



KIKO  
MILANO

CODE OF CONDUCT  
FOR BUSINESS  
PARTNERS



## Introduction

KIKO S.p.A. was founded in 1997 and since then has revolutionized the world of beauty internationally. KIKO identifies the major beauty trends of the moment and makes them accessible to all. By combining the quality and creativity rooted in its Italian DNA, KIKO has won over the most discerning of beauty addicts with an infinite range of tones, shades and textures that meet every make-up need. KIKO is present in all major channels, directly and through its local subsidiaries (KIKO and its subsidiaries are hereinafter referred to as the "Group") and business partners.

The Group promotes the values of **transparency and integrity**, together with **social and environmental responsibility**, through "**KIKO Care**", a programme that establishes a long-term commitment to implementing lasting changes in terms of action, evaluation, identification and sustainable processing in all business areas.

KIKO has **great respect and consideration for its business partners** (hereinafter, "Business Partners" or "Partners"), which include, by way of example, suppliers of products and services, franchisees or other distributors, licensees, lessors and many others.

Partners are an integral part of the KIKO value chain, constituting a strategic lever for the success of the business. For this reason KIKO, by fostering ongoing cooperation along the entire supply chain, believes that responsibility, fairness and integrity not only form the basis for the establishment and maintenance of solid partnerships, but also optimize the potential for continuous mutual improvement.

To this end, KIKO has decided to adopt the **Code of Conduct for Business Partners** (hereinafter the "Code") setting out the ethical principles and rules of conduct that, in addition to contractual provisions and legal, regulatory and procedural requirements, must govern the commercial relations between KIKO and its Partners.

It is vital to ensure that Business Partners share and adopt certain common **rules, practices and principles regarding labour standards and social responsibility, environmental protection, ethics and corporate integrity**. It is also essential that suppliers ensure, in turn, that the entire production chain entrusted to external suppliers (KIKO subcontractors), follow the principles set out in the Code.

KIKO works now and in future exclusively with Business Partners that operate in accordance with the values outlined in this document and the principles established in international labour and environmental standards in the various countries where the Group operates, such as the UN Universal Declaration of Human Rights, the United Nations Global Compact and the International Labour Organization (ILO) International Labour Standards.

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# 1. Business ethics and integrity

As a global and complex company, KIKO firmly believes that **ethical and monitored conduct** is a fundamental operational business requirement. Accordingly, it requires its Business Partners to share the values of **transparency, honesty and integrity in the conduct of their business** and to act in full compliance with applicable local, national and international laws and regulations, in particular in the areas indicated below.

## 1.1 Prohibition of bribery

KIKO does not tolerate bribery in any form. The offer, promise and giving, as well as the solicitation, acceptance and receipt of remuneration and/or benefits or any other form of bribery by KIKO's Business Partners in favour of persons operating in either the public or private sectors are prohibited.

## 1.2 Prohibition of money laundering

The Group takes all necessary measures to prevent money laundering, self-laundering and financing of criminal activities. Business Partners are required to comply with this standard of conduct by taking all appropriate measures to prevent their activities from being used for a means of money laundering.

## 1.3 Fair competition

Business Partners must refrain from engaging in unfair business practices in violation of applicable fair competition and antitrust laws. They therefore undertake to adopt all appropriate measures to prevent abuses of dominant position, concerted practices or unlawful agreements between competitors, such as price fixing, market sharing or boycotts that restrict the production of certain products.

## 1.4 Prevention of conflicts of interest

The Group conducts its business with a view to avoiding conflicts of interest by following rules of fairness and impartiality and requires its Business Partners to undertake to make every effort to prevent such situations from occurring and to promptly inform KIKO if any actual or potential conflicts of interest arise. For the duration of the contractual relationship, Partners must never seek to take advantage of their personal relationship with KIKO employees.

