

# THIRD-PARTY CODE OF CONDUCT

## CARMELO FIOR COMPANIES



### MESSAGE FROM THE PRESIDENT

*"The mission of the Carmelo Fior Companies is grounded in an unwavering commitment to ethics, integrity, and respect for human rights, as well as in the continuous advancement of our professional practices.*

*We take great pride in working for The Carmelo Fior Companies—and being part of—one of the companies' most valuable assets : human capital."*



### MISSION

Our mission is to manufacture and provide high-quality, technologically advanced ceramic flooring and coverings that inspire exceptional living spaces — combining innovation, quality, comfort and style — while promoting sustainability and generate a positive impact on the communities we serve.



### VISION

By living our values, fostering innovation, improving operational excellence, and cultivating a work environment that nurtures employee well-being, we will build sustainable business growth for Carmelo Fior Companies and all stakeholders.



### VALUES

This Code of Ethics and Conduct is one of the main management instruments of the Corporate Social Responsibility strategy of the Carmelo Fior Companies and serves as the foundation for the development and reinforcement of our corporate values, as outlined below.

- **Integrity:** We have built a business model grounded in ethics, the upright conduct of our professionals, and solid, long-lasting relationships with our clients and suppliers.
- **Commitment to the client:** We are committed to building relationships based on trust, attentive listening, and the pursuit of solutions built in collaboration with our clients, considering their specific needs. We focus on agility, effectiveness, and excellence at every stage of the relationship, aiming to generate value and strengthen lasting partnerships.
- **Sustainable Development:** We act responsibly in the development of people, the integrity of relationships, the balanced management of financial resources, and the preservation of the environment. Sustainability is present in our actions and decisions.
- **Innovation:** We encourage constant innovation in our products, processes, and services, with the aim of improving the quality, efficiency and sustainability of the solutions we create for our customers.



## 1. TARGET AUDIENCE

This Code of Conduct applies in full to all Suppliers, Service Providers, Third Parties, and their respective subcontractors of the Carmelo Fior Companies.



## 2. INTRODUCTION

The Carmelo Fior Companies are committed to excellence in all aspects of their business, upholding:

- Respect for the rights of all individuals;
- Responsible product supply;
- Ethical conduct in all operations.

The Carmelo Fior Companies expect these same commitments to be shared by the Suppliers, Service Providers, and other Third Parties with whom they conduct business. Adherence to this Code is a mandatory condition for establishing business relationships with the Carmelo Fior Companies. By supplying products, goods, materials, or services, signing contracts, or issuing invoices, Third Parties confirm their full compliance with this Code. In addition to applying these standards in their own operations, the Carmelo Fior Companies expect Third Parties to implement similar procedures to ensure compliance across their own supply chains.

In the event of noncompliance by a Third Party with the provisions of this Code or with any other policies, procedures, or regulations of the Carmelo Fior Companies referenced herein or in agreements between the parties, the Carmelo Fior Companies reserve the right to terminate the business relationship with the Third Party at any time. This may occur without prejudice to any legal consequences arising from the violation of applicable laws.

Any violation of this Code must be promptly reported to the Carmelo Fior Companies to ensure the maintenance of the high ethical and compliance standards established in our business practices.



### **3. RESPECT FOR THE RIGHTS OF ALL INDIVIDUALS**

The Carmelo Fior Companies value and uphold human rights across all production and sales locations. They are committed to fostering a safe, healthy, and inclusive work environment, encouraging diversity of ideas, experiences, and backgrounds—elements that are essential to the business and to supporting local communities.

We provide equal employment opportunities, with a strong commitment to protecting the rights of minority groups. This commitment to diversity and equality goes beyond local legal requirements, driven by the ethical principle of ensuring access to opportunities and promoting inclusion through training.

We firmly oppose child labor, human trafficking, forced labor, underpayment, and any practices resembling modern slavery. All employment relationships must be voluntary, transparently established, and fully compliant with applicable labor laws. In alignment with this commitment, all Third Parties and their respective Suppliers are expected to adopt and uphold the same standards of responsibility.



