



**calçado pedreira**

JOÃO DA CUNHA E SILVA & FILHOS, LDA.

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# Code of Ethics and Conduct



**Ethical  
Trading  
Initiative**



**WE SHARE**

**WE CARE**



# Code of Ethics and Conduct

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# Code of Ethics and Conduct

## I. Introduction and Background

The constant challenges facing companies increasingly emphasise the need to adopt a set of guiding ethical principles that enable appropriate responses to the diversity of social, legal, political, and economic contexts.

**CALÇADO PEDREIRA (JOÃO DA CUNHA E SILVA & FILHOS, Lda.)** is convinced that achieving its organisational goals is based on strict compliance with the highest standards of ethical conduct.

This document expresses and reinforces **CALÇADO PEDREIRA's** commitment to ethical behaviour, highlighting the ethical principles and rules of conduct that govern the company in general and each of its employees in particular. It represents the company's commitment to a set of Social Standards based on the Fundamental Conventions of the International Labour Organisation, the United Nations Universal Declaration of Human Rights and current National and Community Legislation. It also guarantees the principles established in the ETI (*Ethical Trading Initiative*) Basic Code.

This Code of Ethics and Conduct thus follows a process of continuous improvement in business management, based fundamentally on respect for workers' rights, transparency in its relations with the outside world and sustainable growth and development.

Our main objective is to inform employees, customers, suppliers, public entities, and the community in general of the principles and values by which **CALÇADO PEDREIRA** is governed, to:

- i) Promoting relationships of trust between the company and all its business partners;
- ii) Spreading the existence and sharing of values and standards of behaviour in order to reinforce a common culture;
- iii) Eliminate the subjectivity of personal interpretations of the most basic moral and ethical principles;
- iv) Fostering and contributing to the foundation of society on ethical principles and good behaviour.

This Code of Ethics and Conduct will be a permanent reference for internal labour relations, but also for **CALÇADO PEDREIRA's** relations with society, and must therefore be respected by all the company's employees.

It is an important management tool that will accompany the evolution of our company and its surroundings and is therefore subject to any updates that prove necessary to fulfil its objectives.

## II. Policy of Ethics and Sustainability

**CALÇADO PEDREIRA** is committed to carrying out its activities in an ethical and responsible manner and will ensure that the same commitment is adopted by all its employees and partners, particularly regarding the guidelines specified on the following pages.

It will document all the activities carried out to ensure compliance with these guidelines, gathering the appropriate evidence of compliance with them.

In order to encourage global compliance with these guidelines, this Code of Ethics and Conduct is presented to all the company's employees and partners and is always available for consultation by all interested parties.



# Code of Ethics and Conduct

## 1 - LEGAL COMPLIANCE WITH NATIONAL LEGISLATION AND SOCIAL STANDARDS

It acts ethically and legally, complying with national and international legislation and regulations applicable to its activity, including the Conventions of the International Labor Organization and the United Nations or the Universal Declaration of Human Rights.



## 2 - INTEGRITY AND BUSINESS ETHICS

The company does not engage in, tolerate or allow bribery or other forms of corruption in order to obtain any kind of advantage. To this end, it undertakes, in the person of its employees and members of Management, to:



- Act in all situations in accordance with criteria embodied in honest, diligent conduct, guaranteeing the truth and refraining from practices that may raise doubts as to respect for the ethical principles that regulate their behaviour;
- Actively combat all forms of corruption, whether active or passive. Pay particular attention to favours and complicity that may induce the creation of illicit advantages, which are subtle forms of corruption, such as offers or receipt of funds from users, suppliers or other entities;
- Respect for the principle of integrity is incompatible with the act of soliciting, receiving, or accepting, in a personal capacity, gifts, favours or other benefits that exceed a merely symbolic value and that are in any way related to their functions or activities.

The company promotes and demands that business is transparent, based on integrity and honesty and will repudiate situations of bribery or other corruption. Promotes free and fair competition, treating business partners and competitors with respect.



Adopts business practices governed by integrity, honesty, fair dealing and full compliance with all legal requirements.

## 3 - NO TO CHILD LABOUR

Child labour is not tolerated.

Under no circumstances will children or minors be employed, and the company will not employ people under the age permitted by current legislation. In this regard, the Company undertakes to



- Comply with all legislation applicable to the work of minors;
- Keep records proving the date of birth of each of its employees;
- Establish and implement procedures to remedy children who are found working in situations that fall within the definition of child labour, guaranteeing special protection for workers who have not yet reached adulthood.



## 4 - NO TO HARASSMENT AND VIOLENCE

Inhumane or harsh treatment is strictly forbidden.

The personal dignity, privacy and personality rights of all employees and other people who come into contact with the company will be respected.

Any form of harassment - physical, psychological, sexual, and verbal - is prohibited.

Physical aggression, as well as any other form of intimidation or exploitation, will be permitted in any situation.