## 1. Business ethics and integrity

### 1.5 Confidentiality and protection of personal data

Business Partners must protect and make appropriate use of any confidential information regarding KIKO of which they become aware, allowing access only to staff directly involved in the project, implementing appropriate security measures in accordance with legislation applicable at the time, and in all cases guaranteeing its secrecy and protection. Confidential information of KIKO must never be disclosed to third parties, unless the Partners are explicitly authorized by KIKO or the request emanates from the competent authorities, in the latter case after informing and consulting with KIKO. With regard to personal data (which may concern employees, contract staff and/or customers), the Group requires Business Partners to protect such data in accordance with all applicable laws, rules, and regulation, including, without limitation, the guidelines and measures adopted by the competent Supervisory Authorities applicable from time to time, as well as agreements in place with the Business Partners.

### 1.6 Trademark Protection

Business Partners must take care with their public statements, in particular on the Internet and social media, in order to respect the principle of professional secrecy and protect the brand image. In addition, Partners must ensure that their activities do not jeopardise KIKO's intellectual property and innovation, and that they take all appropriate measures to prevent and combat counterfeiting.

Finally, Partners may not cite KIKO as a business reference without obtaining KIKO's written approval prior to publication.





## 2. Human rights, labour standards and social responsibility

KIKO works with Business Partners that guarantee **the highest social and ethical standards, respect for human rights and the dignity of people.** They must always act in a manner that is consistent with the values expressed in the Declaration of Human Rights and the standards of the International Labour Organization. In addition, they are required to adopt the necessary measures and provisions to identify, prevent and address the human rights issues outlined below.

### **2.1 Prohibition of child labour**

KIKO Business Partners must not employ minors, respecting children's rights and business principles and must not engage child labour, i.e. individuals below the age of 16 or below the local legal minimum working age or the age of compulsory education, whichever is higher. If local laws allow the employment of young workers, they must not perform any hazardous work, work overtime or night shifts, and the work must not interfere with their schooling.

### **2.2 Prohibition of forced and compulsory labour**

Any form of compulsory or bonded labour, slavery, servitude or human trafficking by Business Partners is strictly prohibited. Partners must guarantee freedom of movement for their employees and ensure that they are not subject to physical restrictions, abuse, threats and other practices such as the confiscation of identity documents or the denial of work permits. All employees are entitled to accept or leave employment freely, and to be made aware of working the terms and conditions of employment and remuneration.

### **2.3 Fair wages**

Business Partners must provide fair and competitive remuneration for all employees through the payment of precisely defined wages, in legal currency within reasonable timescales and on a regular basis by notifying all employees of the pay structure and frequency. Wages paid to employees must refer to global principles and reflect local market practices and values.

### **2.4 Working hours**

Business Partners undertake to comply with applicable laws and any collective agreements regarding working hours and paid leave in order to ensure a fair balance between business and personal needs for all employees.

## 2. Human rights, labour standards and social responsibility

### 2.5 Prohibition of discrimination and harassment

Business Partners must not engage in any type of discriminatory practices with regard to recruitment, remuneration, access to training, promotion, termination of employment or retirement, on the basis of ethnic origin, beliefs, nationality, religion, age, physical or mental disability, gender, marital status, sexual orientation and/or trade union membership or political affiliation. Business Partners must condemn any form of harassment, any inappropriate or disrespectful behaviour, such as physical and verbal abuse and sexual harassment in the workplace or at work events.

### 2.6 Freedom of association and collective bargaining

Business Partners must respect the right of employees to join a trade union or any other body representing their collective interests and establish a constructive dialogue with such representative bodies on conditions of employment, on labour management and on matters of mutual interest, taking account of national laws.

### 2.7 Health and safety

To minimize the risks of occupational accidents, injuries and diseases, Business Partners must act in compliance with current national and international standards and regulations on workplace safety and health, taking all necessary measures to provide and maintain a safe and healthy working environment for all employees, managing identified risks, implementing preventive actions and evaluating the effectiveness of such actions.

### 2.8 Protection of the local community

Business Partners must be committed to exerting a positive influence in the societies and regions in which they operate in order to prevent any harm to local communities. KIKO expects its partners to promote ongoing cooperation with the communities in which they are based, actively addressing the social and environmental issues confronting them.



