

Code of Ethics



Table of contents

Introduction.....	3
1. Mission.....	3
2. Company Policy.....	3
3. Organizational Structure.....	4
Values.....	5
1. Ethics concerning business management.....	5
2. Human Rights in the Workplace.....	5
3.Environmental Protection.....	5
4. Supply Chain Management.....	6
Code of Conduct.....	6
1. Relations with employees and collaborators.....	6
2. Customer relations.....	7
3. Relations with suppliers and commercial partners.....	8
4. Market Relations.....	8
5. Relationships with the Environment.....	9
6. Relations with Public Administration and Institutions.....	9
7. Relations with other Stakeholders.....	9
Implementation Methods.....	10
Final Provisions.....	10

Code Ethics

The drawing up of this Code of Ethics lies within the framework of the path **F.A.OR.** has taken with the goal to establish principles and initiatives aiming at asserting and communicating its company values, based on the concept of “Corporate Social Responsibility”.

Introduction

1. Mission

Claudio Gadani, Daniele Camaiani and Nicola Zotti established **F.A.OR.** at the end of the 70s, during the successful development stage of the Arezzo gold jewellery manufacturing industry into an international industrial district. During the 80s, thanks to the fast growth of the gold jewellery manufacturing sector and to its specialised staff, **F.A.OR.** succeeded in changing its craftsmanship skills into an industrial process granting product quality and uniformity, as well as reducing working times.

During the following ten years **F.A.OR.** experienced an unstoppable market expansion, from the national to the international one and during the 90s the company opened a commercial office within the industrial area of Bassano del Grappa. The challenging reality of the master goldsmiths of Vicenza has led the company to further refine its production standards and to perform significant investments into research and innovation.

The economic contraction affecting the market during the 2000s and the related drop in demand, have imposed new and difficult challenges. **F.A.OR.** has reacted by widening its product and service offer, and thanks to its bold approach and intuition, it has started facing emerging markets at a global level.

This Code of Ethics includes ethical inspiring principles and rules of conduct which the company management, employees, consultants, collaborators, suppliers, business partners and any person operating in the name or on the account of **F.A.OR.** are required to comply with, so as to grant the company correct and successful functioning, reliability and reputation, as well as to prevent possible unlawful behaviours on the part of those who operate in the name and on the account of **F.A.OR.**

The principles and provisions of the present Code include a list of general diligence, integrity and honesty obligations, which shall qualify the fulfilment of working performances and behaviour in relation with the local community and within the working environment.

The need to issue a Code of Ethics originates from the awareness that integrity, reputation and profitability mainly depend on the individual behaviour of a company’s managers, employees, collaborators, subcontractors and suppliers. The Code of Ethics aims therefore at defining the principles, values and behaviours which shall daily inspire the performance of activities.

The adoption of an exemplary behaviour from the point of view of ethics makes it possible to maintain and increase the heritage of trust, quality and reliability that **F.A.OR.** has achieved over years of activity.

In 2022 the company has started a new project to achieve the RJC member certification. The overall goal is to achieve a responsible chain of production at a world level, so as to promote trust towards the global jewellery industry. RJC certifies all those small and large companies, which prove to comply with the rules of a code of conduct as regards social and environmental responsibility.

2. Company Policy

The Company Policy is a public statement regarding the principles guiding **F.A.OR.** efforts in the fields of quality and social responsibility and which are functional to the definition of aims and targets to improve the company performances.

The Company Policy approved by the company management on 15th March 2022 is available for all stakeholders and it was established so as to guarantee that:

- it is suitable for the organisation goals
- it includes the commitment of the company to comply with all requirements provided for within reference norms and with all other requirements otherwise subscribed by the company
- it includes the commitment to comply with national and other laws in force and to comply with any implemented international legislation
- it includes the commitment for continual improvement and it provides for a structural framework to define and re-examine improvement goals
- it is accessible to all concerned parties through controlled bill-posting and dissemination process upon request
- it is re-examined to ascertain that it is still suitable

3. Organisational Structure

So as to ensure a correct implementation of the management system, **F.A.OR.** has identified the following professional profiles:

