



SUPPLIER CODE OF CONDUCT

Rev.1 10/07/2024

Approved by the Board of Directors of Laboratori Fabrics S.r.l. C.d.A on 10th July 2024

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1 Overview

With the aim of consolidating its position in the race towards sustainable development and the achievement of the United Nations' Agenda 2030 goals, Laboratori Fabrici S.r.l. (hereinafter also referred to as 'Laboratori Fabrici' or 'Laboratori Fabrici S.r.l.' or 'Vitesy') has drafted its first supplier code of conduct (hereinafter the 'Supplier Code of Conduct' or simply the 'Code'). Through this document, which is also available at the address <https://vitesy.com/it/download>, LABORATORI FABRICI S.r.l. takes another step forward in its journey towards accountability, aiming to minimise its potential negative impacts on the environment and society while maximising the positive ones, achieving excellence in sustainability performance.

For some time now, LABORATORI FABRICI S.r.l. has adopted a strategic approach that places respect for the principles of circularity, eco-design, environmental, and social responsibility at its core. Last but not least, LABORATORI FABRICI S.r.l. acknowledges the value of an extended accountability process, a concept where more and more actors are called upon to take responsibility for their activities and operations. It is a principle that LABORATORI FABRICI S.r.l. feels particularly close to as the company sells finished products made by a completely outsourced supply chain. Hence, there arises the need to analyse the impact of our products throughout their entire life cycle, from their design, manufacturing, sale, and up to disposal. Consequently, the choice of suppliers plays a strategic role in this regard.

1.1 Our Mission

We aim to create and strengthen a network of collaborators aligned with the same goals of sustainable development, intending to establish enduring and productive partnership relationships, and ready to respect and even anticipate legal requirements. In this perspective, our approach will always be proactive and collaborative. In light of this, LABORATORI FABRICI S.r.l. acknowledges, within its own Code, principles whose adherence represents the basis of every collaborative relationship (particularly concerning the selection and ongoing evaluation of its suppliers) but is also willing to support its suppliers, if necessary, in the process of implementing improvement actions. Considering that compliance with all applicable legal requirements remains an essential point in any working relationship with LABORATORI FABRICI S.r.l., our intention is also to promote and guide, when necessary, a process of continuous improvement.

1.2 Vitesy's New Operating Context

What was once a dedication stemming from the company's innate sensitivity toward these issues has now become an integral part of the company's management system. Starting from 2023, LABORATORI FABRICI S.r.l. has indeed adopted and internalised the procedures required by the Integrated Management System for Quality and Environment during the process

of obtaining ISO 9001 and 14001 certifications. LABORATORI FABRICI S.r.l. is therefore required to constantly demonstrate compliance with the requirements of these standards, as well as to certify the alignment of its supply chain with certain quality standards.

Additionally, LABORATORI FABRICI S.r.l. is transitioning into a Benefit Corporation structure, safeguarding not only the company's economic interests and the achievement of associated growth objectives but also embracing higher values aimed at promoting and preserving environmental and social well-being. These objectives are now an integral part of the company's mission, and as such, LABORATORI FABRICI S.r.l. is required to report on and provide evidence of their attainment on an annual basis. Consequently, the interest in improving the impact profile of our supply chain has become even more deeply rooted in our operations.

2 Scope of Application

The present Supplier Code of Conduct applies to suppliers, defined as any natural or legal person providing goods and/or services to LABORATORI FABRICI S.r.l. or its subsidiaries (hereinafter also referred to as the 'Supplier'). The Supplier must ensure and demonstrate compliance with this Code, ensuring that it is also upheld by its employees, collaborators, and any other sub-supplier within its supply chain.

3 Principles and Rules of Conduct

3.1 General requirements

In line with what is outlined in our Integrated Quality and Environment Policy, we expect the following from the Supplier:

- ensuring compliance with applicable regulatory requirements aimed at minimising impacts on human health and the environment, thereby preventing environmental pollution wherever and to the extent possible, is essential. To achieve this, the Supplier commits to providing LABORATORI FABRICI S.r.l. with necessary data for ensuring the traceability of materials, electrical and electronic parts and components intended for our brand's product manufacturing. Additionally, the Supplier will ensure compliance with regulations regarding restrictions on the use of certain hazardous substances (contained in materials, parts, components, etc.), ensuring that they remain below the concentration thresholds outlined in the RoHS 2 Directive and subsequent amendments;
- In order to enable LABORATORI FABRICI S.r.l. to conduct Life Cycle Assessments (LCAs) of its products and implement circularity models and Life Cycle Thinking, the Supplier shall ensure access to the necessary information and data. This access will enable LABORATORI FABRICI S.r.l. to establish a comprehensive understanding that

