



PREMIUM BUBBLE SINCE 1938
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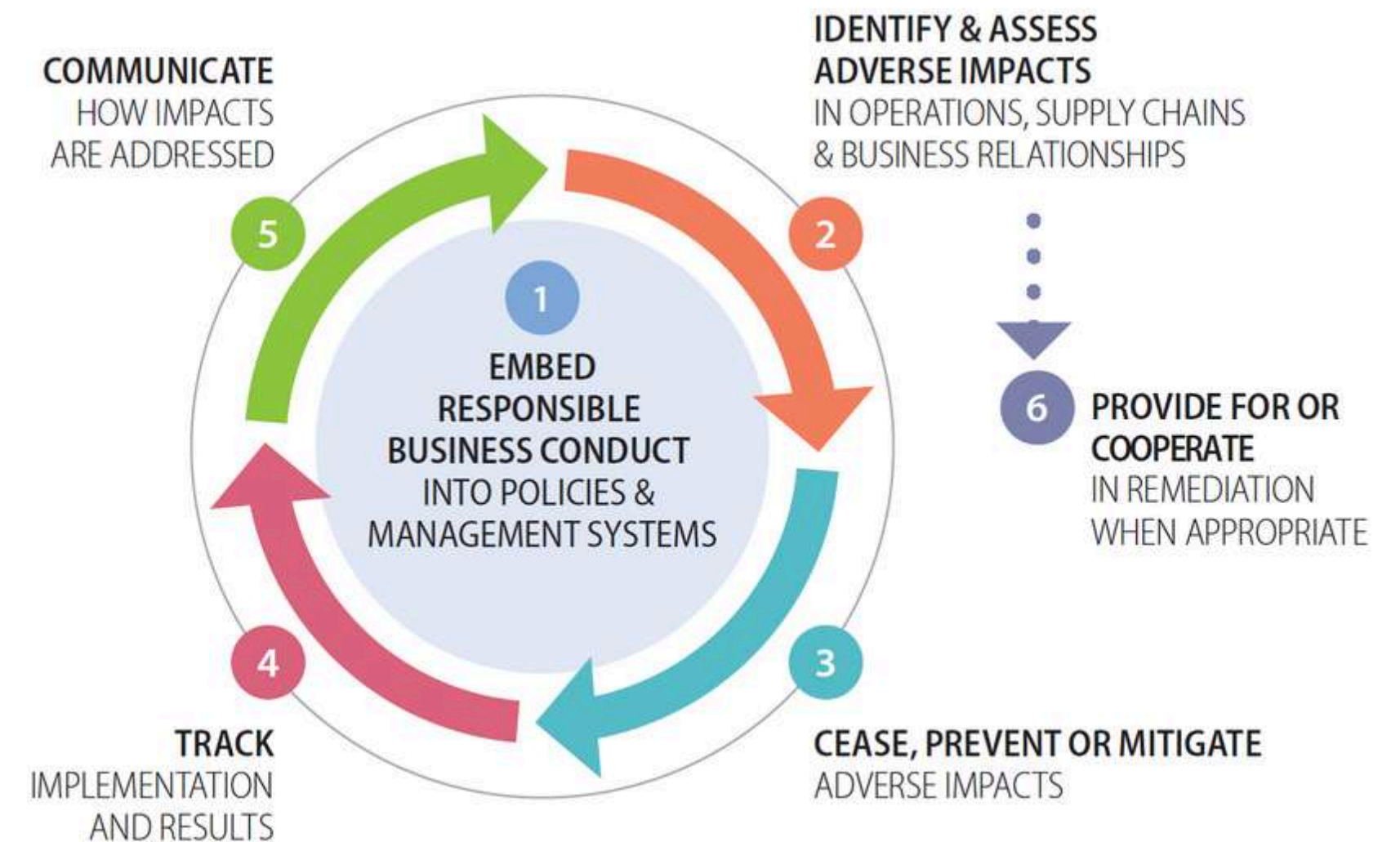


Due Diligence

Due diligence

Dulcop produces everything in Italy, with the exception of games that are imported from China by BSCI-checked suppliers. Dulcop recognizes the importance of all human rights, basing its policies on GLOBALLY RECOGNIZED PRINCIPLES (ILO, UNITED NATIONS HUMAN RIGHTS CONVENTION). It also recognizes the importance of protecting the weakest and most vulnerable such as women and children by ensuring that they are respected and work under safeguarded conditions (see Human Rights Policy and Child Labor Policy).

Dulcop has always been committed to working according to due diligence by implementing its policy and sharing it with its suppliers and stakeholders. It is responsibility of the management to verify the proper implementation of our ethical conduct's code through an ethics supervisor appointed by the Board of Directors itself. It is also supervisor's responsibility to verify that the ethics officers elected among and by the employees perform their duties according to proper diligence.



Due diligence

Due diligence addresses actual or potential negative impacts (risks) related to the following issues addressed in the OECD Guidelines for Multinational Enterprises: human rights, including employment and industrial relationship, environment, bribery and corruption, disclosure of information, and consumer interests.

The duty of care will also need to adapt to the nature of adverse impact in issues such as human rights, environment and bribery. This will involve tailoring approaches to specific risks and taking into account how these risks affect different groups, for example, if appropriate, applying a gender perspective to due diligence.