- an RIC System Manager with the following authority and tasks:
 - to make sure that a Social Responsibility System is established, applied and kept
 - to inform the whole management structure regarding the performance of the Management System and regarding the degree of satisfaction of the concerned parties so as to make it possible to re-examine it and improve it
 - to promote a culture of Quality and Social Responsibility within **F.A.OR.**, by supporting the introduction of management techniques and criteria
 - to promote within **F.A.OR.** the concept of the importance of satisfying each stakeholder's implicit and explicit requests
- A service of prevention and protection from risks that is the combination of people, systems and the company external as well as internal means aimed at the activity of preventing and protecting from professional risks within the company, that is the production unit; the members of the above mentioned unit are as follows:
 - a competent medical practitioner having a suitable qualifications
 - a Health and Safety Manager/Prevention and Protection Service Manager (HSM/PPSM) who is able to represent the management within the framework of health and safety protection of all the staff. He/ she shall have the authority and duty to implement the scheduled safety and health factors; the professional skills and requirements of the HSM/PPSM shall be suitable for the kind of risks, which are present at the workplace and which may concern working activities
 - a Workers' Health and Safety Representative (WHSR) elected and chosen by the operative staff among their members so as to represent the workers as regards health and safety aspects at the workplace

CODE OF ETHICS

- first-aid workers in charge of implementing the necessary provisions as regards first aid and emergency medical care
- fire safety officers, in charge of implementing fire prevention measures and firefighting systems, safe workers' evacuation procedures in case of serious and imminent threat, as well as rescue measures

F.A.OR. complete organization chart is available at the company headquarters.

Values

1. Ethics concerning business management

F.A.OR. bases business relationships with its stakeholders and partners on principles of loyalty, fairness, transparency, efficiency and market openness.

F.A.OR. performs its activities with commitment and professional integrity, so as to safeguard the company prestige and reputation. Our company goals, plans, investments and improvement actions, are aimed at developing the company value and know-how in the long run as well as at increasing the Stakeholders' trust towards our company.

In order to spread the company ethics, **F.A.OR.** has implemented and disseminated its anticorruption and antibribery policies, its policies regarding conflict of interests, fraud, money laundering and anti-competitive practices.

2. Human Rights in the Workplace

By implementing a Social Responsibility Model our company has endorsed a corporate culture based on a socially correct behaviour towards workers with special reference to the following principles:

- child labour
- forced or compulsory labour
- health and safety
- freedom of association and right to collective bargaining
- discrimination
- disciplinary measures
- working hours
- wage/salary

F.A.OR. has deemed it correct to comply with the above principles, not solely in order to concretely witness the duty to respect workers' human rights in any kind of process and organisation, but also to promote them together with one's own partners.

3. Environmental Protection

Our company identifies and assesses all environmental risks deriving from the performance of activities, especially significant environmental impacts as well as the opportunities to improve fulfilments and obligations concerning environmental protection.

Controls and surveys are regularly and periodically performed so as to minimise the identified environmental risks as well as significant impacts. This is with specific reference to emissions into the atmosphere, run-off water discharge into the public sewer system, management of hazardous substances, waste management and the use of natural resources.

4. Supply Chain Management

The strategic role and the high environmental and social impact of the supply chain have led **F.A.OR.** to start a control process of the supply chain going beyond the economic-business aspect. The need to promote a sustainable supply chain has arisen, implying an accurate selection of new suppliers, which is now going on by making use of continuous review and periodical monitoring processes of the same and of the already existent suppliers, in order to ensure compliance with parameters established by **F.A.OR.** in compliance with acknowledged standards.

According to this approach any intra-corporate activity is also oriented towards full respect of all legislation provisions and requirements, voluntary norms and specific customers' requirements. Processes are planned and performed in compliance with company procedures, they are constantly controlled by means of a monitoring system making use of performance indicators and improved in case a need or an opportunity for such improvements would arise, in full compliance with the principles of the Plan-Do-Check-Act cycle. All the above, in order to achieve the highest levels in customer satisfaction, by efficiently and promptly satisfying all received requests.

