

VALUES THAT CONNECT US

Dear Supplier,

We are pleased to welcome you as a partner of Balbino & Faustino.

Our company was founded with strong roots in integrity, respect for quality work, and valuing trust-based relationships. Over time, we have grown based on solid principles—and we know that our success is closely linked to the responsibility with which all our partners act, from the origin of the wood to the final product delivered to the customer.

Suppliers play an essential role in this value chain. They often represent the first contact with the materials, processes, and practices that we want to see reflected in what we offer: quality with conscience.

This Supplier Code of Conduct is more than a guide of criteria—it is a statement of mutual expectations. We seek business relationships based on transparency, ethics, legal compliance, and respect for human rights and the environment. We believe that working with rigor, responsibility, and a forward-looking vision benefits not only our customers and employees but also all those who, like us, believe in a more sustainable and fairer sector.

This is an invitation to walk with us, side by side, in building a supply chain that is an example of resilience, reliability, and commitment to the common good.

We count on you to be part of this journey with responsibility, integrity, and shared ambition.

Best regards,
Management Board
Balbino & Faustino

Revision History:

Revision No.	Date	Relevant Changes
0	2025/10/21	Initial version approved

1. HUMAN RIGHTS, WORKING CONDITIONS, AND SUSTAINABILITY

1.1 Respect for Human Rights and Working Conditions

At Balbino & Faustino, we believe that sustainability starts with people. Therefore, we expect all our suppliers to:

- Strictly prohibit child and forced labour, in accordance with international standards and the principles of Chain of Custody (CoC) certifications, which promote socially responsible practices throughout the supply chain;
- Ensure decent working conditions, including fair remuneration, balanced working hours, and respect for freedom of association and collective bargaining;
- Guarantee equal opportunities, without discrimination based on gender, origin, age, sexual orientation, disability, religion, or personal beliefs;
- Provide safe and healthy working environments, adopting preventive measures that reduce risks and promote workers' well-being.

1.2 Environmental Commitment and Social Impact

Even if not all suppliers are required to report under the European Sustainability Reporting Standards (ESRS), we value practices aligned with these principles. Thus, we encourage our partners to:

- Ensure traceability and the legal and sustainable origin of wood, preferably with Chain of Custody (CoC) certification, whenever applicable;
- Minimize the environmental impacts of their activities, promoting resource efficiency, waste reduction, and biodiversity protection;
- Contribute positively to local communities through fair business practices, respect for the rights of populations, and support for social development.

1.3 Commitment to Continuous Improvement

Balbino & Faustino is committed to supporting business relationships based on transparency, dialogue, and continuous improvement. Therefore, suppliers should:

- Show openness to provide relevant information about their social and environmental practices, whenever reasonable and compatible with their size and capacity;
- Cooperate with assessments or verifications, always in a proportional, constructive, and partnership spirit.

2. INTEGRITY, ETHICS, AND LEGAL COMPLIANCE

2.1 Ethical and Responsible Conduct

We expect all Balbino & Faustino suppliers to act with integrity, promoting a culture of ethics and responsibility. This implies:

- Complying with all applicable laws and regulations, national and international, within their activity;
- Acting transparently in business relationships, avoiding conflicts of interest and ensuring decisions are based on fair and objective criteria;
- Promoting ethical behaviour among their employees and partners, contributing to business relationships based on trust.

2.2 Prevention of Corruption and Improper Business Practices

Balbino & Faustino firmly rejects any practice that violates the principles of fair competition or compromises the integrity of business relationships. Thus, suppliers must:

- Implement effective internal mechanisms to prevent and detect corruption, such as codes of conduct, training, and whistleblowing channels;
- Comply with competition rules and refrain from agreements or practices that limit free competition;
- Refuse any form of bribery, facilitation, commission, or undue advantage, whether direct or indirect, in public or private contexts.

2.3 Privacy, Data Protection, and Confidentiality

Suppliers must ensure the proper, secure, and lawful handling of personal data and confidential information obtained in their relationship with Balbino & Faustino. This includes:

- Complying with legal obligations regarding personal data protection (such as the General Data Protection Regulation – GDPR);
- Ensuring technical and organizational measures to prevent unauthorized access, loss, or misuse of data;
- Respecting the confidentiality of all commercial, technical, or strategic information received.

3. HEALTH, SAFETY, AND QUALITY

3.1 Safe Working Environment

Balbino & Faustino values the safety and well-being of everyone in its supply chain. Therefore, suppliers must:

- Ensure safe and healthy working environments, in compliance with applicable legislation and recognized good practices;
- Implement preventive measures to reduce accidents, injuries, and occupational diseases;
- Provide adequate training on safety, emergency procedures, and the use of personal protective equipment.

3.2 Quality Management

The quality of products and services is essential to ensure customer trust and the company's reputation. Suppliers must:

- Control the quality of processes, products, and raw materials, meeting agreed requirements;
- Implement quality management systems compatible with their size and activity, promoting continuous improvement;
- Proactively communicate any non-conformity that may affect quality, safety, or traceability.

3.3 Technical, Legal, and Traceability Compliance

Products and services must meet all applicable legal, technical, and environmental requirements. To this end, suppliers must:

- Ensure legal and contractual compliance, including safety, labelling, certification, and environmental performance;
- Provide up-to-date technical documentation, such as certificates of conformity, technical data sheets, and environmental declarations;
- Maintain effective traceability systems, with clear and complete records that allow identification of the origin, transport, and destination of products, especially wood and derivatives;
- Meet the criteria of recognized certifications (Chain of Custody (CoR) or equivalents) and provide supporting documentation when requested;
- Facilitate audits and inspections by Balbino & Faustino or authorized entities, promoting transparency and collaboration.

