

SUPPLIERS CODE OF CONDUCT OF THE CALZEDONIA GROUP

1. INTRODUCTION

The Calzedonia Group gives primary importance to the adoption of rules and shared values by companies of the group and partners with whom it engages in business so they can comply with the Group's ethical principles and develop a sustainable business.

To that end, in line with the provisions of its Code of Ethics, the Calzedonia Group has decided to adopt a Suppliers Code of Conduct (hereinafter, "Code of Conduct") containing the principles and rules of conduct that can guide business relations between the Calzedonia Group and its partners.

This Code of Conduct is subject to a periodic review based on regulatory and legislative developments, best practices and inputs provided by stakeholders.

This document is the first version of the Code of Conduct, approved by the Board of Directors of Calzedonia Holding S.p.A. on 28 September 2020 and must be adopted by all the companies of the Calzedonia Group.

Compliance with the Code of Conduct is a necessary condition to start and to maintain a business relationship with the Calzedonia Group.

2. RECIPIENTS AND SCOPE OF APPLICATION

Sharing the values and rules of conduct of the Calzedonia Group extends to the entire business chain. Suppliers that rely on the collaboration of subcontractors must guarantee, check and prove compliance of the principles and duties established in this Code of Conduct on the part of their subcontractors, it being understood that each supplier shall be responsible in case any of its subcontractors omits or violates the Code of Conduct.

The recipients of this Code of Conduct are therefore all those who provide goods or services to the Calzedonia Group and any subcontractors at any level in the supplier's chain (hereinafter, "Recipients" or individually "Recipient").

Recipients are asked to conform to the Code of Conduct, as well as to disseminate it and ensure its compliance by own employees, suppliers, external collaborators and other persons or entities from the supply chain of raw materials, services and finished products of the Calzedonia Group.

To confirm their own participation, Recipients must sign the participation form provided in section 7 of this document (Commitment and Acceptance Form).

3. REGULATORY FRAMEWORK

Recipients must comply with applicable laws and regulations of the country in which they operate, including by way of example but not limited to, laws on labour, human rights, workplace health and safety, environmental responsibility, anti-corruption, safety and quality of products and services. In addition to laws and regulations applicable locally, the Code of Conduct sets out essential requirements based on international principles that could be more restrictive with respect to regulatory requirements. Recipients must comply with the most restrictive principles, provided that they do not breach laws and mandatory regulations applicable locally.

In case of conflict between the Code of Conduct and the above laws or regulations, the latter shall

prevail over the Code of Conduct. In this case, Recipients must duly inform the Calzedonia Group so that they can evaluate together how to resolve the misalignment without compromising the compliance of the values set out in this Code of Conduct.

4. REPORTING

Recipients must report without delay any breaches of law, of the Code of Conduct or of any other agreement with the Calzedonia Group, whether they are suspected or confirmed. This includes breaches committed by any employee, consultant, partner, agent or any other representative acting on behalf of the Recipient or the Calzedonia Group.

For any information request regarding the Code of Conduct, including its interpretation and application, the contact persons of the Group can be contacted as they are directly in charge of managing the current business relationship.

For any reporting regarding a suspected or confirmed breach of the Code of Conduct, the Calzedonia Group can be contacted at:

- e-mail: organismo.vigilanza@calzedonia.it;
- ordinary mail: Organismo di Vigilanza Gruppo Calzedonia c/o Calzedonia Spa, Via Monte Baldo n. 20, Dossobuono di Villafranca (VR).

The Group undertakes to treat any report received with utmost confidentiality and without any form of retaliation.

Said general principle does not preclude or limit any obligation to file a report with legal authorities or other competent authorities because of the above reporting.

5. PRINCIPLES AND RULES OF CONDUCT

5.1. LABOUR AND HUMAN RIGHTS

The Calzedonia Group confirms its commitment to comply and promote human rights, including labour and non-labour rights.

