CODE OF CONDUCT

SUPPLIERS

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Introduction

Why a Code of Conduct

The purpose of this Code of Conduct (hereinafter the "Code **of Conduct**") is to specify the rules of conduct, ethical responsibilities and set of principles considered essential by Frascold. and its subsidiaries (hereinafter "FRASCOLD") in its supply chain.

With this Code, FRASCOLD therefore addresses its global suppliers (hereinafter "**Supplier(s**)") to ensure that they act in full compliance with this Code of Conduct and the laws in force and responsibly for the commercial, qualitative, environmental, ethical, safety and working conditions aspects of the activities and relations that exist with FRASCOLD.

The requirements set out in this Code of Conduct constitute a minimum level required by FRASCOLD from all its Suppliers. If the Code of Conduct and the Provider's local legislation do not conflict, the Provider is required to comply with both. In the event that the laws and regulations in force in a particular jurisdiction of the Supplier are more permissive than those contained in this Code of Conduct, the Code of Conduct shall prevail.

Any violation of this Code of Conduct may transform the business relationship with FRASCOLD, leading to the conclusion of contracts.

Recipients of the Code

The Code applies to all Suppliers, including any subsidiaries, thus including all persons, companies, suppliers and/or third parties who deal directly or indirectly with the Supplier.

The Code also applies to all temporary collaborators and other persons and companies acting in the name and on behalf of the Supplier, anywhere in the world.

Supplier's Responsibilities

FRASCOLD expects its Suppliers to fully share the principles expressed in this Code of Conduct, to which it attaches importance in the process of selecting and evaluating suppliers.

FRASCOLD also emphasizes that it is the Supplier's responsibility to ensure that its staff, at all levels, understand and abide by the principles of this Code of Conduct.

1. Compliance with applicable regulations

FRASCOLD expects its Suppliers to be aware of and comply with the applicable legislation.
Awareness of and compliance with current regulatory requirements are essential elements for the Supplier to be considered compliant with the rules of this Code of Conduct.

Suppliers are required to:

- comply with applicable legislation on human rights, labour rights, working conditions, health and safety, environment, tax aspects and anti-corruption practices;
- acquire all authorizations, licenses, and registrations required under applicable law;
- be able to provide evidence, upon request, of compliance with applicable legal requirements.

2. Working conditions

The Provider undertakes to comply with the applicable regulations governing the relationship between employers and employees. The commitment involves all workers and is aimed at ensuring that working conditions comply with the applicable legal provisions.

The principles that FRASCOLD considers fundamental and necessary are listed and briefly described below.

2.1 Free choice of occupation

Supplier opposes forced labour as defined by the International Labour Organization (ILO) 1 and condemns the use of all forms of forced or compulsory labour, including forced labour in prison, servitude, forced labour, and modern forms of slavery and any form of human trafficking in our value chain. The Supplier will endeavour to ensure that all employees enjoy freedom of movement and are not restricted by physical restrictions, abuse, threats and other practices such as withholding identity documents and valuables; It will also ensure that all employees have the right to work freely, are aware of working conditions and are regularly paid. The Supplier will take the necessary measures to identify, prevent and combat forced labour that may cause, contribute to or be linked to in the context of its business relationships

2.2 Prohibition of child labour

The Supplier recognises the human rights of children, such as the right to education, the right to play and the right to basic needs, and abides by the ILO definitions on minimum age for employment and hazardous work, while respecting children's rights and company principles. Supplier will take the necessary measures and arrangements to identify, prevent and address child labour issues that it may create, contribute to or be linked to in the context of its business relationships

2.3 Working Hours

The Supplier recognises the issue of work-life balance and the right to rest and leisure. The Provider will comply with applicable laws and any collective agreements regarding working hours and paid leave. The Supplier's efforts will be aimed at ensuring that all employees have a balance between business and personal needs. The Supplier complies with applicable laws and ILO Conventions regarding working hours and weekly rest periods.

2.4 Salaries and social security benefits

The Supplier recognizes all employees a fair and competitive remuneration, in line with the applicable ILO Conventions, taking into account the needs of employees and their families. Wage agreements are defined on the basis of global principles, with the help of structures that reflect local market practices and values and comply with business and legal requirements.

2.5 Right to humane treatment

The Provider undertakes to apply the provisions aimed at prohibiting conduct and treatment that fall into the categories of harassment, abuse, physical or mental coercion, verbal aggression, threats, bullying, violence (including based on gender discrimination), public shaming and the like.

2.6 No Discrimination/Harassment

The Supplier values diversity and inclusion and condemns any form of discrimination and harassment, any inappropriate or disrespectful behavior, such as physical and verbal abuse and sexual harassment in the workplace or at work events. Supplier will endeavour to take proactive measures to promote equal opportunities for all employees, including temporary and temporary workers, seasonal workers and workers operating in a country other than their country of origin or nationality. The Supplier shall comply with the ILO Conventions on Discrimination and Labour Migration. Suppliers will take the necessary measures and measures to identify, prevent and reduce discrimination which they may cause, contribute to or be linked to in the course of their business relationships.

2.7 Freedom of association

Supplier recognizes the right of its employees to form and join a trade union of their choice and the right to collective bargaining without fear of intimidation or reprisal. Supplier will take the necessary measures and measures to identify, prevent and combat discriminatory behaviour in the context of applications, training decisions, rewards, career advancement, dismissals or transfers related to organisation, membership and trade union activities. The Supplier complies with the ILO Conventions on Freedom of Association, Collective Bargaining and Employee Representation.