### **4. BRIBERY AND CORRUPTION**

The Carmelo Fior Companies condemn any form of bribery and corruption—whether public or private—committed by our employees or by Third Parties in the conduct of our business.

We require strict compliance with all applicable local and international laws, regulations, and standards related to anti-corruption in the jurisdictions where we operate.

It is strictly prohibited for any third party acting on behalf of the Carmelo Fior Companies to engage in corrupt practices, including offering, promising, providing, or authorizing—directly or indirectly—any person to give money or anything of value to a public official or to any individual or private legal entity with the intention of obtaining or maintaining an undue advantage.

In case of doubts regarding the appropriate conduct to adopt, employees should seek guidance from their immediate supervisors, the Carmelo Fior Ethics and Compliance Reporting Channel, or the Compliance Department.



## 5. PROHIBITION OF CHILD LABOR

The Carmelo Fior Companies extends its policy of prohibiting child labor and employment of individuals under 14 years of age to all its suppliers, service providers, third parties, and their respective subcontractors, requiring strict adherence to legal standards and full respect for the rights of children and adolescents.

The Carmelo Fior Companies firmly reject products, goods, services, or materials derived from any form of child labor, reaffirming their unequivocal commitment to the principles enshrined in the United Nations Convention on the Rights of the Child (1989).

Beyond this prohibition, in cases involving the employment of young workers who do not strictly fall within the definition of “child,” Third Parties are expected to fully comply with all applicable laws and regulations governing this category of workers.

This responsibility extends not only to regulatory compliance but also to an active commitment to the well-being and proper development of these young individuals, reflecting the ethical and responsible values upheld by the Carmelo Fior Companies.



## 6. FORCED LABOR

Carmelo Fior Companies extends its policy of prohibiting any type of forced or involuntary labor, including prison labor and forced labor, to all its suppliers, service providers, third parties, and their respective subcontractors. Third parties are responsible for complying with all applicable laws and regulations prohibiting forced labor throughout the supply chain.

The Carmelo Fior Companies do not use intermediaries to fill low-wage or unskilled positions and expect their Third Parties and Suppliers to uphold the same level of responsibility. Furthermore, it is essential that these Third Parties collaborate diligently and respond promptly to requests for information that demonstrate full compliance with product traceability—from raw materials to the final product—including the provision of supporting documentation to facilitate supply chain mapping activities.



## 7. PROHIBITION OF MORAL AND SEXUAL HARASSMENT

Third Parties shall treat all employees with dignity and respect, strictly prohibiting any form of physical violence, as well as the use of threats or verbal or physical intimidation, including insults, moral or sexual harassment, or any other form of psychological coercion. Third Parties must respond effectively and immediately to any incident or threat of violence of any kind.



## 8. PROHIBITION OF DISCRIMINATORY PRACTICES

Third Parties are required to comply with all applicable laws and regulations that promote fair employment practices and prohibit discrimination in the workplace.

In addition, Third Parties are prohibited from engaging in discriminatory practices in hiring and employment decisions, including but not limited to wages, benefits, promotions, terminations, retirement, demotions, or any other form of discriminatory treatment related to position, advancement, compensation, benefits, or terms and conditions of employment based on race, color, religion, age, social or ethnic origin, sexual orientation, gender, gender identity, disability, or any other characteristic protected by law or in the exercise of any rights granted under applicable legislation.



## 9. HEALTH AND SAFETY PROTECTION

The Carmelo Fior Companies expect their Third Parties to be committed to the continuous improvement of operations and the prevention of accidents, with a focus on the health and safety of their employees and Third Parties. Accordingly, Third Parties must provide employees with a safe and healthy work environment, in full compliance with all applicable laws and regulations.

Third Parties are responsible for providing Personal Protective Equipment (PPE) and Collective Protective Equipment (CPE) necessary to ensure employee safety, and for training their personnel on the proper use of such work equipment.

It is the responsibility of Third Parties to monitor their employees to ensure the correct and consistent use of protective equipment, always prioritizing the safety and physical integrity of all personnel.



