

Code of Ethics and Conduct

Politics and Social Commitment

Costa Verde Integrated System Manual



costaverde

"A Code of Ethics and Conduct is a company's moral compass. It defines the principles that guide decisions, strengthen the organizational culture and guarantee transparency and integrity. Ethical companies not only prosper, but leave a legacy of respect and credibility."

Ethics Matters

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0. SUMMARY AND LEGAL NOTICE

Summary

This manual defines the field of application, scope and border of Costa Verde`s integrated system, it is an integral part of the Code of Ethics and Conduct in its 4th Article, the Social Commitment, and Article 5th, the Integrated System Policy, also known as CVIS.

Legal Notice

Inclusive Language

We have opted to dispense references of gender breakdown, ignoring what is considered a good practice, the use of inclusive language, given the length of the content in this document.

We believe that our concerns in this area are reflected in our values and are known to all our interested parties.

1. FIELD OF APPLICATION AND SCOPE

Field of application

Costa Verde's Integrated Management System (CVIS) is implemented in accordance with the requirements of ISO 9001 (Quality Management System), ISO 14001 (Environmental Management Systems), ISO 45001 (Occupational Health and Safety Management System), SA 8000 (Social Responsibility) and ISO 50001 (Energy Management Systems).

It applies to all of the company's processes, activities, products, services and resources (including the fleet), which may have an impact on the environment and risks for workers, customers and other interested parties. It applies to environmental and energy aspects, and safety risks that the organization can control and over which it is presumed to have influence.

Given the nature of Costa Verde and its products, requirement 8.5.1 f) of the ISO9001 standard is not applicable, since the output resulting from the production and service provision processes can be verified by subsequent monitoring and measurement.

Scope

Production of ceramic tableware and decorative items.

2. BORDER AND CONTEXT

Border

Manufacturing facilities and offices located in the Vagos Industrial Zone.

Context

Costa Verde's strategy is defined based on the analysis of the organizational context and the needs and expectations of relevant stakeholders.

The definition of a coherent strategy depends on the targeted application of tools associated with the analysis of the company and its processes, since the processes are mapped and monitored through indicators, representing the most important activities of Costa Verde.

The methodology adopted to identify these issues is the SWOT analysis which, as a result of the reflection of this broad group of the organization's different processes, reflects the vision of all areas and their interfaces with the surroundings.

For this survey, multidisciplinary work groups are brought together to participate in a workshop-style brainstorming session to define the SWOT analysis of the company and its processes. Top management is represented and all the resulting information was adjusted and validated in the document – Strategic Plan (respective year).

In addition, aware of the importance of the relevant stakeholders and their influence on Costa Verde's performance, a matrix has been defined which expresses their needs, expectations and requirements. This matrix is reviewed at least annually by management, or whenever there is a new relevant stakeholder (other than those previously identified, for example associated with a substantial change in activity, product or service).

3. STRATEGY AND COMMITMENT

Strategy

Costa Verde is promoting a strategy to establish itself as a benchmark in the global table ceramics market, as an innovative, sustainable and socially responsible company, promoting increased brand awareness in the markets, developing products in line with the statement “All Senses Matter”, investing in technological, product and organizational innovation as a way of optimizing the production process to make it more effective, efficient and sustainable, strongly aligned with the Circular Economy strategy. To this end, it should trigger open cooperation initiatives (surveillance and projects) with ENESII entities and other relevant stakeholders to capture knowledge in associated technologies and methodologies.

Declaration of Commitment from top management

Costa Verde's management, at its various organizational levels, is explicitly committed to ethical objectives and practices, integrating them into the organizational sustainability policy, respecting and enforcing it.

4. OUR VISION, MISSION AND VALUES

Costa Verde's vision is to be a benchmark in the global ceramic tableware market as an innovative, sustainable and socially accountable company.

The Mission is to design, develop and produce ceramic products in order to promote well-being, quality and beauty at the table, with innovation, professionalism and sustainability.