Recipients must respect and promote human rights, with specific regard to the rights of workers within the scope of their activities, in particular:

- **Against forced or compulsory labour:** Any forced or compulsory labour is prohibited, including pledging labour as repayment of a loan, slavery or human trafficking, as well as psychological or physical coercion acts.

Employees must have their personal identification documents or have direct control of them, they must have freedom of movement and must have the right to terminate their employment, as long as they comply with the prior notice term envisaged by law, without fear of retaliation or punishment.

- **Against child labour:** Recipients must comply with children's rights and refuse child labour in compliance with the minimum age for employment set out by the national laws of each country. Recipients must act in compliance with the rules set out by the International Labour Organisation and by the International Convention on the Rights of the Child. If local laws allow employment of young workers, Suppliers must ensure said young workers have the minimum age required by law and guarantee the respective lawful treatment until the age of 18.

This includes measures that prevent danger situations and night work that could compromise their health, safety and their moral integrity.

- **Against discrimination and promoting diversity:** Recipients must respect the diversity of their employees by offering equal job opportunities and a chance for professional advancement while refusing any sort of discrimination. Employees of the Recipients should not be exposed to discrimination based on race, origin, ethnic group, disability, disease, religion, marital status, sexual orientation, political opinion, age, nationality, gender or based on any other reason. Moreover, Recipients shall refrain from engaging in any discriminatory practices in relation to recruitment, salaries, training opportunities, advancement, termination of job contracts or retirement.
- **Right to freedom of speech, information and expression:** Recipients undertake to comply and promote the right to freedom of opinion within their own work environment, including the right to information and expression thereby respecting the various opinions and promoting bilateral communication in own business dealings.
- **Respect for freedom of association and collective bargaining:** Recipients must guarantee own employees without any distinction whatsoever, the right to freedom of association and right to join a trade union. There will be no retaliation if said rights are exercised and no compensation or payment of any sort will be offered to employees to prevent the exercise of said rights.
- **Proper, equal and favourable working conditions:** Recipients must treat all of their employees with respect and in a proper and fair manner, paying their wages in compliance with applicable laws, including laws on minimum wage, overtime work and benefits. Recipients shall not make any withholdings or deductions on wages for disciplinary reasons or for any other reasons, except for those required by applicable regulations. Likewise, they shall provide all workers written and clear information about their salaries at the time of recruitment while ensuring employees access to information regarding their own job contracts. Moreover, Recipients shall guarantee payment on time of wages and any other allowance or benefit, in full compliance with all applicable laws and in particular ensure that payments are made to workers in the most appropriate manner.

Recipients must also comply with the forms of employment set out by applicable law, avoiding relying on any illegal method, including employment of workers without a valid permanent stay permit and ensuring that own employees and collaborators have social security, welfare and insurance pursuant to law and applicable regulations, as well as the adopted collective agreements.

Moreover, Recipients must guarantee own employees a working environment free from any harassment, intimidation, abuse or violence, including psychological or verbal violence, in addition to any conduct that may create an intimidating, offensive or hostile work environment.

Lastly, Recipients must guarantee equal treatment in the selection of any subcontractors, as well as in the relationship with subcontractors which should never be overbearing.

- **Work hours:** Recipients must comply with national and international laws on labour and applicable collective agreements in relation to work hours. Moreover, Recipients must grant weekly resting periods, as well as annual leaves and national holidays, including maternity leave, sickness leave and any other leaves to the extent permitted by law and by applicable collective agreements. The maximum number of weekly work hours allowed by law and applicable regulations must not be exceeded for any reason whatsoever and overtime work must be voluntary and not requested on a regular basis.

5.2. WORKPLACE HEALTH AND SAFETY

Recipients must comply with applicable regulations on workplace health and safety while guaranteeing own employees and collaborators a safe, hygienic and healthy work environment considering the sector in which they operate and the risks associated with the activities and tasks they perform.

Recipients must take the due precautions to prevent accidents and harms to the health of their workers by minimising as much as possible work related risks and by guaranteeing by way of example but not limited to, the use of prevention and emergency response instruments, safety equipment of the buildings and fire prevention systems, first aid equipment, personal protection equipment, safety of equipment and electrical systems, preventing sound pollution and guaranteeing proper lighting, aeration, hygiene, access to drinking water and a clean work environment, particularly toilet facilities.

