

# Manual Costa Verde Integrated System

Code of Ethics  
(Policy and Social Commitment)



## SCOPE OF APPLICATION

The Costa Verde Integrated Management System (CVIS) is implemented in accordance with the requirements of ISO 9001 (Quality Management Systems), ISO 14001 (Environmental Management Systems), NP 4397 / OHSAS 18001 (Health and Safety), SA 8000 (Social Responsibility), ISO 50001 (Energy Management System) and NP 4457 (Research, Development and Innovation). It applies to all company processes, as well as to all company activities, products, services and media (including fleet), which may have an impact on the environment and risks to employees, customers and other stakeholders. It applies to environmental, energy and safety risks that the organization can control and over which it is assumed to have influence.

Due to the nature of Porcelanas Costa Verde SA and its products, requirement 8.5.1 (f) of the ISO 9001: 2015 standard is not applicable, since the output resulting from the processes of production and supply of service can be verified by subsequent monitoring and measurement.

## SCOPE

Scope CVIS: Production of porcelain tableware and decoration.

IDI Scope: Design, Research, Development and Innovation associated with the production of porcelain tableware and decoration.

## BORDER

Factory facilities and offices located in the industrial zone of Vagos

## SCOPE

Scope CVIS: Table ware and gift porcelain products production.

Scope IDI: Design, Research, Development and Innovation associated with the Table ware and gift porcelain products production

## FRONTIER

Factory facilities and offices located in the ZI Vagos

## CODE OF ETHICS

Disclaimer regarding inclusive language

*We have decided to forego the references pertaining to gender breakdown, thus ignoring something that is commonly considered good practice, that is to say the use of inclusive language, given the extension of the content of this document. We understand that our concerns regarding this matter are reflected in our values, and are widely known by all our interested parties.*

COMMITMENT STATEMENT FROM THE SENIOR  
MANAGEMENT

The Senior Management of Porcelanas Costa Verde, at its various organizational levels, hereby explicitly assumes its commitment towards ethical goals and practices; this commitment is integrated into the Sustainability Policy of the organization, thus both respecting and enforcing it..

## MISSION

To be innovative, proactive and flexible in what concerns the creation and production of products and services which exceed expectations, always aiming to meet the needs of our clients and shareholders in regards to the internal and external parts of the organization.

## VISION

To be market leaders in the Hotel industry and, simultaneously, a reference as a socially responsible and innovative Company.

## VALUE

1. Commitment and Dedication
2. Flexibility
3. Justice and Honesty
4. Respect for Others and the Environment
5. Cooperation and Team Spirit

6. Gratitude

STAKEHOLDERS



POURPOSE - ARTICLE 1º

This code establishes goals of an ethical nature. As a declaration of Company values and basic principles, its main purpose is to guide and direct the behavior of our collaborators and support them in their decision making process as well as providing information to other interested parties, according to the Company's culture. It shall be thus possible to consolidate relationships of trust with the various interested parties.

SCOPE- ARTICLE 2º

This code shall apply to the entire Company as well as to people and entities that collaborate with the Company by means of an external bond..

SUBSIDIARUTY - ARTICLE 3º

This Code of Ethics complies with the principle of subsidiarity, that is to say, their compliances do not prevent the simultaneous application of the deontological rules of specific professional groups nor of the applicable sectorial codes.

**SOCIAL COMMITMENT- ARTICLE 4º**

- It does not practice and rejects child labour, having established procedures for its resolution
- It does not admit nor support forced labour
- It does not tolerate discriminating practices in hiring, remuneration, access to training, promotion, termination or retirement based on race, national or territorial or social origin, caste, birth, religion, disability, gender, sexual orientation, family responsibilities, marital, union membership, political opinions, age or any other condition that could give rise to discrimination.
- Treats all its collaborators with respect and dignity
- Provides good working conditions for its collaborators, namely in regards to occupational safety and health
- Seeks to implement practices beyond what is established in the legislation with regards to wages, working schedule and Professional Training
- Respects the freedom of association and right to collective bargaining
- Promotes these same principles to its stakeholders, namely by insuring the performance of these social commitments with its suppliers and subsuppliers, within its sphere of control or influence
- Complies with the legislation in effect as well as with all international regulations, namely the ILO conventions and Universal Declaration of Human Rights, and this commitment is present in the company policies, accessible to all the collaborators and extensive to all its suppliers and partners

Based on these commitments, Porcelanas da Costa Verde periodically assesses and adopts measures which it deems necessary to continuously improve its social performance. Should any violation of the aforementioned principles be detected, the company hereby undertakes to solve any such situations, through corrective and preventive actions together with the remaining parties.