The Company will not engage in or support corporal punishment, mental or physical coercion or verbal abuse.



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## 5 - GENDER EQUALITY

The company strives to achieve gender equality in recruitment, promotion, and compensation processes, in a fair and transparent manner.

In all aspects of training and personal and professional development, equal opportunities will be provided to all individuals, regardless of their gender, gender identity or sexual orientation.

Ensures the necessary protection against dismissal and career setbacks for employees with family responsibilities.



## 6 - NO DISCRIMINATION

Discrimination is prohibited.

The Company disapproves of any form of discrimination, whether based on race, ethnicity, gender, age, physical disability, religious conviction, opinion, or political affiliation. It also condemns any behaviour, through gestures, language, or physical contact, that is sexually coercive, threatening or abusive.

Respects the personal dignity, privacy and personality rights of all employees and other people who come into contact with the company.



## 7 - NO TO FORCED LABOUR

It will not tolerate forced labour. The choice of employment is free.

- The Company will not allow acts that fall within the definition of forced labour (any work or service that is extracted from any person under the threat of any penalty for which that person has not volunteered, or whose work or service is forced as a means of payment of a previous debt).
- Employees will only be asked for the personal data and documents required for employment. These documents will not be retained, and they will not be required to pay any deposit.
- No employee will be hired or forced to work against their will. No form of slavery or imprisonment will be used.
- Employees will always have the right to terminate their employment contract and must notify the company in advance.



## 8 - NO TO PRECARIOUS WORK

It will not tolerate precarious work.

- The Company will always hire employees based on duly documented employment contracts and in accordance with current labour legislation.
- It undertakes to comply with labour legislation in all aspects related to employment. It does not prejudice the rights recognized to employees in this legislation and in that relating to social security, namely through schemes in which there is no real intention to promote regular employment.



## 9 - PROTECTION OF MIGRANTS

It guarantees equal treatment for migrant workers who work there, making no distinction in terms of pay, working conditions or contracts.

The company will provide a written employment contract, in a language the employee understands, with clear information about the terms and conditions of employment.



## 10 - REMOTE WORKING

It ensures equal treatment between teleworking workers and workers who carry out their duties on site, considering the specific conditions of teleworking.



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## 11 - MAXIMUM WORKING HOURS AND MINIMUM VACATION PERIOD

Working hours must not be excessive.

Compliance with national legislation on maximum working hours will be ensured, considering the normal working hours of 8 hours/day and 40 hours/week currently in force. The 48 hours/week will not be exceeded and the maximum working period of 60 hours/week (including voluntary overtime) will be respected.

Employees will also be entitled to a day off (24 hours) after six consecutive working days and a minimum period of holiday as established by current legislation.



## 12 - DECENT PAY AND FAIR REMUNERATION

The company guarantees a decent salary.

All employees will be compensated for their services in cash or in kind, according to their preference. The company will ensure that this compensation corresponds to at least the national minimum wage. Wages will be paid at least once a month.

It will comply with all legal wage requirements and guarantee any supplementary benefits required by law or contract, including compensation for overtime.

Before starting work, all employees will receive and sign a written employment contract setting out all salary conditions. Information on monthly pay slips will also be given to them in writing.

No fines, monetary penalties or deductions from wages will be applied as a form of punishment or disciplinary sanction.



## 13 - WORKING ENVIRONMENT, SAFETY AND HEALTH

The company is responsible for its employees' health and safety at work. Working conditions must be safe and hygienic.

Ensuring compliance with legal obligations, it provides its employees with a safe and hygienic working environment, implementing the most effective measures to prevent accidents at work and occupational illnesses. It undertakes to take the appropriate measures to prevent accidents and damage to employees' health, minimising, as far as is reasonably practicable, the causes of the dangers inherent in the working environment and the activity itself.

It undertakes to provide regular training in Health, Hygiene and Safety to all employees and to prioritise areas related to fire, emergency and evacuation, occupational risk prevention, work equipment and chemical substances.



## 14 - FREEDOM OF ASSOCIATION AND THE RIGHT TO COLLECTIVE BARGAINING

Freedom of association and the right to collective bargaining must be respected. In this regard, the Company recognises employees' right to found or join organisations of their choice and, as a group, to freely negotiate working conditions and wages.

It will not apply any form of discrimination, harassment, intimidation, or retaliation against employees who exercise their right to freedom of association and collective bargaining.

It will make a system for collecting and processing suggestions and complaints permanently available to its employees so that they can actively participate in decisions affecting their working conditions.



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### 15 - ENVIRONMENTAL PROTECTION

The company takes all necessary measures to prevent environmental degradation and fulfil its legal obligations in terms of the environment.

It works to develop and use technologies and products with better environmental performance, applying measures to utilise natural resources efficiently and adopting a green chemistry approach to the application of chemical products. It ensures responsible waste management and adopts a preventive approach to future environmental challenges.

It encourages the same practices among all its suppliers.