¹starts from the acquisition of raw materials and extends to the subsequent product placement in the market. This understanding further encompasses the management of waste electrical and electronic equipment (WEEE) generated after the use of LABORATORI FABRICI S.r.l.'s equipment by customers/users;

- That the Supplier ensures compliance with current legal provisions concerning the Health and Safety of workers and Environmental protection;
- That the Supplier guarantees training and, above all, awareness regarding health and safety risks in the workplace, environmental aspects, and the laws, both internal and external, that the personnel must adhere to in order to operate in accordance with LABORATORI FABRICI S.r.l.'s Code of Conduct. The employees of our suppliers must be aware of their responsibilities and be capable of operating in compliance with legislative requirements, company policies, and procedures;
- That the Supplier is available for Audits conducted by LABORATORI FABRICI S.r.l. or third parties acting on its behalf. These Audits are conducted to verify adherence to the principles outlined in this document (compliance and practical application);
- That the Supplier manages the risks and emergencies associated with its business activities by promoting the implementation of systems for identification, prevention, and response procedures, aimed at limiting the exposure of its employees and/or collaborators to potential risks in the workplace.

3.2 Requirements for Impact Areas

3.2.1 Social: Labour and Human Rights

Human Rights

The Supplier is required to respect human rights, including those of workers, drawing inspiration from the International Bill of Human Rights¹ and the fundamental conventions of the International Labour Organization². This involves treating its employees with dignity and respect, safeguarding them from any form of degrading work conditions.

Child Labour

The Supplier must fully comply with all applicable laws and regulations regarding child labour and the protection of young workers. The employment of individuals under the age of 18, if permitted by prevailing laws and regulations, should not interfere with their compulsory

¹ The International Bill of Human Rights consists of the texts of the Universal Declaration of Human Rights, the International Covenant on Economic, Social, and Cultural Rights (ICESCR), and the International Covenant on Civil and Political Rights (ICCPR). The ICESCR and the ICCPR identify civil, political, economic, social, and cultural rights that everyone should be able to enjoy. For these Conventions to be binding, they must be ratified by governments. You can find more information on the "International Bill of Human Rights. A brief history, and the two International Covenants" <https://www.ohchr.org/en/what-are-human-rights/international-bill-human-rights>. Below is the interactive dashboard monitoring the status of Covenant ratification on a global scale: <https://indicators.ohchr.org/>.

² International Labour Standards https://www.ilo.org/global/standards/WCMS_839267/lang-en/index.htm

education. It must not involve exposing minors to hazardous activities or in any way harm their health, safety, physical, or mental development.

Forced Labour

The Supplier must refrain from any practice of forced labour and modern slavery as indicated by applicable regulations and International Labour Organization Conventions³. No individual shall be coerced or threatened by the Supplier to render service or work, neither directly nor indirectly. Any work practice must be freely chosen and agreed upon. The Supplier must refrain from any practice that might interfere with a worker's regular access to their identification documents, regardless of their nature, or impede their freedom of movement.

Discriminatory Practices

The Supplier must abstain from any discriminatory practices based on age, gender, ethnic and racial origin, nationality, sexual orientation and gender identity, political and religious beliefs, disability, and any other personal characteristic unrelated to the work environment, ensuring fair treatment of all its employees and collaborators. The Supplier must promote and adopt work practices inspired by principles of equal opportunity for all its employees and collaborators. The Supplier must respect and comply with prevailing regulations in this matter, drawing inspiration for its practices from the International Labour Organization Conventions⁴.

Right to Association

The Supplier must ensure respect for the right to association and collective bargaining of workers as established by applicable laws and regulations, drawing inspiration for its practices from International Labour Organization Conventions⁵. Furthermore, the Supplier must refrain from any threats, discrimination, retaliation, and/or harassment related to the exercise of such rights.

Health and Safety

The Supplier is required to adhere to the minimum requirements concerning Health and Safety in the workplace as stipulated by relevant laws and regulations. Additionally, the Supplier must ensure a safe and healthy working environment for its employees and workers, taking preventive actions to mitigate potential accidents, injuries, and risks associated with the activities performed and the operational context. LABORATORI FABRICI S.r.l. hopes that the Supplier possesses a workplace safety management system compliant with ISO 45001. In the absence of such a system, it recommends the adoption of internal policies pursuing similar objectives.

