

Supplier Code of Conduct and Responsible Supply Chain Management

Section I: Preamble and Commitment

1.1 Fundamental Commitment

Cavalleretti Stampaggio Srl is committed to conducting business in an ethical, responsible, and sustainable manner. This Code establishes the minimum standards for all Suppliers, contractors, and business partners. Acceptance of the Code is a prerequisite for the establishment or continuation of any business relationship.

1.2 Legal and Regulatory Framework

The Code is based on the principles of the Universal Declaration of Human Rights, the fundamental ILO conventions, the United Nations Guiding Principles on Business and Human Rights (UNGP), and international environmental standards.

Section II: Social Requirements and Human Rights (S)

Requirement	Required Standard
Child Labor and Young Workers	Child labor is strictly prohibited. The Company and its suppliers shall not employ children below the minimum age for employment as defined by local law or ILO standards. Workers under the age of 18 (young workers) must not perform work that is likely to jeopardize their health, safety, or education. Specific protections must be in place to ensure they are not exposed to hazardous conditions or night shifts.
Modern Slavery	Any form of forced labor, bonded labor, indentured labor, or modern slavery practices is strictly prohibited. All work must be voluntary, and workers must be free to leave their employment or terminate their contract upon reasonable notice. Workers shall have freedom of movement and must not be required to surrender their government-issued identification, passports, or work permits as a condition of employment.
Ethical Recruitment	Recruitment practices must be transparent. Workers shall not be charged any recruitment fees or related costs, including agency fees, processing fees, or transportation costs. If any such fees are found to have been paid by the workers, they must be fully reimbursed by the employer. All terms and conditions of employment must be communicated clearly to candidates in a language they understand before they accept the position.
Wages and Benefits	Compensation must be paid in a timely manner and in full compliance with or above the legal minimum wage. Wages should be sufficient to meet the basic needs of workers and their families, providing some discretionary income (Living Wage). All workers must be provided with a clear and written pay slip for

Requirement	Required Standard
	each pay period, and any deductions from wages as a disciplinary measure are strictly prohibited unless permitted by national law.
Working Hours	Regular working hours must not exceed legal limits. Overtime work must be voluntary, compensated at a premium rate, and must not exceed the limits established by local laws or, in their absence, by international labor standards. Workers must be provided with at least one day of rest in every seven-day period and sufficient time for meals and breaks during the workday.
Freedom of Association and Collective Bargaining	Workers must have the right to form, join, or refrain from joining organizations of their own choice and to bargain collectively. Suppliers must not intimidate or harass workers' representatives. The Company and its suppliers shall respect the right of employees to communicate openly with management regarding working conditions without fear of reprisal, discrimination, or intimidation.
Non-Discrimination and Harassment	Discrimination in hiring, compensation, training, and promotion is strictly prohibited. The Company and its suppliers shall ensure equal opportunities regardless of race, gender, age, religion, sexual orientation, disability, or any other protected characteristic. Furthermore, any form of harassment—whether sexual, physical, or psychological—is prohibited. Every worker must be treated with dignity and respect, and the workplace must remain free from intimidation, abuse, or hostility.
Women's Rights / Diversity, Equity, and Inclusion (DEI)	Suppliers must promote an inclusive work environment and ensure equal opportunities, particularly for underrepresented groups. Furthermore, suppliers are committed to protecting maternity and paternity rights. No female worker shall be subject to discrimination or dismissal due to pregnancy, and adequate provisions—such as maternity leave and protections against hazardous work during pregnancy—must be guaranteed in accordance with local laws and international standards.
Rights of Minorities and Indigenous Peoples	Suppliers must respect the rights of indigenous peoples and local minorities, particularly regarding consultation and consent for projects affecting their lands, territories, or resources. This includes adhering to the principle of Free, Prior, and Informed Consent (FPIC). Suppliers must ensure that their operations do not lead to the illegal displacement of communities or the degradation of resources essential to their livelihood and cultural identity.
Land, Forest, and Water Rights / Forced Evictions	Land acquisitions and the use of natural resources (such as forests and water) must be conducted with the Free, Prior, and Informed Consent (FPIC) of the affected communities and must include fair compensation. Suppliers must ensure that their operations do not deprive local populations of their livelihoods or access to essential resources. Any land transfer or change in resource use must be documented, legally sound, and based on transparent negotiations with all stakeholders.