### 16 - PROTECTION OF PERSONAL DATA

For the purposes of administrative management of human resources, which includes attendance control, it ensures compliance with the legislation on the protection of its employees' personal data.

It also guarantees that it will only make this data available to organisations to whom it must be provided by virtue of a legal provision or at the request of the respective data subject.



### 17 - WHISTLEBLOWING CHANNELS

The Company has set up an internal whistleblowing channel, which can be used in the following situations:

- Reporting acts of corruption and related offences, actual or potential violations that have occurred or may occur in the Company or in another organisation with which it has a relationship, as well as attempts to conceal such violations;
- Reporting practices that constitute harassment at work;
- Information, including reasonable suspicions, about actual or potential violations of a harassing nature at work or of corruption, which have occurred or may occur in the Company or in another organisation with which it has a relationship, as well as about attempts to conceal such violations.

The complaint should be made to the person responsible for complying with the rules on whistleblowing. It can be made verbally (by telephone or face-to-face meeting) or in writing (by filling in the appropriate form, to be delivered in a sealed envelope marked "Reserved").

In either case, the confidentiality of the identity of the complainants and third parties mentioned in the complaint will be guaranteed, as well as blocking unauthorised personnel from accessing the content of the complaint.



### 18 - CONFIDENTIALITY AND NO TO COUNTERFEITING

Internally, it makes every effort to preserve the integrity and confidentiality of the information it receives as a result of its commercial relations with its clients. This obligation remains in place after the commercial relationship with the Client has ended.

Ensures the integrity of the products manufactured, avoiding the counterfeiting of items owned by its customers. To this end, it undertakes to maintain strict control of the quantity of parts produced and to work in close and constant partnership with Customers and with the government bodies responsible in this area.



### 19 - TRACEABILITY AND INTERNAL CONTROL

It implements all internal efforts and ensures the necessary means for production traceability and the health and safety of its products, keeping records with this information available for verification and analysis by its customers.

The company ensures that its own suppliers fulfil all the commitments and requirements of this Code of Ethics and Conduct and qualifies them on this basis.



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## 20 - CONTROL OF PRACTICES AND PRINCIPLES

Under the responsibility of a specific team, it ensures compliance with the guidelines, which will trigger a process aimed at implementing corrective actions whenever an anomaly/non-compliance is detected.

All elements of the company, including members of management and all employees, are bound by the provisions of this Code of Ethics and Conduct.

Any failure by any member of the Company to respect or comply with the guidelines listed here must be reported internally and may result in the person concerned being subject to disciplinary or other liability, depending on the seriousness of the situation.

It will lead to the application of disciplinary sanctions that can range from a verbal/written reprimand to suspension from work for up to 12 days or dismissal for just cause. It may also lead to criminal sanctions when associated with acts of corruption or related offences under the terms of the Penal Code.



It extends this control to all suppliers and subcontractors, reserving the right to suspend the commercial and partnership relationship with them if it finds that the guidelines set out in this Code of Ethics and Conduct, which it considers essential to the continuity of the business between the parties, are not being complied with.



### III. Relations with Suppliers

**CALÇADO PEDREIRA** seeks to establish lasting and trusting relationships with its suppliers, based on a spirit of co-operation that promotes the principles mentioned in this Code of Ethics and Conduct. Commercial relations are based on the principle of good faith, which underlies the commitments defined in this document.

Based on the spirit of co-operation and the principle of good faith, the supplier must:

- a) Whenever and wherever requested, provide information on the aspects of its activity and that of any subcontractors considered relevant to the topic under analysis;
- b) To allow representatives of **CALÇADO PEDREIRA** to visit its premises to assess whether its practices comply with what is described in this Code of Ethics and Conduct.

To this end, you are asked to sign a document representing your commitment to this Code of Ethics and Conduct and its effective application. This commitment will be valid for one year.

In the event that, in the course of the visits carried out by **CALÇADO PEDREIRA**, any non-compliance associated with non-compliance with the requirements expressed in this Code of Ethics and Conduct is identified, the Company reserves the right to report the situation to the national Authorities competent in the matter.

A corrective action plan must be drawn up and negotiated between the supplier/subcontractor and **CALÇADO PEDREIRA**, which will monitor the effective implementation of the actions set out therein. In the event that this action plan is not implemented in accordance with the agreed deadlines, **CALÇADO PEDREIRA** reserves the right to define penalties, which may ultimately lead to the suspension of the contractual relationship with the supplier in question.





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## IV. General Provisions

Management ensures that the Code of Ethics and Conduct is publicised to its employees and key business partners. It is their responsibility to adopt and implement measures to ensure compliance with the guidelines set out here.

This document will be reviewed every three years or whenever there is a change in the organisational context or a relevant matter that contributes to strengthening the objectives set out in it.

It may also be revised at the suggestion of any employee, subject to prior approval by Management.

This Code of Ethics and Conduct comes into force on the day following its approval.