Code of Conduct

1. Relations with Employees and Collaborators

F.A.OR. is committed to respect the following ethical principles:

- not to make use of or favour the use of child labour
- not to make use of or favour the use of compulsory labour
- to guarantee a safe and healthy workplace for all workers and employees
- to respect the workers' right to join or to establish trade unions
- not to perform discriminations of any kind
- not to use or favour the use of corporal punishments, mental or physical coercion, verbal violence/abuse
- to operate by complying with international and national laws concerning labour and with the National Labour Collective Agreement
- to guarantee the respect of minimum wage/salary levels so as provided for by legislation in force and by the National Labour Collective Agreement

We are required to behave fairly within the framework of our reciprocal relationships and to apply an employment policy based on equal opportunities for all employees and collaborators, as well as on dialogue, and on being attentive to anybody's possible needs so as to create a pleasant working environment, an atmosphere that can encourage fair and open exchange of ideas and opinions, and that can favour the achievement of the staff wellbeing. We acknowledge the right of anyone to privacy as regards one's private life, and we give priority to the workers'/employees' care, health and safety at the workplace, as well as professional growth and personal satisfaction together with motivation.

1.1 Enhancement of individual skills

We promote creativity and professional skills. Our main goal is to make it possible for any collaborator to be able to express his/her own individual potential at best and to encourage them to make good use of their talent and skills.

This is the reason why we focus our attention on:

Training, Empowerment and Accountability

CODE OF ETHICS

We commit ourselves to offer continuous training, both within the framework of the required working performance, and as regards the empowerment of our employees concerning compliance with rules of conduct and finally as regards the correct use of the company assets.

Attentiveness and Dialogue

We commit ourselves to listen to and to have a dialogue with our employees so as to find a balance, where possible, between the company needs and the workers' personal and family needs.

For any complaint and/or problem the company employees may apply to our Workers' Representative who shall submit the above complaints in writing (as per the NLCA) to the management.

Promotion of the sense of Belonging

We commit ourselves to promote and encourage the sense of belonging among our employees, by creating a cooperative atmosphere within the company, so as to favour an exchange of professional know-how, which is essential to achieve the company mission. In order to make it possible to accomplish the company commitments, employees have to:

- be fully committed to training activities;
- responsibly manage work leave applications connected with personal or family needs, making it this way possible to establish a relationship of reciprocal trust with the company;
- behave correctly and professionally towards their colleagues, avoiding competitive and unethical behaviour.

1.2 Health and Safety Care

Our company is committed to grant healthy and safe working premises, where physical and mental integrity of each employee is protected and cared for by means of compliance with the highest levels of accident protection and prevention, and by means of a constant focus on improving safety conditions. Employees, in order to make it possible to implement the company commitments, are required to show their readiness to take part in training events as regards health and safety, and to furthermore take the utmost attention to information they receive, as well as to comply with all internal company health and safety provisions.

1.3 Equal opportunities

The company is committed to guarantee the same opportunities to each employee without any distinction based on gender, race, religion, political, personal and social opinions. To this aim we apply merit and competence criteria, without any discrimination, during any phase (selection, hiring, training, wage/salary growth).

The compliance on the part of the employees with the principles contained within the present Code of Ethics is considered as an important indicator within the framework of the application of incentive systems and systems for professional growth.

2. Customer Relations

F.A.OR. deems its customers to be its business partners, partners to deal with in order to not only fulfil their needs, but also to achieve company expectations, working in an atmosphere of transparency, compliance with the customers' requests, also from the point of view of the environment and of the reciprocal trust.

We base our relations with customers on the value of care, both when offering unique creations which can mirror the customers' taste and expectations, and when managing any possible complaint with the utmost honesty and professionalism.

2.1 Commitment and Professionalism

We are committed to put our professionalism at the customers' service, with the aim of establishing enduring relations based on mutual respect and trust.

2.2 Confidentiality

We grant the utmost confidentiality regarding the identity of our customers and the exclusive products manufactured for them. Our employees are required not to use and/or disseminate confidential information they could have come to know during their working activities, if not by previous authorisation.