Defining a company's values is essential, as they are an integral part of the basis of the organisational culture, by guiding decisions, behaviour and the way the company relates to employees, customers and partners. Well-established values provide a clear strategic direction, by ensuring that all actions are aligned with the company's Mission and Vision. They also make it easier to make coherent decisions, while reducing uncertainty and promoting ethical and strategic choices. They are also essential for employee involvement, by creating a sense of belonging and purpose that strengthens the organisational culture. Organisations that put their values into practice in an authentic way gain greater reputation and trust in the market, by strengthening relationships with clients and stakeholders, while helping to maintain the company's identity, ensuring stability and resilience.

Costa Verde's Values are Commitment and Dedication, Flexibility, Fairness and Honesty, Respect for Others and the Environment, Co-operation and Team Spirit and Gratitude, which integrated into its operation generate a positive and lasting impact on society

5. INTERESTED PARTIES

Internal

Shareholders

Collaborators

Employee representatives

Interns

External

Clients

Users

Suppliers

Environment

Local community

Trade Unions

Central and Local administration (public bodies)

Partner organizations

Business associations and technology centers

Educational and research establishments

Official and regulatory bodies

Competitors

6. CODE OF ETHICS AND CONDUCT

ARTICLE 1st – OBJECTIVE

This code establishes ethical objectives. As a declaration of the company's basic values and principles, its main objective is to govern the behavior of employees and support them in decision-making and informing other interested parties, in accordance with the company's culture. In this way, it will be possible to consolidate relationships of trust with the various interested parties.

ARTICLE 2nd – FIELD/SCOPE OF APPLICATION

This code applies to the entire company, as well as people and entities that collaborate with it in an external relationship.

ARTICLE 3rd – SUBSIDIARITY

This Code of Ethics obeys the principle of subsidiarity, that is, its observance does not prevent the simultaneous application of the ethical rules of specific professional groups nor the applicable sectoral codes.

ARTICLE 4th – SOCIAL COMMITMENT

Costa Verde is aware of the importance of its social and environmental performance for its interested parties (stakeholders).

In this sense, it communicates the following social commitments, in line with its Code of Ethics and the requirements of the International Standard of Social Responsibility, SA8000:

- Does not practice child labor and repudiates it, having established procedures to remedy it.
- Does not accept or support forced labor.
- Does not tolerate discriminatory practices in admission, remuneration, promotion, access to training, dismissal or retirement based on race, social class, religion, gender, disability, sexual orientation, nationality, political affiliation, union, association, age or any other discriminatory basis.
- Treats all employees with respect and dignity.
- Provides its people with good working conditions, particularly with regard to health and safety at work.
- Strives to adopt practices that go beyond what is provided for in the legislation in terms of remuneration, working hours and professional training.
- Respects freedom of association and the right to collective bargaining.
- Promotes these principles among its stakeholders, in particular by ensuring compliance with these social commitments with suppliers and sub-suppliers, within its sphere of control or influence.

- Respects the legislation in force as well as all international regulations, namely ILO conventions and the Universal Declaration of Human Rights, and this commitment is included in the company's policy, accessible to all employees and extended to its suppliers and partners.

On the basis of these commitments, Costa Verde periodically evaluates and adopts the measures it believes necessary to continuously improve its social performance.

If any violation of the principles listed above is found, the company undertakes to remedy it, through corrective or preventive actions in conjunction with the others involved.

ARTICLE 5th – CVIS POLICY

Costa Verde is committed to the sustainable development of its industrial activity and views environmental, energy, innovation, health and safety management and social commitments as part of integrated management, committing to:

- Fostering a culture of innovation, sustainability and social responsibility as an element of business competitiveness and economic value, promoting increased brand awareness, investing in technological and organizational innovation.
- Protecting people and facilities by improving the working conditions of its employees.
- Stimulate creativity and promote the development of employees, supporting and developing their skills in the various areas of activity, namely in knowledge management, qualification and motivation.
- Maintaining ethical relations based on principles of truth and transparency with all stakeholders, encouraging communication, consultation and participation by listening to their needs, in order to promote continuous improvement from a sustainability perspective.
- Comply with legislation, standards, regulations and other applicable requirements to which the organization subscribes.
- To be a benchmark in the sector, researching and developing new methodologies and products that anticipate the current and future needs and expectations of stakeholders.

