



SUPPLIER CODE OF CONDUCT

SUMMARY

SUPPLIER

CODE.....page 3

WORKING CONDITIONS REQUIREMENTS AND RESPONSIBILITIES.....page 4

ENVIRONMENTAL PROTECTIONpage 5

BUSINESS MANAGEMENTpage 5

INTELLECTUAL PROPERTYpage 6

PRIVACY...page 6

SUPPLIERS CODE

Since 1967, Lanificio Nova Fides Spa (hereinafter "Nova Fides" or the "company") has been a highly experienced company in the textile industry, particularly in the Prato district . It offers a wide range of fabrics and knits for apparel. Its approach is to provide innovative and immediate solutions to customer needs, but in recent years, it has also shifted its focus to other strategically important aspects: the values of ethics and sustainability.

The company manages and controls the entire fabric production cycle: from the selection of raw materials to the spinning, weaving, and finishing processes: each step is monitored and subjected to product quality control by the company's technicians.

For production, Nova Fides also collaborates with qualified suppliers operating within the Italian textile districts, particularly that of Prato.

Nova Fides, committed to the fundamental principles of legality, fairness, and integrity, as well as transparency and solidarity, requires its suppliers to act according to the same principles in managing their own businesses, respecting them and ensuring their employees, suppliers, and partners respect them. Indeed, Nova Fides believes that building stable and lasting relationships requires honesty, sincerity, and loyalty, as well as the highest level of professionalism.

This Supplier Code of Conduct (hereinafter the "Code" or "Supplier Code "), an expression of the company's principles and values together with the Code of Ethics, requires strict compliance with these standards by all its suppliers, subcontractors and sub-suppliers (hereinafter, collectively, the "Suppliers").

This Code is an integral part of the contracts concluded with our Suppliers and any violation or failure to apply the principles and obligations set forth therein may result in breach of contract and lead to decisions such as early termination of the contract.

It is understood that this Supplier Code requires in any case compliance with national laws, other applicable laws and the principles set forth in the Conventions of the International Labour Organization, in the Universal Declaration of Human Rights.

This Supplier Code was approved and adopted by the Board of Directors of Lanificio Nova Fides Spa on April 29, 2021.

WORKING CONDITIONS REQUIREMENTS AND RESPONSIBILITIES

Nova Fides Suppliers must comply with the regulations and legal provisions in force in their respective countries, the provisions of the international ethical standards indicated in any certifications obtained and, in particular, the following provisions relating to their working methods.

Nova Fides requires that its Suppliers always act [in compliance with the principles of loyalty, impartiality and integrity and to operate in compliance with fundamental human rights].

In particular, working conditions must be such as to ensure:

- **Healthy and safe working environments** : Suppliers are required to guarantee their employees healthy and safe environments, in accordance with the parameters established by law and in accordance with the specific provisions for the production sector in which they operate.

Compliance with the highest standards of occupational health and safety is required, adopting the precautions required by law and those suggested by common sense with regard to effectively protecting worker safety.

Furthermore, Suppliers are required to establish procedures or provide training opportunities for their staff to provide the tools necessary to prevent health, hygiene, and safety hazards. To help them improve their procedures and comply with this Code, Nova Fides is available to provide support and advice to its suppliers;

- **Wages and working hours compliant with local legislation:** Suppliers must comply with legislation regarding wages, working hours, overtime and social benefits in order to always guarantee the dignity and well-being of workers;
- **freedom of association and collective bargaining:** Suppliers must recognise their employees' freedom to join a workers' union or any other association having legitimate purposes such as collective bargaining, as well as the directly exercisable right to representation and freedom of expression;
- **Absence of discrimination and harassment:** Suppliers undertake not to implement any form of discrimination against their employees, in particular on the basis of gender, age, racial and ethnic origin, nationality, political opinions, religious beliefs, sex, sexual orientation or health status; furthermore, any form of harassment, whether sexual or psychological, such as intimidation, threats and sexual coercion or the promise of a reward in exchange for sexual favors must be condemned;
- **Aversion to child labor, forced labor, and abuse:** Suppliers must not exploit child labor and may not resort to forced labor. Any form of corporal punishment, psychological or physical harassment, or any form of mobbing is also prohibited.
- **Illegal, clandestine, and undeclared labor:** Suppliers are required to comply with applicable

legislation prohibiting the exploitation of illegal, clandestine, or undeclared labor.

- **Residence permit:** Our suppliers employ workers who comply with residence permit regulations.

ENVIRONMENTAL PROTECTION

Suppliers are also required to comply with directly applicable environmental regulations and work to promote responsible environmental protection practices. The development and dissemination of environmentally friendly technologies or those that minimize environmental impacts in terms of waste reduction and/or recovery, emissions containment, and efficient management of energy and natural resources is encouraged.

BUSINESS MANAGEMENT

Our suppliers must conduct their business legally, with diligence, professionalism, and honesty. They are required to adhere to the following provisions:

- **Legal Requirements:** Our Suppliers are required to act in full compliance with all local, national, and international laws and regulations applicable to their business.
- **Administration and financial statements:** accounting and financial statements must comply with laws and regulations and must be drawn up in accordance with accounting and transparency principles in order to ensure reliable business management.
- **Subcontractors:** Our Suppliers must obtain **our prior approval to** subcontract any portion of the service to be provided. Our approval is conditional on Suppliers' acceptance of this Code and all other applicable provisions.
- **Security and Customs Authorities :** Our Suppliers shall comply with applicable customs laws, including those relating to imports as well as the prohibition on transshipment of goods in the country of import.
- **Anti-corruption:** Suppliers must always uphold the principles of honesty, loyalty, fairness, and transparency in their dealings with public authorities. Any direct or indirect offering of money or any other gift to a public official or public service representative, with the aim of influencing their behavior and obtaining undue advantages, must always be avoided. Suppliers must also refrain from engaging in any form of corruption, including towards other private individuals.
- **Organized crime:** Suppliers must ensure that they are not linked to or have any relationship whatsoever with criminal organizations or organizations operating illegally (for example, people linked to the money laundering and usury or money laundering environment);
- **Conflicts of Interest :** Suppliers must avoid being in a situation where their interests or those of family and friends may conflict with those of Nova Fides;

- **Commercial relations and competition: like** Nova Fides, its suppliers are required to maintain fair and honest commercial relations that comply with competition and trade restrictions legislation, upholding, for example, the prohibition on abuse of a dominant position;

INTELLECTUAL PROPERTY

Intellectual and industrial property is a cornerstone of Nova Fides's business, and therefore full compliance is always required. The Supplier does not enjoy any rights to intellectual and industrial property rights by virtue of its supply or collaboration relationship with the company. Consequently, any use of such elements beyond what is specifically authorized in writing by Nova Fides would constitute a violation of industrial and intellectual property rights, punishable under applicable laws. For example, any conduct aimed at altering, counterfeiting, or usurping Nova Fides's trademarks or distinctive signs, designs, models, and any other proprietary rights is prohibited.

PRIVACY

The Group requires its suppliers, as part of their business activities, to undertake to treat the personal data collected, stored, and used in their possession in compliance with all applicable privacy laws and regulations in the jurisdictions in which they operate.