruption*

For additional details, see:

<http://www.unglobalcompact.org/AboutTheGC/TheTenPrinciples/index.html>

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Businesses should make sure that they are not complicit in human rights abuses, even indirectly. Examples of aspects and actions and Unipol's expectations relating to Human Rights include, by way of illustration but not limitation:

- Comply with current laws on labour and employment.
- Respect the dignity, privacy and the employment, civil, political, economic, social and cultural rights of every individual.
- Do not force anyone to work against his or her will.
- Prohibit behaviour, gestures, expressions or physical contacts of a sexual or coercive nature or that could constitute a threat, abuse or exploitation.

### LABOUR

#### Principle III

Businesses should uphold workers' freedom of association and recognise the right to collective bargaining.

#### Principle IV

Businesses should eliminate all forms of forced and compulsory labour.

#### Principle V

Businesses should uphold the effective abolition of child labour.

#### Principle VI

Businesses should eliminate all forms of discrimination in respect of employment and occupation.

Examples of aspects and actions and Unipol's expectations relating to Labour relationships and conditions include, by way of illustration but not limitation:

- Ensure fair working conditions by rejecting all forms of direct and indirect discrimination.
- Respect employees' rights to meet in associations and bargain collectively.
- Give all workers a copy of their labour agreement, which clearly specifies the terms of employment, the voluntary nature of the work, freedom to rescind the agreement (with any procedures that may be required), and all penalties if the employment relationship is suspended.
- Not tolerate or, certainly not, use child labour in any aspect of its business.
- Not use forced labour including, without limitation, the unfree labour of prisoners or victims of slavery and trafficking in human beings, and allow all employees to freely leave employment upon reasonable notice.
- Pay a fair wage to employees in conformity with wage and salary laws and/or collective labour agreements and, if the foregoing do not exist, pay employees a salary that affords them a dignified life.
- Ensure that work hours provide for overtime and do not exceed legal limits or, if such limits do not exist, do not exceed 60 hours a week, including overtime.
- Ensure that employees have at least one full day off per week.
- Have an open and constructive dialogue with employees and union representatives.
- Provide a safe, hygienic and healthy work environment for employees and provide adequate training to workers on these topics.
- Ensure that adequate tools are available to develop all employees' expertise and capabilities.

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### ENVIRONMENT

#### Principle VII

Businesses should support a precautionary approach to environmental challenges.

#### Principle VIII

Businesses should undertake initiatives to promote greater environmental responsibility.

#### Principle IX

Businesses should encourage the development and diffusion of environmentally friendly technologies.

Examples of aspects and actions and Unipol's expectations relating to the Environment include, by way of illustration but not limitation:

- Recognise and manage the environmental impact during all aspects of manufacturing or providing services, from development to delivery and disposal.
- Offer compensation to those affected by any harm caused to the environment by their operations.
- Monitor, control and reduce, by using the best technology, the use of resources that are significant for their business, including energy, water and other resources.
- Avoid or, where unavoidable, minimise or mitigate atmospheric emissions and discharge.
- Safely treat, store, transport, use, dump or dispose of waste of all kinds.
- Prepare emergency plans to prevent, mitigate and control serious environmental damage and harm to health resulting from their operations.
- Comply with all safety laws applicable to the products and services provided and any contractual safety requirements including, by way of illustration but not limitation, generally accepted industry standards and all contractual quality requirements.

### ANTI-CORRUPTION

#### Principle X

Businesses should work against corruption in all its forms, including extortion and bribery.

Examples of aspects and actions and Unipol's expectations relating to Anti-corruption include, by way of illustration but not limitation:

- Avoid all forms of corruption, money laundering, extortion and illegal actions and, in particular, ensure that any payments, gifts or other commitments to customers (including Unipol employees), public officials and others are made with the utmost compliance with anti-corruption laws in effect.
- Comply with anti-trust laws and all other competition laws.
- Inform the Unipol Group of all potential conflicts of interest that could involve its business as a Unipol Vendor, including any financial interest that a Unipol employee could have in that business.
- Protect all confidential and privileged information provided by Unipol or any of our business partners.
- Respect the intellectual property of third parties, including Unipol.
- Ensure regular and appropriate payments are made for goods and services purchased.