Adopt measures towards:

- Rationalization of resources (water, energy and raw materials, etc.).
- Promoting environmental protection through sustainably reducing the environmental impact of activities, by minimizing emissions (gaseous, liquid and solid).
- Use of the best available and economically viable techniques, with a view to preventing pollution, reducing environmental impacts and energy efficiency in the consumption and use of energy, and the continuous improvement of energy performance.
- Promoting energy management criteria in the design and purchase of products and services aimed at improving energy performance.
- Improving health, safety and security conditions at work.

- Commitment to healthy and safe working conditions and the prevention of accidents, injuries or damage to health.
- Focusing on eliminating hazards and reducing risks to workers' health and safety.
- Creating value for the company and its stakeholders through a planned, systematic and formally recognized innovation process.
- Implementation, execution and review of the company policy, ensuring the availability of information and all the resources needed to achieve the objectives and targets, putting the intentions mentioned here into practice and achieving continuous improvement in the system's effectiveness.
- Dissemination and internal and external communication of this policy, ensuring the use of a supply chain that shares the same values.

ARTICLE 6th – GOVERNANCE OF THE ORGANIZATION

Management functions must be carried out with dedication, zeal and integrity.

The aim of top management is to contribute to the progress, development and well-being of society through the company's activities, to the satisfaction of the parties involved.

ARTICLE 7th – CONTRIBUTION TO SOCIETY

Our conduct as an industry will always be in line with the basic objectives of management, faithfully fulfilling our responsibilities to the community.

ARTICLE 8th – JUSTICE AND HONESTY

We will always be fair and honest in all our business contracts and personal behavior. No matter how much talent and knowledge we may have, without personal integrity we can neither earn the respect of others nor improve our own respect.

ARTICLE 9th – COOPERATION AND TEAM SPIRIT

We will gather all our skills to achieve our shared results. It doesn't matter how talented we are as individuals, but without a spirit of cooperation and teamwork, we will just be an ordinary company. Therefore, employees must contribute to creating and maintaining a good working climate, cementing unity, especially through mutual collaboration and cooperation.

ARTICLE 10th – DEDICATION AND COMMITMENT

Through our company's activity with constant dedication and commitment, we improve our ability to contribute to the Sustainable Development Goals (SDG).

ARTICLE 11th – COURTESY E HUMILITY

We will always be cordial and modest, respecting the rights and needs of others, in order to strengthen healthy social relationships and improve the quality of life in our communities.

ARTICLE 12th – FLEXIBILITY

All our thinking and behavior will be continually adapted to changing conditions, taking care to act in harmony with nature in order to ensure the progress and success of our enterprise.

ARTICLE 13th – GRATITUDE

We will act with a feeling of gratitude towards everyone who works with us, confident that this attitude is a source of vitality, allowing us to overcome the obstacles we encounter together.

ARTICLE 14th – RESPECT FOR HUMAN RIGHTS

Costa Verde recognizes and respects human rights as fundamental principles of people, following the principles of international conventions, treaties and initiatives such as the United Nations Universal Declaration of Human Rights, the International Labor Organization and the Global Compact, applying these principles in its relationship with all its partners. Costa Verde will never employ child labor or agree to such practices.

ARTICLE 15th – FREEDOM OF ASSOCIATIONS AND THE RIGHT TO COLLECTIVE BARGAINING

Costa Verde respects the right of all employees to join workers' unions or other workers' organizations. In this sense, it will not interfere with the establishment or management of such organizations or with their collective bargaining.

ARTICLE 16th – RESPECT FOR LAWS AND REGULATIONS

Costa Verde and its employees undertake to scrupulously comply with and enforce the laws, regulations and collective employment contracts applicable to the sector, particularly with regard to working hours, remuneration and hygiene and safety at work, as well as report any non-conformities found.

This action goes beyond current laws with the existence of a certified Integrated Management System

ARTICLE 17th – NON-DISCRIMINATION AND EQUAL OPPORTUNITIES

Costa Verde promotes respect for equal opportunities for all its employees and potential employees.

All of its labor practices, policies and procedures are aimed at preventing discrimination and differential treatment based on race, gender, sexual orientation, creed, marital status, physical disability, political orientation or opinions of another nature, ethnic origin or social, place of birth or union membership.