Work Conditions

³ International Labour Standards https://www.ilo.org/global/standards/WCMS_839267/lang--en/index.htm

⁴ International Labour Standards https://www.ilo.org/global/standards/WCMS_839267/lang--en/index.htm

⁵ International Labour Standards https://www.ilo.org/global/standards/WCMS_839267/lang--en/index.htm

The employees and collaborators of the Supplier must be remunerated in accordance with the provisions of applicable laws, regulations, and adopted collective agreements. Therefore, the wage provided by the Supplier must ensure the satisfaction of the primary needs of employees and collaborators, as well as respect dignified living standards for the individual. Additionally, the Supplier must comply with legal requirements concerning rest periods, breaks, vacations, leaves, contract drafting, and any other points related to working conditions as prescribed by law.

Harassment

The Supplier must ensure the existence of a work environment where any form of harassment is not tolerated, and where protection is guaranteed for those who may need to report such incidents, while fully complying with all applicable laws and regulations.

3.2.2 Governance: Ethics and Integrity

Integrity

The Supplier must exert all necessary efforts to conduct its business in line with generally recognized ethical principles and integrity. It should employ organisational systems consistent with the principles outlined in this Code, aiming to maintain enduring, honest, and transparent relationships with LABORATORI FABRICI S.r.l..

Corruption

The Supplier must prevent and prohibit all forms of active or passive corruption and misappropriation, fully complying with all applicable laws and regulations. It must refrain from promising, offering, or accepting undue advantages, improper benefits, or any other form of inducement with corrupt intentions. The Supplier should implement reasonably effective procedures to prevent and combat corruption in all its forms, refraining from facilitating or enabling third parties in money laundering, financing terrorism, or other forms of financial crime.

Unfair Competition

The Supplier is obliged to conduct its business operations in adherence to the rules of fair and ethical competition in accordance with the relevant regulations.

Privacy and Confidential Information

The Supplier must comply with all obligations, laws, and regulations concerning privacy and proper management of confidential, personal, and sensitive information. It should adopt suitable security measures to safeguard the personal data it possesses and preserve the confidentiality of information acquired through its activities. The Supplier must safeguard, protect, and appropriately use the information shared by Vitesy, ensuring that its use aligns with assigned responsibilities and agreements. Any sharing of confidential information pertaining to LABORATORI FABRICI S.r.l. must be done with the prior written consent of LABORATORI FABRICI S.r.l.

Conflict of Interest

The Supplier must avoid conflicts of interest and inappropriate influences that could create situations of illegitimacy or collusive practices of any kind, acting with fairness and impartiality. It is required to inform LABORATORI FABRICI S.r.l. of any situation that could be deemed a conflict of interest.

Intellectual and Industrial Property

The Supplier must adhere to applicable laws, regulations, and conventions concerning industrial and intellectual property rights, including those of LABORATORI FABRICI S.r.l. Accordingly, the Supplier is obligated to take necessary measures to protect LABORATORI FABRICI S.r.l.'s know-how and trade secrets as required by law, assuming responsibility for any improper handling or dissemination. Additionally, the Supplier must respect applicable laws and regulations regarding fair competition and antitrust practices.

3.2.3 Environment: Climate Risk Mitigation

Waste Management

The Supplier must adhere to current regulations and laws regarding the management of hazardous and non-hazardous waste, ensuring its proper handling, treatment, and disposal. All these phases should be traced and documented to demonstrate the correct waste treatment throughout the production process. Additionally, the Supplier is required to work towards adopting waste management and disposal processes that have minimal environmental impact on water, soil, and air during all stages of handling and processing. Furthermore, the Supplier must commit to progressively reducing generated waste and improving its management, such as through reuse and recycling, with the ultimate goal of minimising the negative environmental impact. While these points primarily refer to activities and production processes conducted on behalf of LABORATORI FABRICI S.r.l., they are not limited to such, encouraging the Supplier to organically enhance its practices.