## **10. COMMITMENT TO SUSTAINABLE ENVIRONMENTAL PRACTICES**

The Carmelo Fior Companies are committed to environmental protection by promoting energy efficiency and the responsible use of water resources. This commitment is not viewed as an isolated initiative, but as a shared responsibility for sustainable environmental stewardship.

Accordingly, the Carmelo Fior Companies expect their Third Parties not only to adopt the same sustainability standards, but also to value transparency and take proactive measures in the event of non-compliance.

As part of this commitment, Third Parties are expected to fully comply with all applicable environmental laws and regulations, and to align their practices with the environmental initiatives promoted by the Carmelo Fior Companies.

In the ongoing effort to promote environmental responsibility, Third Parties shall not use or include, whenever possible, harmful or hazardous substances in the materials supplied to the Carmelo Fior Companies.

If the use of such substances is unavoidable, it must be expressly and transparently communicated.



## **11. GIFTS AND ENTERTAINMENT**

Employees of the Carmelo Fior Companies are strictly prohibited from requesting gifts, giveaways, trips, or entertainment from Third Parties. Likewise, Third Parties may not offer gifts, giveaways, trips, or entertainment in response to any such requests made by employees of the Carmelo Fior Companies.

An exception is made for low-value gifts and promotional items not exceeding USD 20.00 (twenty United States dollars), provided they are offered lawfully, infrequently, spontaneously, and transparently, and are appropriate to the circumstances—granted solely as a gesture of appreciation or goodwill.

The practice of offering money or monetary equivalents, such as gift cards, to employees of the Carmelo Fior Companies is strictly prohibited under any circumstances. Furthermore, no gift or entertainment may be offered to a Carmelo Fior employee with the intent to influence, or that could reasonably be perceived as influencing the employee's or the Company's business decisions.

These guidelines aim to ensure integrity in business relationships and to prevent practices that could compromise the impartiality and objectivity of Carmelo Fior employees in their decision-making.



## **12. CONFLICT OF INTEREST**

Third Parties must avoid engaging in business activities that may conflict with or interfere in the provision of products or services to the Carmelo Fior Companies, or that may create the appearance of a conflict of interest.

A conflict of interest arises when an individual acts for personal benefit or for the benefit of third parties, to the detriment of the interests of the Carmelo Fior Companies, influencing decisions and actions, and compromising impartiality and objectivity.



## **13. LAWS AND REGULATIONS**

Third Parties must comply with all applicable laws and regulations, including antitrust laws and those addressing unfair trade practices, as well as laws related to the manufacturing, pricing, sale, and distribution of goods and the provision of services.

All references to applicable laws and regulations in this Code include municipal, state, and federal legislation, the Federal Constitution, any applicable rules, as well as international treaties, sanctions, and industry standards.



## **14. CARMELO FIOR COMPANIES POLICIES**

All Third Parties contracted by the Carmelo Fior Companies must agree to comply with this Code of Conduct and all Compliance policies established by the Company. Failure to adhere to these ethical and compliance guidelines may result in the immediate termination of the contract.

All referenced policies are available on the official website of the Carmelo Fior Companies.

Third Parties are responsible for understanding and strictly complying with these policies, which are a prerequisite for maintaining any contractual relationship with the Carmelo Fior Companies.



## 15. MONITORING AND COMPLIANCE

Third Parties are expected to cooperate in a prompt, transparent, and constructive manner with any requests for information or documentation related to compliance with this Code and other applicable compliance policies established by the Carmelo Fior Companies.

In addition, to ensure a transparent and effective partnership, Third Parties expressly authorize the Carmelo Fior Companies and their designated representatives, including external auditors or third-party agents, to carry out audit and monitoring procedures aimed at verifying compliance with this Code and related compliance policies. Such procedures may include, but are not limited to, requests for records, on-site inspections of production facilities, and assessments concerning labor practices, environmental compliance, and sustainability performance.