Requirement	Required Standard
Use of Private or Public Security Forces	The use of security forces must be managed in a manner that prevents and mitigates the risk of human rights abuses, in accordance with the Voluntary Principles on Security and Human Rights. Suppliers must ensure that security personnel are properly trained, follow strict rules of engagement, and act with restraint. The use of force must be proportional and limited to cases of absolute necessity. Security providers must be vetted to ensure they have not been involved in past human rights violations.
Health and Safety	A safe and healthy working environment must be provided, minimizing workplace hazards to prevent accidents and occupational diseases. Suppliers must establish and maintain robust health and safety management systems (e.g., compliance with ISO 45001 or equivalent standards). This includes regular risk assessments, the implementation of preventive measures, and the provision of adequate training and personal protective equipment (PPE) to all workers at no cost.

Section III: Environmental Requirements (E)

Requirement	Required Standard
Greenhouse Gas (GHG) Emissions and Decarbonization	Suppliers must measure and report their Greenhouse Gas (GHG) emissions (Scope 1 and 2; Scope 3 is strongly encouraged). They are required to commit to science-based reduction targets (e.g., in line with SBTi) and develop clear decarbonization plans. Suppliers shall strive to improve energy efficiency and increase the use of renewable energy sources to minimize their carbon footprint throughout the product lifecycle.
Energy Efficiency and Renewable Energy	Suppliers must implement measures to improve energy efficiency and increase the share of renewable energy, whether purchased from the grid or self-generated. This includes the adoption of energy-saving technologies, the optimization of production processes, and the transition toward sustainable energy sources (such as solar, wind, or geothermal). Suppliers are encouraged to monitor their energy performance through dedicated management systems (e.g., ISO 50001).
Water Quality, Consumption, and Management	Sustainable water management is mandatory, especially in water-stressed areas. Suppliers are required to monitor water withdrawal and discharge, ensuring the quality of the water returned to the environment. This includes implementing measures to reduce water consumption, recycling water within production processes where possible, and treating wastewater to comply with—or exceed—local environmental regulations before discharge.
Air Quality and Noise Emissions	Emissions of air pollutants (such as NO _x , SO _x , and particulate matter) must be managed and monitored in strict compliance with legal limits. Suppliers must implement adequate filtration

Requirement	Required Standard
	and treatment systems to minimize their atmospheric impact. Furthermore, operational noise must be controlled to protect both workers and surrounding communities, ensuring that noise levels do not exceed regulatory thresholds or cause significant disturbance.
Responsible Chemical Management	Suppliers must identify, manage, track, and safely dispose of chemicals, particularly Substances of Very High Concern (SVHC) and heavy metals, in compliance with international standards such as REACH and RoHS. Suppliers are required to maintain an updated inventory of all chemical substances used and provide Safety Data Sheets (SDS) in the local language. The use of prohibited or restricted substances must be phased out in favor of safer alternatives.
Sustainable Resource Management and Waste	A waste management system based on the hierarchy of Reduce, Reuse, and Recycle must be implemented, ensuring the safe and responsible disposal of any residual waste. Suppliers must strive to minimize waste generation at the source, optimize material efficiency, and ensure that hazardous and non-hazardous waste are segregated, labeled, and handled by authorized waste carriers in compliance with local regulations.
Biodiversity, Land Use, and Deforestation	Involvement in activities leading to the deforestation of High Conservation Value (HCV) forests is strictly prohibited. Suppliers must commit to achieving zero deforestation across the supply chains of key raw materials. This includes ensuring that materials are not sourced from land converted from natural forests or other high-biodiversity ecosystems. Suppliers are required to conduct due diligence to verify the legal and ethical origin of forest-linked commodities.
Soil Quality	Suppliers must adopt measures to prevent soil erosion and contamination from hazardous substances. This includes the implementation of structural safeguards, such as secondary containment systems for liquids, proper storage of chemicals and waste, and regular maintenance of equipment to prevent leaks. In the event of accidental spills, suppliers must have emergency protocols in place to ensure immediate containment and remediation of the affected soil.
Animal Welfare	Where applicable, animals must be treated ethically and humanely, in accordance with the 'Five Domains' model or equivalent international standards. Suppliers must ensure that animals under their supervision or within their supply chain are provided with appropriate nutrition, a suitable environment, proper health care, and the opportunity to express natural behaviors, while minimizing mental suffering and distress.