Due diligence

How can a company integrate gender issues into its due diligence? Applying a gender perspective to due diligence means thinking about how actual or potential negative impacts may be different or specific to women.

For example, Dulcop recognizes the importance of gender issues and women's rights in situations where women may be disproportionately impacted, such as in contexts where women are exposed to severe discrimination or where the company's activities significantly affect the local economy, the environment, and access to land and livelihoods, in conflict and post-conflict areas and in global industries and supply chains where large numbers of women are employed. In this regard, Dulcop protects women and ensures their well-being and NON-violence and discrimination through collecting suggestions or complaints, improving working conditions (cold and hot temperature depending on the season), providing adequate sanitation, and preventive measures for children and pregnant women.

This also implies the need to modify, where appropriate, the actions taken by the company to detect, prevent, mitigate and address such impacts to ensure that these are effective and appropriate.

Due diligence

- The duty of care may need to define a priority order (risk-based). Where it is not possible to address all identified impacts at once, the company should prioritize the actions to be taken, based on the severity and likelihood of the adverse impact.
- The duty of care should be tailored to the circumstances of the enterprise. The nature and extent of the duty of care may be influenced by factors such as the size of the enterprise, the environment operations, business model, position in the supply chain and the nature of products or services.
- The duty of care gains accuracy through the involvement of stakeholders. Stakeholders are individuals belonging to a group whose interests could be affected by an enterprise's activities.

Companies may collaborate in a sectoral or cross-sectoral level and with relevant stakeholders throughout the due diligence implementation process, although they always remain responsible and guarantors for the effective implementation of the duty of care.

Due diligence

Ethics and worker welfare are a central focus for Dulcop, with a view to continually improving internal sustainability impacts the company carefully evaluates suppliers who share our commitment to these issues.

All major suppliers that are part of Dulcop's supply chain have shared and signed the company's code of conduct, our human rights and child labor policy.

In addition, an ethical and social questionnaire was sent to them to understand whether and how ethical sustainability issues are addressed by its stakeholders.

Once collected, the data are summarized in a document called Supply Chain Analysis, the contents of which are explained in the section below.

The company takes the responsibility of verifying the characteristics and collecting the certifications held by the suppliers and stakeholders with which it collaborates and carries out, for those defined as **strategic (turnover greater than 1 percent of the total)**, an analysis based on certain criteria through determines a final score between 0 (lowest score) and 10 (highest score) that assesses how **risky** a corporate partner is : this value defines the need to conduct an Internal Audit at the supplier every **3 months** (0-3, VERY HIGH RISK), the need to conduct an Internal Audit at the supplier every 6 months (4-5, MEDIUM RISK), the need to conduct an Internal Audit at the supplier on an **annual basis** (6-7, LOW RISK) or the only need to conduct regular and transparent monitoring on **an annual basis** (8-10, VERY LOW RISK).



Due diligence

The mapping of all suppliers is carried out once a year, unless events occur for which an additional part of verification is required, through the submission of a file in which all key data concerning that particular supplier is collected (Supply Chain Mapping). If it emerges that a business partner is identified as high-risk, it will be closely monitored through a template (editable file) that can collect significant information in order to determine the elements that contribute to its classification.

Dulcop is committed to its suppliers sharing the same ethical-social policies and provides help in case suppliers need to achieve this commitment to mitigate negative impacts and implement corrective actions.



Due diligence

Dulcop has already held ISO 9001 (Quality Management System) certification for more than 30 years and is taking important steps toward SUSTAINABILITY. In order to reduce CO2 emissions, the new plant is built entirely without the presence of gas and is cooled and heated with heat pumps to ensure energy efficiency. All offices and common areas have controlled mechanical ventilation systems to avoid energy dispersion.

Dulcop always aims to the improvement, based on the needs of the market and its stakeholders both internally and externally: between 2025 and 2026, the company aims to obtain several certifications for both environmental management and occupational health and safety:

- Certificazione ISO 14064 Carbon Management Environmental Policy GHG certification.
- Certificazione ISO 14001 Certification Environmental management system.
- Certificazione ISO 50001 Certification Energy efficiency management strategies.
- Certificazione ISO 45001 Occupational health and safety management certification.

Between 2027-2028, Dulcop will also add gender equality certification for the development of an inclusive environment and ISO 27001 certification for information security to the certifications mentioned above.

Due diligence

Dulcop would like to draw up the sustainability report in the next three years: for this purpose, it has turned to an external company that through the completion of a questionnaire, based on international measurement criteria, has determined an intermediate level of C which means satisfactory in terms of sustainable development. The path is being defined with the help of people already working in the field.

The company has ongoing initiatives to reduce its environmental impact; in fact, it has implemented investments over the past year and the next two through the installation of photovoltaic panels and insulation works on walls or fixtures.



Due diligence

Regarding environmental management, particularly waste management, the company responsibly sorts: paper, glass, plastic, non-recoverable liquid, electronic and other various materials. Regarding water, Dulcop is studying a system for the re-injection of waste-water from production waste so that it can be reused for domestic use (e.g., maintenance of green areas) without any waste.





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Thank you