## 16. DATA PROTECTION AND INFORMATION SECURITY

The Carmelo Fior Companies has a Privacy Policy that complies with the General Data Protection Law (GDPL), ensuring the proper protection of personal data relating to its employees and third parties. Such information must be handled with the utmost care, kept confidential, and not disclosed or shared without proper authorization, in full compliance with applicable privacy and data protection laws.

Furthermore, third parties are required to treat the confidential information of Carmelo Fior with the same level of care, in accordance with information security principles. This includes maintaining confidentiality, preventing unauthorized disclosure, and strictly prohibiting the taking of photos or videos of Carmelo Fior's manufacturing facilities, as well as the disclosure of any data without express authorization.

These measures reinforce the obligation to preserve confidentiality in all circumstances.



## 17. DONATIONS AND SPONSORSHIPS

In the context of donations and sponsorships carried out on behalf of Carmelo Fior, it is imperative that all such actions receive prior approval from both the Management and Compliance Department. Carmelo Fior expressly prohibits any political contributions to parties or candidates. This measure reinforces the company's commitment to integrity and responsibility in all social support initiatives. It is also essential that third parties uphold and reflect these same principles in the execution of their activities.



## **18. ALCOHOL, ILLEGAL DRUGS, AND WEAPONS POSSESSION**

The use of alcoholic beverages, illegal drugs, or the possession of weapons is strictly prohibited in the workplace and on the premises of the Carmelo Fior Companies.

The Carmelo Fior Companies are committed to maintaining a safe, healthy, and productive work environment, and expect all Third Parties to share this commitment by refraining not only from consumption but also from performing work under the influence of drugs or alcohol.



## **19. CORPORATE IMAGE IN MASS AND SOCIAL MEDIA**

Third Parties associated with the Carmelo Fior Companies are expected to adhere to the ethical principle that regards corporate image as a valuable company intangible asset. As such, rumors or statements that could damage the company's reputation must be avoided, and conduct must consistently reflect and uphold the company's positive public image when addressing matters related to the Carmelo Fior Companies.

The use of the Carmelo Fior Companies' image is permitted only with prior approval from the Marketing Department, ensuring consistency and coherence in the company's representation



## **20. ASSETS AND INTELLECTUAL PROPERTY**

Third Parties associated with the Carmelo Fior Companies are responsible for the diligent care and protection of the company's assets and intellectual property.



## **21. COMMUNICATION AND REPORTING CHANNELS**

To address any questions related to this policy, or to other interactions with public or private sector agents not expressly covered herein, please contact the Compliance Department of the Carmelo Fior Companies. You may also request guidance from your immediate supervisors or use the Carmelo Fior Companies' Ethics and Reporting Channel to help prevent potential non-compliance.

If you become aware of conduct that appears improper—or even if you only suspect that something may be wrong—you should refer to the Code of Ethical Conduct and other applicable policies of the Carmelo Fior Companies.

The channels available for reporting, submitting concerns, and providing information are as follows, with full assurance of confidentiality:

- Direct contact with the immediate supervisor
- Organizational Development Department
- Human Resources Department
- Ethics & Compliance Reporting Channel

The Carmelo Fior Companies will ensure the confidentiality and secrecy of reports and the identity of reporting parties.

Clients and the general public may also submit reports through the Ethics & Compliance Reporting Channel, with full confidentiality of all information ensured.

Decisions issued by the Carmelo Fior Companies in connection with violations of this Code may be subject to a written request for reconsideration, submitted by the interested party to the Organizational Development Department. The request will be evaluated in coordination with the Board of Directors, which shall issue a final decision on the matter.

**Employees, visitors, and service providers : if you experience or witness any instance of racism, moral harassment, or sexual harassment within our company, please report it immediately through the Ethics and Compliance Reporting Channel.**

**The Carmelo Fior Companies do not tolerate any form of retaliation against individuals who, in good faith, report or raise concerns about potential violations of internal policies, principles, or values.**

Visit our website: [www.carmelofior.com.br](http://www.carmelofior.com.br)

Ethics and Compliance Reporting Channel: <https://www.carmelofior.com.br/ouvidoria>