**POLICY CVIS- ARTICLE 5º**

The Company Porcelanas da Costa Verde is dedicated to a sustainable development of its industrial activity, taking into account environment and

energy management as part of its global management procedures, hereby committing to:

- To implement solutions economically, ecologically and socially sustainable and inclusive, with design design, functionality, materials and interfaces improvement.
  - Protect people and facilities by improving the work conditions of its employees;
  - Stimulate and develop the skills of their employees in the various fields of performance, namely by namely in knowledge management, qualification and motivation.
  - Maintain ethical relationships ruled by principles of truth and transparency between all the interested parties, encouraging and fostering communication and participation, and ascertaining the needs of the said parties, in order to promote continuous improvement in a sustainability framework;
  - Comply with legislation, standards, regulations and other applicable requisites which the organization subscribes.
- To be a reference in the sector, researching and developing new methodologies and products in order to anticipate the current and future needs and expectations of stakeholders.

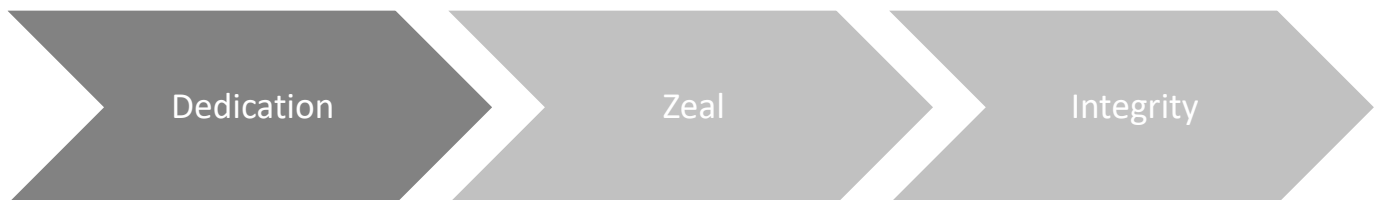
Adopting measures aiming towards:

- Water, energy and raw materials rationing;
- A continuous reduction of the environmental impact of its activities, minimizing emissions (gaseous, liquid and solid);
- The implementation of the best available and economically viable techniques, taking into account the prevention and reduction of its environmental impact, as well as energy efficiency, use and consumption;
- Promotion of energy management criteria, in the concession and acquisition of products and services, oriented to the energy performance;

- A reasonable improvement of working conditions regarding hygiene, health, safety and protection;
- The encouragement and fostering of lesion, injury or damage prevention;
- Create value for the company and stakeholders through a planned, systematic and formally recognized innovation process.
- Implement, execute and review the company’s policy by consistently setting requirements, objectives and targets, putting into practice the purposes mentioned in this document, thus obtaining a continuous improvement of the system’s performance;
- Disseminate and communicate this policy internally and externally, ensuring the use of a supply chain that shares the same values.

GOVERNANCE - ARTICLE 6º

The exercise of management functions should be developed and performed with:



The purpose of Senior Management is, through the Company's activity, the satisfaction of the parties involved, as well as contributing towards the:



**CONTRIBUTION TO SOCIETY - ARTICLE 7º**

Our own conduct shall always be in accordance with the basic goals established by Management, faithfully complying with our responsibilities as an industrial Company towards the community within which we operate.

**.JUSTICE AND HONESTY - ARTICLE 8º**

We shall always be just and honest in all our business contracts and personal behavior. It does not matter how much talent and knowledge we possess if we do not have Personal Integrity, as without it we shall not be able to earn the respect of others nor improve our own self-respect.

**COOPERATION AND TEAM SPIRIT- ARTICLE 9º**

We shall gather all our capabilities and skills in order to reach our shared and common goals. It does not matter how talented we are as individuals, as without Cooperation and Team Spirit we shall only be an ordinary Company. Therefore, the collaborators should contribute to the creation and maintenance of a good work environment, strengthening the unit, namely through mutual collaboration and cooperation.

**DETERMINED EFFORT TOWARDS IMPROVEMENT  
IMPROVEMENT - ARTICLE 10º**

We shall constantly strive to improve our capability to contribute to society through the activity of our Company. Only through determined effort are we capable of fulfilling the basic goal of management: achieving prosperity in an environment of peace.

**COURTESY AND HUMILITY - ARTICLE 11º**

We shall 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.

**FLEXIBILITY - ARTICLE 12º**

All our reasoning and behavior shall continuously be adapted to the constantly changing conditions, exercising due care to act in harmony with nature in order to insure the progress and success of our venture..



**GRATITUDE - ARTICLE 13<sup>o</sup>**

We shall act with a sense of gratitude towards all those who work and collaborate with us, confident that this attitude is a source of vitality, allowing us to overcome together all the obstacles that might surface along our path.