ARTICLE 18th – INTERPERSONAL RELATIONSHIPS

Employees must base their reciprocal relationships on cordial, respectful and professional treatment.

Employees must present themselves in a dignified manner at their workplace and carry out their activity with zeal, a spirit of initiative and integrity, in compliance with the basic rules for the good functioning and organization of Costa Verde, transcribed in the Company's Welcome Manual.

Behavior that damages the reputation of colleagues is not acceptable, particularly through prejudiced judgments, rumors or unsubstantiated information.

ARTICLE 19th – SOCIAL RESPONSIBILITY AND SUSTAINABLE DEVELOPMENT

The company's social responsibility is understood as the business's contribution to sustainable development through proactive management of the environmental, social and economic impacts of its activities.

Costa Verde takes an active part in the communities where it carries out its activities, in order to contribute to their progress, well-being and quality of life.

For a better quality of life for its employees and the surrounding society, Costa Verde contributes to the preservation of the surrounding environment and non-regenerable resources.

ARTICLE 20th – INTEGRITY AND TRANSPARENCY

We share the principles set out in the United Nations Global Compact, which guides the development of its activity through transparent, honest and supportive practices with all stakeholders and expects the same attitude from its partners.

Costa Verde is committed towards a conduct with integrity and to maintaining adequate internal controls to prevent and detect any fraud or irregularities, especially those regarding to financial matters, corruption and bribery, conflicts of interest, use of information, assets and money laundering and terrorist financing.

We compete fairly in the market and do not condone any kind of anti-competitive activity.

We do not sell products or provide services that involve the violation of economic sanctions or export control laws or regulations applicable to them.

GENERAL CLAUSES

ARTICLE 21st – DUTY TO REPORT IRREGULARITIES

Costa Verde's employees must immediately report to human resources or any member of management any facts they become aware of in the course of their duties when they indicate an irregular practice that could jeopardize the operation or good image of the company.

Any individual can report concerns about something that is not in accordance with this code of ethics, and which could seriously affect Costa Verde, a person's life or health. You can report irregularities completely anonymously through the whistleblowing channel available on the company's website: <https://costa-verde.com/canal-de-denuncias/>

Irregularities within the scope of the SA 8000 standard can be reported directly to SAI - Social Accountability International, or to the certifying body SGS via the following emails: sa8000@sgs.com / saas@saasaccreditation.org

ARTICLE 22nd - ACCEPTANCE OF THE CODE

Employees sign a declaration of adherence to this code when they take up their duties.

ARTICLE 23rd - DISCLOSURE AND COMPLIANCE

This code is given to employees when they are hired, and is also made available on the website and posted on the notice board.

All employees recognize that violating the code breaks trust with *Porcelanas da Costa Verde* and its stakeholders, exposing them to individual disciplinary action, contract termination or even legal liability.

ARTICLE 24th - CONTINUOUS IMPROVEMENT AND REVISION OF THE CODE

This code may be revised at any time, with no set periodicity. If it is revised, it must be validated by management and all employees will be informed of the change. In terms of monitoring ethical performance in the organization, the indicators extracted from the stakeholder satisfaction assessment will be analyzed.

ARTICLE 25th - DATA PRIVACY POLICY

We respect the privacy and confidentiality of information relating to or belonging to your clients, partners, employees and others with whom you're dealing. We protect personal data and other confidential information, regardless of its form and medium. This policy can be found on the company's website: <https://costa-verde.com/politica-privacidade/>

ARTICLE 26th - INTELLECTUAL PROPERTY

We are committed towards protecting your intellectual property rights and respecting the legal intellectual property rights of third parties.

ARTICLE 27th – IT SECURITY

We are committed to protecting the information entrusted to us, as well as physical and information technology assets, by developing and implementing information security controls.

ARTICLE 28th – SOCIAL NETWORKS

We undertake to use social media platforms responsibly, and to be courteous and respectful in our online public communications.

ARTICLE 29th – ENTRY INTO FORCE AND VALIDITY

This code will come into force on January 29, 2025 and will last indefinitely, until expressly stated otherwise.