Energy Consumption Management and Reduction of Emissions

The Supplier is obligated to measure, monitor, and, where possible, reduce its energy consumption while adopting reasonable measures to diminish greenhouse gas emissions and other toxic and/or hazardous pollutants. This involves streamlining its operations while fully complying with all applicable laws and regulations. The Supplier is strongly encouraged, where not legally mandated, to map its carbon footprint following internationally recognized standards, establishing a plan to reduce and potentially offset these emissions in line with global objectives (e.g., Paris Agreement⁶). In this regard, LABORATORI FABRICI S.r.l. encourages the Supplier to use low-impact transportation whenever feasible, minimising emissions in all its operations. Furthermore, the Supplier must responsibly and efficiently utilise all resources involved in the

⁶ The Paris Agreement represents an action plan to limit global warming and keep it within safe levels. It presents a long-term strategy for reducing emissions aimed at enabling the EU to achieve climate neutrality by 2050. "Cop 21 - The Paris Agreement" <https://www.consilium.europa.eu/en/policies/climate-change/paris-agreement/>

production cycle, opt for sustainable sourcing, and whenever possible, use energy derived from renewable sources.

Environmental Protection

The Supplier is required to comply with existing laws and regulations concerning environmental protection, refraining from committing environmental crimes in all its activities, including those conducted on behalf of LABORATORI FABRICI S.r.l. Additionally, the Supplier must mitigate any negative environmental impacts associated with its activities. To achieve this, the Supplier is strongly encouraged to take responsibility by implementing an environmental management system aimed at reducing its impact and fostering a positive coexistence with natural ecosystems. This involves establishing a system for monitoring, managing, and reducing the organisation's environmental impacts in accordance with ISO 14001, or alternatively, adopting internal policies that actively pursue these same objectives.

Use of Resources and Circular Economy

The Supplier is obliged to promote the use of circular economy models throughout its activities and operations. It must therefore use resources prudently in line with prevailing laws, regulations, international standards, and objectives, progressively adopting Life Cycle Thinking principles. The Supplier must pay attention to the entire life cycle of its products and services, favouring reuse and recycling practices for resources and materials⁷. Consequently, the Supplier must reduce its usage of non-renewable resources with declining availability and high environmental and climate impact. Moreover, the Supplier is strongly encouraged to prioritise and increase the utilisation of recyclable, renewable, and reusable materials.

Traceability and Responsible Development of Products

LABORATORI FABRICI S.r.l. places great emphasis on the responsible development of its products. Therefore, the Supplier must ensure maximum traceability of its materials, components, and products throughout the entire value chain, complying with all relevant laws and regulations governing raw material sourcing, processing, sale, and distribution. Additionally, the Supplier should provide necessary information upon request, enabling LABORATORI FABRICI S.r.l. to assess any potential environmental and social risks associated with the services it procures from the Supplier.

Water Resource Management

The Supplier must comply with prevailing laws and regulations regarding water resource management, water intake, and discharge to prevent any adverse effects on the environment and human health.

⁷ For more informations consult the website <https://www.europarl.europa.eu/news/en/headlines/economy/20151201STO05603/circular-economy-definition-importance-and-benefits>

4 Implementation and Non-Conformity

As mentioned in chapter 1, LABORATORI FABRICI S.r.l. is aware of the time and effort that may be required to implement the Code's requirements into the Supplier's operations. In this regard, LABORATORI FABRICI S.r.l. is ready to assist the Supplier in what might be a gradual process of aligning with the compliance requirements set forth by the Code. The Supplier is also encouraged to immediately initiate improvements and measures necessary to facilitate synergy and collaboration with LABORATORI FABRICI S.r.l. in this perspective of continuous improvement and cooperation.

Any behaviour that does not comply with the aforementioned principles and/or legal norms must be reported, even anonymously, to LABORATORI FABRICI S.r.l. using the contacts provided below. If deficiencies in compliance with the principles of this Code emerge within the scope of commercial relationships with the Supplier, LABORATORI FABRICI S.r.l. reserves the right to take any necessary action to protect its image and reputation.

LABORATORI FABRICI S.r.l. requires the Supplier to report any doubts regarding the contents and application of the Code. The Supplier is also obligated to report any non-compliance with the provisions of the Code, whether choosing to align independently or seeking support from LABORATORI FABRICI S.r.l.

For all the aforementioned cases, you can use the contacts provided below:

- *info@labfabrici.com*

LABORATORI FABRICI S.r.l. assures the Supplier of the confidential and reserved treatment of any report or communication received in compliance with applicable legal obligations, to prevent any form of retaliation, discrimination, or penalty against the reporters, ensuring the anonymity of the reporter and the confidentiality of the reported facts.

5 Approval and Dissemination of the Code

LABORATORI FABRICI S.r.l. approves, by resolution of the Board of Directors, this Supplier Code of Conduct and promotes its adoption. This Supplier Code of Conduct is subject to periodic review should national and international regulations, referred to as best practices, undergo changes.