Section IV: Governance Requirements (G)

Requirement	Required Standard
Anti-Corruption and Anti-Money Laundering	Suppliers must comply with all applicable anti-corruption laws. The offering, promising, giving, or accepting of bribes, facilitation payments, or any other form of corruption—whether involving public officials or private parties—is strictly prohibited. Furthermore, suppliers must implement adequate anti-money laundering (AML) controls to ensure that their business operations are not used to conceal the origins of illicitly obtained funds.
Fair Competition and Antitrust	Suppliers must act in compliance with all applicable competition and anti-trust laws, strictly avoiding collusion, price-fixing, and unfair business practices. This includes a prohibition on sharing sensitive commercial information with competitors—such as pricing, costs, or market strategies—and engaging in any agreement aimed at restricting competition or allocating markets and customers.
Conflicts of Interest	Suppliers must identify and promptly disclose any actual or potential conflict of interest that could influence business decisions. A conflict of interest arises when an employee’s personal interests, or those of their family or associates, interfere—or appear to interfere—with the best interests of the Company. Suppliers are expected to manage such situations transparently and implement measures to ensure that all business dealings are conducted at arm’s length.
Intellectual Property and Counterfeit Parts	Respect for intellectual property rights (including patents, trademarks, copyrights, and trade secrets) is strictly required. Suppliers must ensure that all goods and services provided do not infringe upon the intellectual property rights of third parties or the Company. The supply of counterfeit goods or the unauthorized use of trademarks and proprietary designs is prohibited. Suppliers must implement effective control measures to prevent the entry of counterfeit components into their own supply chain.
Financial Responsibility and Information Disclosure	Financial reporting must be accurate, complete, and transparent. Suppliers must maintain books and records that fairly reflect all business transactions in accordance with Generally Accepted Accounting Principles (GAAP) or International Financial Reporting Standards (IFRS). Furthermore, suppliers must disclose all relevant information and material facts in compliance with applicable laws, regulations, and industry standards, ensuring that no false or misleading entries are made in any financial statements.
Export Controls and Economic Sanctions	Suppliers must comply with all applicable export control laws, economic sanctions, and trade embargoes imposed by competent authorities (such as the EU, UN, or US). This includes verifying that business partners, end-users, and countries of destination are not subject to restrictive measures. Suppliers must ensure that no products, software, or technology are

Requirement	Required Standard
	exported, re-exported, or transferred in violation of these regulations.
Data Protection and Cybersecurity	Suppliers must protect personal and corporate data in compliance with the GDPR (where applicable) and local privacy laws, implementing adequate cybersecurity measures. They must ensure that all sensitive information is handled with strict confidentiality, processed only for authorized purposes, and protected against unauthorized access, loss, or theft. Suppliers are required to notify the Company immediately in the event of a data breach that could impact its business or information assets.
Reporting of Misconduct and Protection from Retaliation	Suppliers must establish a confidential reporting mechanism that allows employees and stakeholders to report potential violations of this Code of Conduct, laws, or regulations without fear of retaliation. This 'Whistleblowing' channel must ensure anonymity where permitted by law and guarantee that all reports are investigated thoroughly, impartially, and in a timely manner. Any form of retaliation against a person who reports a concern in good faith is strictly prohibited and shall be subject to disciplinary action.