## 4. ADDITIONAL TERMS AND CONTRACTUAL POLICIES

### LAWS AND REGULATIONS

The Group expects its Vendors to fully comply with all laws and regulations applicable in the country[ies] where they operate in relation to the goods and services they provide to Unipol. The Vendor is thus required to comply with all current laws and regulations, the principles set forth in the VCC and all requirements in its contracts with Unipol.

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### INTERACTION WITH OTHER PROCESSES

The purpose of this VCC is to expand the process of selecting and qualifying vendors.

Taking the risk profile of the different categories of goods into account, for Unipol Vendors to be recognised as Group counterparties, in addition to completing a specific qualification process that is managed through the Vendors' Portal computerised tool, they are required to adhere to this VCC, which is a tool for preventing and managing environmental, social and governance risks.

Alternatively, the Vendor can submit documentation proving its ability and commitment to satisfying the sustainability requirements imposed by the VCC.

The VCC and the Vendor's compliance statement shall be part of the terms and conditions of all significant procurement contracts.

### SUPPLY CHAIN

The Vendor is required to provide goods and services responsibly. In particular, it must:

- Select its main vendors that directly or indirectly provide goods or services to Unipol based on their adherence to standards that are compatible with those set out in this Code of Conduct;
- For work performed at Unipol's facilities, subcontract the work solely with Unipol's consent.

### MONITORING, INSPECTIONS AND CORRECTIVE ACTIONS

Unipol is aware that there is not just one appropriate approach for all procurement chains, and each intervention must reflect the realities of the specific chain. Consequently, Unipol commits to improving its procurement approach on an ongoing basis and improving its Vendors' performance.

To ensure and prove its compliance with the VCC, the Vendor must maintain all relevant documentation and submit it to Unipol upon request. To verify the Vendor's compliance, Unipol reserves the right to audit and inspect processes and facilities at Unipol's cost and with reasonable notice, with or without the assistance of third parties. If the results of that audit or inspection lead Unipol to believe that the Vendor is not complying with the dictates of this VCC, the Unipol Group will initially attempt to find a solution jointly with the Vendor. If no agreement is reached or if serious non-conformities are found, the Vendor shall be required to implement the necessary corrective actions required by Unipol. If the Vendor continues its non-compliance with the VCC, Unipol shall be entitled to take sanctioning measures against the Vendor, including terminating the agreement or suspending or completely terminating its status as a Vendor to the Unipol Group.

### MONITORING REQUESTS FOR INFORMATION AND REPORTS OF VIOLATION

To request clarification or to report a violation or suspected violation of this VCC by the Vendor or any of its partners or subcontractors, an e-mail can be sent to [sostenibilita@unipol.it](mailto:sostenibilita@unipol.it)

### EVOLUTION OF THE DOCUMENT

The Unipol Group promotes a wide range of activities intended to further improve the sustainability of its relationships with Vendors, including:

- Long-term partnerships with Vendors by means of specific tools and periodic projects to achieve greater integration between our respective corporate cultures and processes.
- Supporting small- and medium-sized enterprises and local Vendors. In specified circumstances, the Unipol Group also undertakes to support local and small-sized Vendors to facilitate technological updates and long-term purchasing of goods.

In that regard, so that the VCC can continue to be a significant point of reference and to ensure the adequacy and efficacy of its content and application, the VCC is subjected to periodic revision based on legal and legislative developments, best practices and input from stakeholders.

Any suggestions, opinions and comments on the VCC can be sent by e-mail to:

[sostenibilita@unipol.it](mailto:sostenibilita@unipol.it)



**Unipol Gruppo S.p.A.**  
Registered Office  
Via Stalingrado, 45  
40128 Bologna

[www.unipol.it](http://www.unipol.it)