# 3. Environmental protection and sustainability

KIKO intends to work with Business Partners that are committed at all times to **protecting the environment and to complying with the standards and requirements of applicable local and international environmental laws and regulations**. Likewise, Business Partners are required to comply with the environmental standards established by KIKO in this Code and to provide all the documentation necessary to evaluate their environmental impact, where required.

## 3.1 Prohibition of deforestation and protection of biodiversity

The operations of Business Partners must not have a negative impact on forests or protected territories of any kind. To this end, they must adopt the necessary measures to protect areas of high conservation value and to promote biodiversity, especially with regard to land protection, reforestation and land use management. All authorisations and permits required by law must be applied for by the Business Partners and made available upon request.

## 3.2 Reduction of air emissions

Business Partners must contribute to the achievement of national and/or European targets (European Green Deal) for the reduction of atmospheric greenhouse gas emissions and implement practices to measure and monitor their ecological footprint, providing evidence where required.

## 3.3 Conservation and management of water and energy resources

Business Partners must strive to create production processes designed to reduce the waste of natural resources, with particular attention to water and energy resources. All necessary and possible measures must be taken to conserve such resources, to minimize consumption, to ensure the maintenance or improvement of the quality of aquifers and the promotion of energy saving strategies.

## 3.4 Waste management

Business Partners are required to take the necessary measures to minimise waste production by reducing their environmental footprint, preserving soil quality and promoting the circular economy. Accordingly, the adoption of good waste management practices, environmentally friendly packaging design (e.g. choice of recycled materials) and a proactive approach towards developing innovative solutions and technologies with the aim of continuously offering improved products and services with less environmental impact are recommended.

## 3.5 Chemical and Hazardous Substance Management

Business Partners may not use chemicals considered harmful to the environment and/or people. Measures must be taken to ensure safe management of chemicals and compliance of products and raw materials with applicable national and international regulations and best professional standards for chemicals, including the Quality Guidelines and the Restricted Substances List (Blacklist) defined by KIKO.





## 4. Monitoring and control

Each operation, transaction, action, as well as related verification and **control activities, must be documented and the documentation must be adequately traceable** in accordance with legislation applicable from time to time. In particular, KIKO expects its Business Partners to ensure that adequate and effective management systems, policies, procedures and training plans are in place to ensure compliance with this Code at all times.

### 4.1 Monitoring and control system

KIKO reserves the right to monitor compliance with the Code on the part of Business Partners, directly and through duly appointed third parties. The Partners undertake to cooperate, making their personnel available and guaranteeing access to their offices and to the documentation requested by KIKO.

### 4.2 Non-compliance with the Code

In the event of non-compliance with the provisions of the Code, Business Partners are required to promptly take all actions necessary to render their activities and operations compliant. KIKO may subsequently request evidence and/or conduct further checks in order to ascertain the effective implementation of action plans.



## 5. Complaints procedure and whistleblowing channel

Business Partners that become aware of **violations of existing contractual agreements, this Code of Conduct, KIKO policies and Code of Ethics and/or applicable laws and regulations** may report the said violations through the Whistleblowing reporting channel available at the following link <https://kikomilano.whistlelink.com/> which allows reports to be in complete anonymity, guaranteeing absolute protection and confidentiality, or alternatively to the email address [whistleblowing@kikocosmetics.com](mailto:whistleblowing@kikocosmetics.com).





## 6. Acceptance

By reviewing this Code of Conduct, the Business Partners:

- agree and accept that KIKO or an appointed third party may carry out, at any time, even without prior notice, audits/inspections to verify compliance with the obligations and commitments entered into under the agreements stipulated with KIKO;
- agree and undertake to forward this Code of Conduct to their Partners, implementing a due diligence process throughout the supply chain with regard to their employees, agents, subcontractors, suppliers and outsourcers to the extent that they are involved in the supply of goods and/or services to KIKO;
- undertake to comply with the requirements of this Code in order to ensure a fair, sustainable and transparent supply chain.

This Code of Conduct must be considered an integral and substantive part of existing contractual agreements, and accordingly KIKO reserves the right to assess any possible violation of the provisions contained herein for the purposes of continuation or termination of the commercial relationship.

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