Recipients shall frequently offer their employees training courses on workplace health and safety and shall appoint a workplace health and safety manager within the management team with appropriate decisional powers.

5.3. ETHICS AND CONFORMITY

The Calzedonia Group promotes and respects principles of integrity, loyalty and correctness in its business dealings.

Recipients must comply with said principles and act with utmost transparency in compliance with provisions of applicable laws where they operate, as well as comply with the obligations assumed with the Calzedonia Group by virtue of this Code of Conduct.

- **Fight against corruption:** The Calzedonia Group is strongly committed in the fight against any form of active or passive corruption both in the public and private sector.

Recipients must abstain from making any direct or indirect offer or promise of money or any other gain, including gifts or benefits that exceed common courtesy practices and that may be interpreted as aimed to gain an undue influence or obtain favours or undue advantages.

The Calzedonia Group encourages the Recipients to implement initiatives aimed at regulating any exchange of gifts, free items or entertainment, as well as implementing models and proper procedures to mitigate risk of corruption within their own organisation.

- **Conflict of interests:** Recipients must avoid any conflict of interest situation, actual or potential and undertake to report any circumstance that creates favouritism, collusive practices or decisions that result in unlawful advantages within their collaboration with the Calzedonia Group.

- **Anti-money laundering:** Recipients must avoid engaging or maintaining any commercial or financial dealings whenever there is a reasonable doubt that the other parties may put into effect a conduct constituting money laundering.

The Calzedonia Group encourages the Recipients to adopt measures to regulate the management of financial flows thereby prohibiting any activity that may be suspicious as to the origin of received money according to normal professional diligence.

- **Confidentiality:** Recipients must adopt all the necessary measures to ensure and safeguard the confidentiality of the information provided by the Calzedonia Group and not use said information beyond the scope of the assigned duties.

• **Intellectual property and fair competition:** Recipients must act in full compliance with industrial and intellectual property rights of the Calzedonia Group, as well as in compliance with provisions of law, regulations and conventions set out to protect said rights.

The distinctive marks of the Calzedonia Group, as well as all information, projects, samples, drawings and work techniques that are provided to the Recipients, constitute the know-how and industrial secrets owned exclusively by the Calzedonia Group and for this reason, Recipients are called to:

- a) use them exclusively to manufacture the products;
- b) do not disclose them to third parties who are not part of the product processing;
- c) adopt all the necessary measures to maintain their secrecy and prevent own employees or collaborators from disclosing the information in any way thereby assuming all responsibility to that end;
- d) cease immediately from using the information at the end of the assignment or when the assignment is terminated for whatever reason.

Recipients are likewise bound to refrain from undertaking any unfair business practices in breach of applicable laws on fair competition and antitrust.

• **Subcontractors:** Recipients must receive prior approval from the Calzedonia Group to subcontract any part of the work or services to be provided. The approval by the Calzedonia Group is subject to the acceptance of this Code of Conduct on the part of subcontractors.

• **Public statements:** Recipients must take extreme care in giving public statements, especially online or in social networks. They must refrain from making statements that are in contrast with the values and principles set out in this Code of Conduct and may not mention the Calzedonia Group or use its name or logo without express approval from the latter.

• **Trade restrictions and international sanctions:** Recipients undertake to comply with trade restrictions and international sanction standards, as well as laws and regulations on export control. Recipients represent and warrant that any of their subcontractors are not included in any sanction list, by way of example, the “Specially Designated Nationals and Blocked Persons List” or the “Foreign Sanctions Evaders List”.

• **Privacy:** Recipients must act in full compliance with laws and applicable regulations on personal data protection.