5. Monitoring, Compliance, and Corrective Action

5.1. Due Diligence and Verification:

Cavalleretti Stampaggio Srl reserves the right to conduct, or have conducted by third-party representatives, audits and assessments to verify compliance with this Code of Conduct. Such audits may include on-site inspections of facilities, interviews with employees, and a review of relevant documentation and records. Suppliers are expected to provide full cooperation and access to all necessary information to facilitate these verification activities.

5.2. Non-Compliance:

In the event a non-compliance is identified, the Supplier must submit and implement a Corrective Action Plan (CAP) within an agreed-upon timeframe. This plan must address the root cause of the violation and outline specific steps for remediation. Failure to resolve severe non-conformities, or persistent violations of the principles set forth in this Code, may lead to the immediate termination of the business relationship and the cancellation of outstanding orders.

5.3. Transparency and Information Disclosure:

Suppliers are required to promptly provide Cavalleretti Stampaggio Srl with any information or documentation requested to demonstrate adherence to the requirements of this Code. This may include, but is not limited to, certifications, training records, environmental permits, payroll summaries, and safety inspection reports. Any delay or refusal to provide such documentation may be considered a lack of cooperation and a potential breach of the supplier agreement.

6. Supply Chain Management (Flow-Down Requirement)

Responsible supply chain management is not limited to the direct relationship between Cavalleretti Stampaggio Srl and its Tier 1 Suppliers; it requires a shared commitment to extend these standards throughout the entire value chain. Suppliers are expected to act as ambassadors of these principles, promoting accountability and ethical conduct among their own providers, contractors, and raw material sources to ensure a transparent, resilient, and sustainable ecosystem.

6.1. Definition and Implementation of Equivalent Standards

Tier 1 Suppliers must actively commit to ensuring that their own suppliers and subcontractors (Tier 2 Suppliers and beyond) adhere to ethical, social, and environmental principles that are similar or equivalent to those established in this Code of Conduct. The Supplier must act with due diligence to promote these standards, ensuring that the entire production chain—regardless of depth—operates in accordance with the values of integrity, safety, and sustainability required by the Company.

- **Internal Documentation:** Tier 1 Suppliers must develop and implement their own supplier policy or code of conduct that reflects the commitment of Cavalleretti Stampaggio Srl. This documentation must address key areas including Human Rights, Labor Standards, Environmental Protection, and Business Ethics. Suppliers are expected to demonstrate that these policies are effectively integrated into their procurement processes and communicated to their respective business partners.
- **Risk Management:** Tier 1 Suppliers are required to conduct adequate due diligence on their subcontractors to identify, assess, and mitigate non-compliance risks (e.g., child labor, modern slavery, or severe environmental impacts). This process must be continuous and based on a risk-oriented approach, ensuring that business relationships are maintained only with partners who respect the fundamental principles of this Code. Suppliers must be able to provide evidence of their risk assessment and the mitigation measures implemented upon request.

6.2. Binding Requirements for the Transmission of Standards

Tier 1 Suppliers hold the **contractual responsibility** to flow down the requirements of this Code throughout the supply chain.

6.3. Consequences of Failure to Transmit Standards

- Failure to demonstrate an effective system for transmitting ethical and sustainability requirements to subcontractors, or the discovery of severe human rights or environmental violations at deeper levels of the supply chain, will require the Tier 1 Supplier to resolve the issue and may lead to the **review, suspension, or termination** of the business relationship with Cavalleretti Stampaggio Srl.

This approach ensures that responsibility does not stop at the first link of the chain and creates a multiplier effect on sustainability standards throughout the entire supply chain. By fostering accountability across all tiers, Cavalleretti Stampaggio Srl and its Suppliers work together to promote ethical practices, environmental protection, and social justice at every stage of production.