**RESPECT FOR HUMAN RIGHTS - ARTICLE 14<sup>o</sup>**

Costa Verde acknowledges and respects human rights as fundamental principles in people's lives following the guidelines outlined in the Conventions, Treaties and international initiatives such as the United Nations Universal Declaration on Human Rights, the International Labor Organization and the Global Pact, applying these principles to its relationship with all stakeholders. Costa Verde shall never hire child labor nor tolerate such practices.

**FREEDOM OF ASSOCIATION AND THE RIGHT TO COLLECTIVE  
BARGAINING - ARTICLE 15<sup>o</sup>**

Costa Verde respects the right of freedom of association of all its employees in Trade Unions or any other professional organizations. To this end, it shall not interfere with the establishment or management of such organizations or with its collective bargaining processes.

**RESPECT FOR THE LEGISLATION AND REGULATION PELAS  
LEIS E REGULAMENTOS - ARTICLE 16<sup>o</sup>**

Costa Verde and its employees commit to scrupulously uphold and enforce laws, regulations and collective agreements applicable to the sector, particularly with regard to working hours, pay and health and safety at work and report any non-compliances.

This performance goes beyond the existing laws due to an implemented System of Management..

**NON DISCRIMINATION AND DISCRIMINATION AND EQUAL  
OPPORTUNITIES - ARTICLE 17<sup>o</sup>**

Costa Verde promotes respect for equal opportunities among all its collaborators. Its labor practices, policies and procedures are geared towards preventing discrimination and differentiated treatment owing to issues of race, gender, sexual orientation, religion, marital status, physical handicap, political orientation

or opinions of another nature, ethnic or social origin, citizenship or union association.

#### INTERPERSONAL RELATIONSHIPS/RELAÇÕES - ARTICLE 18º

The reciprocal relationships of our collaborators should be conducted according to a cordial, respectful and professional behavior.

Our collaborators should present themselves to work dressed accordingly and in a dignified manner and develop their activity with zeal, spirit of initiative and integrity in compliance with the terms outlined in the basic rules for the Good operation of Costa Verde's organization, as transcribed in the Company's Welcome Manual.

We shall not tolerate any behaviors that harm the reputation of work colleagues, namely by means of prejudiced judgments, hearsay and rumors or unfounded information.

#### SOCIAL RESPONSABILITY AND SUSTAINABLE DEVELOPMENT - ARTICLE 19º

The social responsibility of the Company is perceived as a contribution made by the business to the sustainable development by means of a proactive management of the environmental, social and economic impacts of its respective activities.

Costa Verde has an active participation in the communities where it develops its activities in order to contribute towards its progress, well-being and quality of life..

For a better quality of life of its collaborators and the encircling society, Costa Verde contributes towards the preservation of the surrounding environment and non renewable resources.

#### INTEGRITY AND TRANSPARENCY - ARTICLE 20º

We share the United Nations Global Pact principles that guide the development of its activity through transparent practices, integrity and solidarity with all stakeholders and expect the same attitude from our partners.

Costa Verde is committed to an upright conduct and to maintain adequate internal controls in order to prevent and detect any frauds or irregularities, particularly with

regard to financial matters, corruption and bribery, conflict of interests and use of information and heritage.

#### CLAÚSULAS GERAIS

##### DUTY OF COMMUNICATION OF IRREGULARITIES - ARTICLE 21º

The collaborators of the Porcelanas da Costa Verde Company should immediately inform the Personnel Department or any other member of Management, of any facts which they might know or become aware of during the exercise of their functions when said facts indicate a possible irregular practice susceptible to jeopardize the operation or the good image of the Company.

All irregularities under the SA 8000 standard can be sent directly to the SAI (Social Accountability International) or to the SGS through the following email addresses:

info@sa-intl.org

sa8000@sgs.com

##### ACCEPTANCE OF THE CODE - ARTICLE 22º

The collaborators subscribe, at the start of their functions, a declaration of accession to the terms of this code.

##### DISCLOSURE AND COMPLIANCE - ARTICLE 23º

This code is given to the collaborators when they are hired. The code is also available in the Company's Web site and is posted on the bulletin board.

All the collaborators acknowledge that the violation of any terms outlined in the Code is effectively a breach of trust with Porcelanas da Costa Verde and with its interested parties, thus exposing them to individual disciplinary actions, termination of contract or even legal responsibilities.

**CONTINUOS IMPROVEMENT AND CODE REVISION - ARTICLE  
24º**

This code can be revised at any time, without a fixed calendar date. If this code is revised, it must be validated by management and all the Company's collaborators shall be informed of said changes. With regards to the monitoring of the ethical performance within the organization, we shall analyze the indicators compiled based on the satisfaction assessment performed on the interested parties.

**EFFECTIVE DATE AND VALIDITY - ARTICLE 25º**

This Code shall become effective on January 18<sup>st</sup>, 2017 and shall remain valid for an indefinite period of time until otherwise expressed.