5.4. ENVIRONMENTAL PROTECTION

The Calzedonia Group is committed to protecting the environment along the entire production chain and expects for the Recipients to commit themselves to trying to reduce environmental impact to a minimum as far as their products and production processes and respect ecosystems and biodiversity. Recipients must observe applicable environmental laws that include the following: attainment and maintenance of environmental authorisations and approvals to carry out operations legally; management and disposal of harmful materials; emissions of contaminating agents that impact air, water and the ground; production of natural resources and the fauna; ban or restriction in using specific substances; recycle of materials and respect of environmental rights.

The Calzedonia Group encourages the Recipients to collaborate in calculating the environmental impact of the entire production chain in order to minimise the negative effects and further cut down the environmental impact of the products.

The Calzedonia Group expects the Recipients to create production processes that are aimed at reducing waste of natural resources (with particular emphases on the preservation of water and energy resources) and that promote recycling and reuse. Therefore, the Calzedonia Group strongly advises a proactive approach towards innovative solutions and technologies that are aimed at constantly proposing improved products and services with a lesser environmental impact.

5.5. SAFETY AND QUALITY OF PRODUCTS AND SERVICES

Recipients must observe all applicable safety regulations in relation to the products and services provided and any safety requirement set out contractually.

With particular reference to the supply of raw materials and finished products for the realisation of products of the Calzedonia Group, Recipients must observe international laws on chemical, physical and mechanical safety of products and full compliance of the Technical Conformity Specifications of the Calzedonia Group whenever applicable to the raw materials and products being supplied.

The Calzedonia Group reserves the right to conduct chemical tests on materials and products during the processing phase and on finished products.

Moreover, Recipients must guarantee the traceability of the products and where required provide information about the identity of subcontractors, the places of production and processing of materials, components and products used and hence help the Calzedonia Group evaluate any possible related risks (social or environmental).

6. AUDITS AND NON-CONFORMITY

In order to guarantee conformity with the provisions of the Code of Conduct, the Calzedonia Group reserves the right to conduct the following audit activities with respect to the Recipients, either directly or through a third party:

- request documentation considered necessary;
- conduct audits at the production sites and offices, making the required visits.

Moreover, in order to ensure the full application of the Code of Conduct, monitoring activities may be necessary, both documental and in situ checks, conducted directly or through a third party with respect to all Recipients, their subcontractors, external collaborators and other entities that are part of the supply chain of raw materials, services and finished products for the Group.

Recipients must provide all the necessary information to facilitate the audit activities conducted by the representatives of the Calzedonia Group who intend to ensure the conformity of this Code of Conduct.

Moreover, Recipients must undertake to improve and correct any encountered deficiency or non-conformity.

The Calzedonia Group undertakes to treat as strictly confidential all information received in full compliance with intellectual property rights and commercial rights of the Recipients.

The Calzedonia Group reserves the right to discontinue or end the business relationship with the Recipients at any time, in addition to claim compensation for damages whenever the following conditions apply:

- a serious or repeated breach of the Code of Conduct;

- a refusal or lack of collaboration in conducting the audit activities;
- non-implementation of an ameliorate plan or breach of the methods and times agreed following an audit of non-conformity.

7. COMMITMENT AND ACCEPTANCE FORM

By accepting this form, Recipients confirm to:

- have received, examined and understood the provisions of the Code of Conduct;
- undertake to observe the Code of Conduct according to an approach aimed at development and constant improvement;
- fully indemnify and hold the Calzedonia Group harmless from any claim, sanction or loss caused by any breach on the part of the Recipient or own subcontractors of the safety requirements set out in this Code of Conduct, the Technical Conformity Specifications or applicable laws;
- use any necessary means of communication to inform own employees, subcontractors, external collaborators and other entities that are part of the supply chain of the Calzedonia Group about the contents of this Code of Conduct and ensure that they also observe the provisions thereof and certify it through proper documentation that confirms the participation by subcontractors;
- ascertain the audit conditions set out in this document;
- in case of non-conformity undertake to implement the necessary actions to adapt own activities and procedures;
- undertake to report to the Group any suspected or confirmed case of breach of this Code of Conduct using the contact references provided in this document.