3. Relations with Suppliers and Business Partners

F.A.OR. has developed a selection and qualification system, together with a monitoring and awareness-raising system regarding its suppliers, asking them to comply with the rules and commitments required by reference norms and by the system itself. The most critical sectors concerning social and environmental responsibility have been identified and well-targeted checks at some suppliers' premises are performed so as to more directly control their compliance with the above requirements.

3.1 Transparency in Selection

We choose our suppliers and our business partners basing on meritocratic criteria that is on professionalism, on financial soundness and economic aspects, by applying internal procedures aimed at granting the best traceability and transparency. In particular, we only use precious metal coming from refiners or fine metal, gold or silver suppliers registered within the LBMA Good Delivery List, who are RJC certified or who anyway comply with the principles of social responsibility we promote.

3.2 Awareness-raising and Training

We are committed to raise awareness among our suppliers and business partners on the themes of this Code of Ethics, so as to pretend the compliance with the rules of conduct in coherence with the herewith mentioned ones, most of all with reference to respect for human rights and workers' rights, children's rights as well as sustainable and responsible management of environmental and social impacts.

3.3 Fairness in Relationships

We are committed to establish fairness and transparency relationships with our suppliers and business partners and to define fair and equitable contractual conditions.

Our suppliers and business partners are bound to grant the utmost professionalism, honesty and punctuality in the fulfilment of the required performances.

4. Market relations

4.1 Fair Competition

While pursuing our mission, we are committed to comply with fair competition and business transparency rules, by facing and dealing with our competitors within the framework of fairness and cooperation.

4.2 Management of Sensitive Information

We are committed to deal with the utmost confidentiality and in compliance with reference legislation as regards sensitive or privileged information regarding the company, its customers, suppliers, business partners and competitors.

5. Relationships with the Environment

We adopt sustainable and efficient management policies in order to minimise the negative impact on environment.

During their daily working activities our employees are requested to make a sustainable use of paper, water, energy and to comply with provisions concerning differentiated waste management.

F.A.OR. is committed to comply with environmental norms concerning any aspect even as regards the respect of neighbouring areas. Anomalies, complaints or notices of complaints on the part of neighbours have never been reported.

6. Relations with Public Administrations and Institutions

We are committed to make use of the utmost integrity and transparency in our relations with Supervisory and Control Authorities as well as with the Judiciary and in general with any Public Officer, as well as with any reference Institution within our territory.

7. Relations with other stakeholders

The Non-Profit World

Our company establishes relationships of collaboration with Schools and Educational Institutions in order to promote work-related learning.

Third-party Funders

The company is willing to strengthen the trust relationship with its funders in order to maintain the esteem and trust they have always expressed towards **F.A.OR.**

Trade Unions

Our company approach towards trade unions is based on transparency, dialogue and collaboration.

Implementation Methods

Without prejudice to the attribution of the corporate bodies in compliance with the law, all addressees of this Code of Ethics are bound to:

- actively contribute to the implementation of the Code of Ethics within the field of one's own competence and functions/roles;
- know and comply with the principles and contents of the Code of Ethics in connection with their duties and assigned tasks;
- comply with all internal provisions introduced by **F.A.OR.** so as to either implement the Code of Ethics or to identify breaches of the same code;
- inform the Officer in charge of the RJC system as regards possible violations/breaches of the Code of Ethics.

Subjects holding management or responsibility positions have to represent a model and to supply guidance in compliance with the principles contained within the Code of Ethics towards the employees they supervise and to make sure that they are aware that the company activities have to be always performed in compliance with the principles of the Code of Ethics.

Final provisions

Our policy concerning the Responsible Jewellery Council (R.J.C.) and all its provisions, is yearly revised. Corresponding information is registered into the present Code of Ethics.

The present Code of Ethics is approved by the Management of **F.A.OR.**, any Code change and/or update shall have to be submitted to the approval of the Board of Directors

Date: 15th.03.2022

THE MANAGEMENT
F.A.OR. Spa * 1407 AR
Via del Gervadello, 60 - 02100 AREZZO - ITALY
Tel. ++39 0575 381248 r.a. - Fax ++39 0575 381458
C.S. € 1.100.000 i.v.
CCIAA AR 185534 - Iben. Trib. AR N. Soc. 15598
EXPR 14042 - P.IVA e C.F. IT01436890510

