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1. Scope

This T.E.A. TEK Supplier Code of Conduct is addressed to all T.E.A TEK Group Suppliers of goods and services. Suppliers must observe and adhere to the requirements illustrated in this Code of Conduct, which T.E.A TEK Group companies are the first to put into practice. These rules supplement what is required by applicable laws and regulations.

2. Introduction

This Code of Conduct for T.E.A. TEK Suppliers describes:

- T.E.A. TEK's values in terms of Social Responsibility;
- The Standard that T.E.A. TEK. uses as a reference to select and evaluate the performance of its Suppliers in terms of Social Responsibility;
- The Organisation and Tools adopted to guarantee the functioning of T.E.A. TEK's Supply Chain Sustainability Programme

3. Our values

As T.E.A. TEK, we believe that managing our business activities according to the principles of Social Responsibility is an ethical duty, which will contribute to our continued economic success and support the excellence of our products.

We are committed to ensuring safe and healthy working conditions, respect and dignity for all workers and environmentally sustainable operations at all levels, both internally and in the supply chain. All employees and suppliers are obliged to behave ethically within the law. Our suppliers are important partners in achieving these goals and we aim to work in this direction together with them.

We ask our suppliers to cooperate to this end, providing free access to inspections and making a concrete commitment to continuous improvement.

4. Code of Conduct for Suppliers of T.E.A. TEK

The reference principles for the activities of T.E.A. TEK are contained in the Code of Ethics in accordance with Model 231.

Suppliers are required to comply with the principles set out in the Code of Ethics and to operate in compliance with the law, in fair competition with honesty, integrity, fairness and good faith, as well as to take actions against corruption and that prevent any other crime.

In order to translate these principles into facts, the following Code of Conduct for Suppliers of T.E.A. TEK explicitly defines the company requirements for Suppliers in terms of Social Responsibility.

The Code of Conduct for Suppliers of T.E.A. TEK is inspired by international standards and initiatives such as SA 8000 certification and the provisions of the International Labour Organisation (ILO).

4.1. Compliance with legislation

As stated in the T.E.A. TEK Code of Ethics, the Supplier must operate in full compliance with the applicable laws, rules and regulations, including those relating to labour, health and safety of workers and the environment. The Code of Conduct for Suppliers of T.E.A. TEK shall be considered as a reference in cases where it imposes stricter limits than local legislation (the stricter limit shall apply).

4.2. Ethics and Anti-Corruption

We believe that businesses must take action against corruption in all its forms and we ask our suppliers to take a stronger stance in this area, as we do at T.E.A. TEK.

T.E.A. TEK will terminate any business relationship if a supplier is found guilty of corruption.

4.3. Child labour

Suppliers must ensure that the worker is not employed before the age of 16 (limit ILO Convention No. 138).

Young workers, under the age of 18, must not work more than 8 hours per day, nor must they work during the night.

4.4. Health and Safety

A safe and healthy working environment must be ensured and occupational health and safety practices promoted to prevent accidents and injuries. This includes:

- Protection from mechanical, chemical and fire hazards;
- Accidents must be reported, recorded and monitored;
- Lighting, heating and ventilation systems in workplaces must be adequate;
- Workers must have access to adequate and clean toilet facilities at all times;
- Suppliers must adopt health and safety procedures that are clearly communicated to workers and put into practice.

In the case of home working, the Supplier shall ensure that any home workers are properly trained and informed for the purposes of workplace safety regulations as required by national regulations in order for them to work in suitable health and safety conditions.

4.5. Working Hours

All working hours performed by employees must be regulated by a valid employment contract. The normal working week must not exceed what is stipulated by local regulations and *CCNL* (Ita national collective bargaining agreement). Overtime must be voluntary and must be managed in line with local and *CCNL* regulations. Employees must be allowed at least 1 day off within each seven-day period and must receive paid annual leave as provided for by local regulations and *CCNL*.

In the event that the limits described herein are in danger of being exceeded, the company shall implement organisational measures to monitor overtime and redistribute working hours.

In addition, the supplier agrees to comply with the regulations on holiday work and night work.

4.6. Remuneration

Remuneration must be equal to or higher than the minimum wages stipulated in the applicable *CCNL* or local regulations, and the contract must also be applied consistently with regard to leave and compensation for working hours in excess of normal hours.

Apprenticeship programmes and fixed-term contracts must be used consistently with local regulations.

4.7. Freedom of association and Collective Bargaining

Suppliers must recognise and respect the right of workers to join and organise trade unions of their choice and to bargain collectively with the company.

Suppliers must ensure effective communication with employees and their representatives, providing channels of communication to express concerns about work and workplace conditions. A system for resolving labour conflicts must be implemented.

4.8. Freely chosen Employment

Suppliers must not use forced labour, in the form of bonded, forced or any other form of forced labour. The company may not require workers to pay deposits or withhold their identification documents or any other essential documents (e.g. work or residence permits, travel documents).

Employees must have the right to leave the workplace at the completion of the working day and, in addition, to terminate employment, provided they give their employer advance notice (the number of days' notice varies according to national legislation).

4.9. Discrimination

Suppliers shall not make distinctions in recruitment, remuneration, training, promotion, bonuses and termination of employment on the basis of race, national origin, gender, religion, age, disability, marital and parental status, association membership, sexual orientation, family responsibilities, union membership, political opinion. No threatening, offensive, exploitative or sexually coercive behaviour is to be tolerated.

4.10. Disciplinary practices

All staff must be treated with dignity and respect. The use of mental or physical coercion, verbal abuse, fines or sanctions as disciplinary measures is not tolerated.

Only disciplinary procedures carried out strictly in accordance with the terms of the applicable regulations (e.g. CCNL of the category).

4.11. Environmental Requirements

Suppliers must comply with legislation and progressively improve the environmental performance of their activities.

4.12. Confidentiality

"Confidential Information" defines any information provided to the Supplier by T.E.A. TEK that has not yet been disclosed to the public and concerns, by way of example: models, drawings, sketches and studies relating to marketed products and/or brands.

The supplier undertakes to:

- Not disclose confidential information to third parties;
- Limit, as far as possible, the distribution of confidential information within the organisation;
- Transfer the obligation of confidentiality to employees in written contractual clauses;
- Ensure the non-accessibility and security of confidential information;
- Respect intellectual property rights, not using confidential information for purposes other than those contractually defined and return the information upon request of T.E.A. TEK.

4.13. Traceability

Suppliers must promote and make effective traceability of materials, both in their own operations and at their authorised sub-suppliers.

The minimum traceability requirements for T.E.A. TEK are:

1. For each order from a company in the T.E.A. TEK group (also referred to as a "launch"), the supplier must record the list of items sent to sub-suppliers or home workers complete with the date of dispatch and quantity of pairs sent;
2. Each consignment of goods (including homeworkers) must be accompanied by a transport document indicating the order number of the T.E.A. TEK group company.

It is considered a Best Practice to include the specific reference to the T.E.A. TEK delivery note numbers in the list mentioned in point 1.