

SUSTAINABLE PROCUREMENT POLICY OF PALLADIO GROUP

Palladio Group, a leading company in the production of packaging materials for the packaging of pharmaceutical and cosmetic products, has long since integrated the themes of sustainability into its strategies and business choices at all levels.

Within this process, the company has developed a responsible approach to the purchasing **process inspired by the requirements of the ISO 20400: 2017 "Sustainable Procurement Guidance"** and in line with:

- the main risks and the most significant opportunities, including the issues of forest and biodiversity protection, climate change, legislative *compliance* as well as respect for human rights and workers' rights;
- the company's sustainability strategy and the most significant social and environmental *Governance* issues that emerged from the materiality analysis;
- the expectations of stakeholders;
- the dynamics of the reference markets.

The sustainable procurement practices of Palladio Group is based not only on considerations regarding the sustainability performance of suppliers but also on the environmental performance of the products purchased. It is a **risk-based approach structured on several levels:**

1. Mapping, identification and analysis of the main risks;
2. Definition of the sustainable purchasing strategy;
3. Evaluation and selection of suppliers and products according to their compliance with legislation on environmental protection and labor law, as well as their sustainability performance;
4. Monitoring the performance of suppliers and products for the entire duration of the contract and involvement of the same with a view to continuous improvement of sustainability practices;
5. Promotion of a growing awareness among supply chain partners about the importance of Sustainability, encouraging them to adopt responsible practices;
6. Reporting on the results of the sustainable purchasing process.

The implementation of this process is part of a sustainable purchasing logic that induces Palladio Group to **favour solutions with a lower environmental impact considering the entire life cycle** of the products and services

purchased, as well as to **favour procurement from local suppliers and markets.**

This Policy integrates with the other sustainability policies of the Palladio Group, in particular, with the Forest Sustainability Policy, which manifests the company commitment to favour the purchase of raw materials from certified supply chains and from responsibly managed forests, as well as the Human Rights Policy, which expresses the Group's intention to promote and protect human rights recognized by the principles of the United Nations Global Compact and by the main instruments on an international scale along its entire production chain.

Chief Executive Officer

Dr. Mauro Marchi