Traceability is essential to ensure the legal and sustainable origin of materials, protect the environment, respect the rights of local communities, and comply with legal and voluntary market requirements.

4. SUPPLY CHAIN RESPONSIBILITY

4.1 Compliance Requirement for Sub-suppliers

Balbino & Faustino suppliers must ensure that their own sub-suppliers comply with the same principles and requirements set out in this Code, promoting an ethical, sustainable, and legal supply chain. This implies:

- Assessing and monitoring sub-suppliers regarding compliance with human rights, working conditions, environmental practices, and integrity criteria;
- Establishing clear contractual clauses requiring compliance with Balbino & Faustino standards;
- Promoting continuous improvement, encouraging sub-suppliers to adopt responsible practices and recognized certifications.

4.2 Transparency and Communication

It is essential to maintain an open and transparent communication channel throughout the chain, facilitating the identification and resolution of any non-conformities. Therefore, suppliers must:

- Provide relevant and up-to-date information about their processes and sub-suppliers;
- Promptly inform Balbino & Faustino of situations that may affect compliance with this Code;
- Cooperate with assessments, audits, and corrective actions as requested.

4.3 Social and Environmental Responsibility Along the Chain

Balbino & Faustino values the positive impact that can be generated in the supply chain, encouraging practices that promote:

- Respect for the rights of local communities and sustainable socioeconomic development;
- Minimization of environmental impacts at all stages of the chain;
- Prevention of ethical, social, and environmental risks, contributing to a more responsible and competitive market.

5. MONITORING AND RESPONSIBILITY

5.1 Monitoring

Balbino & Faustino may carry out occasional assessments to verify compliance with this Code, through:

- Visits or document analysis, when necessary;
- Communication of results with improvement suggestions, if applicable.

5.2 Management of Non-Conformities

If failures are detected, suppliers must:

- Collaborate in correction;
- Report on progress;
- Commit to avoiding repetitions.

5.3 Consequences of Non-Compliance

Serious or repeated non-compliance may lead to:

- Suspension or termination of the contract;
- Notification to authorities, if necessary;
- Exclusion from future opportunities.

These measures aim to protect the integrity of the supply chain and safeguard B&F's values.

5.4 Commitment to Continuous Improvement

We believe in a constructive and progressive approach. Therefore, we value suppliers who:

- Participate in training, capacity-building, or awareness actions promoted or suggested;
- Propose improvement initiatives in social, environmental, and governance areas;
- Maintain a proactive, transparent, and open attitude to dialogue.

6. WHISTLEBLOWING CHANNEL AND PROTECTION OF WHISTLEBLOWERS

6.1 Purpose and Access

Balbino & Faustino provides a whistleblowing channel for suppliers, employees, and partners to report, in good faith, irregular practices, legal or ethical violations. The channel ensures confidentiality, protection against retaliation, and the possibility of anonymity.

Reports can be submitted through the digital form available at:
www.balbino-faustino.pt/canal-de-denuncias-interno.



6.2 Scope and Handling

Situations such as corruption, fraud, harassment, human rights violations, or environmental non-conformities should be reported. All reports are assessed rigorously and confidentially, and corrective measures are taken whenever necessary.

6.3 Whistleblower Protection

The identity of whistleblowers is protected under the law. No retaliation, discrimination, or penalty will be tolerated against those who report responsibly.

6.4 Culture of Ethics and Transparency

The whistleblowing channel reinforces Balbino & Faustino's commitment to an ethical, transparent, and sustainable supply chain.

7. CONCLUSION

By signing the Commitment Statement, the supplier reaffirms their alignment with the ethical, social, and environmental principles defined in the Balbino & Faustino Supplier Code of Conduct, assuming an active role in building a responsible supply chain.

This commitment translates into a shared responsibility to promote a transparent, sustainable, and trust-based business relationship, where integrity is the foundation of a lasting partnership.

We thank our partners for their involvement and reiterate that compliance with this Code will be continuously monitored, in a spirit of collaboration and constant improvement.

This commitment can be formalized by signature or accepted electronically, as an expression of alignment with the values of Balbino & Faustino.

We count on our partners to be part of this transformation with responsibility and vision.



Annex I – Supplier Commitment Statement

Supplier Commitment Statement

The company _____ [supplier name], VAT no. _____ represented by _____ [legal representative name], declares that it is aware of the **Balbino & Faustino Supplier Code of Conduct** and expresses its commitment to act in alignment with the principles defined therein.

We recognize that ethics, transparency, respect for human rights, environmental responsibility, and legal compliance are essential pillars for a solid and sustainable partnership.

We commit to:

- Promote fair and safe labour practices;
- Adopt measures that minimize environmental impact;
- Ensure legal and technical compliance of products and services;
- Maintain transparent and collaborative communication;
- Contribute to the continuous improvement of the supply chain.

The company also acknowledges that non-compliance with the provisions of the Code may lead to appropriate measures, as provided in section 5.3 – Consequences of Non-Compliance, including, if necessary, a review of the business relationship.

This commitment can be formalized by physical signature or electronically, as an expression of alignment with the values of Balbino & Faustino.

Place and date: _____

Company signature and stamp: _____

Name: _____

Position: _____