3. Health & Safety

The Supplier undertakes to develop, implement and maintain an occupational health and safety policy based on current and applicable legislation. It is aimed at promoting and maintaining the highest degree of physical, mental and social well-being of workers and preventing damage to health caused by working conditions.

The principles that are required to be implemented are listed and briefly described below.

3.1 Safety at work

The Supplier analyses and controls the health and safety risks generated by its activities. It is committed to providing employees and third parties, where necessary, with the necessary and appropriate safety equipment, including personal protective equipment for the prevention of injury, illness and accidents at work and for emergency management.
The Provider requires its staff and third parties to follow all secure practices at all times and ensures that proper procedures are followed.
The Supplier ensures continuous and adequate training to all staff on all topics pertaining to occupational health and safety.

3.2 Protection of workers' health

In order to protect the health of workers in accordance with current legislation, the supplier carries out the activities required by health surveillance. They provide for the carrying out of medical examinations according to a health protocol defined by the competent doctor and the examination by the same to the various work environments.

3.3 Emergency Preparedness

The Supplier identifies, assesses and monitors potential situations and emergencies by arranging appropriate reaction procedures, training employees and all personnel, implementing periodic exercises in compliance with current regulations and providing the necessary fire detection and extinguishing devices.

3.4 Occupational accidents and diseases

Supplier (i) records and investigates all health and safety incidents and issues to minimize or eliminate them; (ii) constantly monitors all the risks related to its activities and those introduced by activities carried out by external or external employees in order to eliminate or reduce the possible causes of accidents and occupational diseases; and (iii) encourage its staff to promptly report health and safety risks of which they become aware.

3.5 Industrial Hygiene

The Supplier identifies, assesses and monitors workers' exposure to chemical, biological and physical agents. Hazards must be eliminated or controlled with the adoption of appropriate measures, where this is not possible, workers will be provided with free personal protective equipment.

3.6 Physically demanding activities

The Supplier identifies, assesses and monitors the exposure of workers to hazards arising from manual or repetitive handling of materials, heavy lifting, prolonged standing, and physically demanding activities in general.

3.7 Machinery safety

The Supplier provides safe machinery and equipment for production in compliance with applicable legislation and regulations. Conduct assessments to identify any security risks so that appropriate corrective measures can be implemented. Maintenance of machinery and equipment is carried out with the periodicity and criteria defined by the manufacturer.

3.8 Health & Safety Communications

The supplier must ensure that workers receive adequate training on occupational health and safety. The information must be displayed in the facility. Staff must be trained at the time of recruitment and thereafter at established intervals based on legal requirements or risk assessment. Workers should be encouraged to report any health and safety concerns without the risk of retaliation.

4. Environmental Responsibility

FRASCOLD, recognizing its environmental responsibilities, has decided to adhere to an Environmental Management System according to the ISO 14001 standard in order to improve its environmental performance. FRASCOLD suggests its suppliers to also adopt this standard as a reference for their activities.

With regard to its Environmental Responsibility, the Supplier:

- recognises that environmental responsibility cannot be separated from the decisions and activities it carries out that have an impact on the environment, which is why it is committed to constantly acting with respect for the environment and to adopting solutions that protect the environment, the health and safety of all.

- With constant information and training activities, it is committed to developing the awareness of its staff for environmental issues with particular regard to the impacts of its work, promoting a deeper sense of responsibility towards the environment.

The principles that the Supplier is required to implement are listed and briefly described below.

4.1 Compliance with legal requirements

The Supplier undertakes to determine, enforce and monitor mandatory legal requirements relating to its environmental aspects.

4.2 Environmental Authorizations and Reporting

Supplier undertakes to obtain, maintain and maintain all environmental permits necessary for its business and to comply with regulatory and reporting requirements.

4.3 Pollution prevention and conservation of resources

The Supplier is committed to preventing pollution by improving its environmental performance. It undertakes to use practices, techniques, materials, products, services and energy sources that avoid, reduce or control the production, emission or discharge of any type of pollutant or waste. In order to conserve resources, the Supplier undertakes to responsibly use electricity, fuels, raw and processed materials, soil and water. In addition, it commits to combining or replacing non-renewable resources with renewable resources where possible.
The Supplier undertakes to implement resource efficiency measures to reduce the use of energy, water and other resources, taking into account best practice indicators and other benchmarks.

4.4 Hazardous substances

Chemical or hazardous substances may pose a risk if released into the environment during their use, storage and disposal.
The Supplier undertakes to systematically identify and label these substances, stores, handles and uses them safely with appropriately trained personnel. In particular, the Supplier undertakes to avoid the use of prohibited chemicals defined by applicable legal provisions or undesirable chemicals listed in international conventions.

4.5 Solid Waste

The Supplier must identify and dispose of waste, both hazardous and non-hazardous, committing itself to reducing the production of waste and encouraging its recycling, in full compliance with current legislation.

4.6 Emissions into the atmosphere

Emissions of pollutants such as volatile organic compounds, nitrogen oxides, particulate matter and ozone-depleting substances into the air can cause impacts on the environment and people's health.
The Supplier must periodically detect, characterise and monitor such emissions into the atmosphere.

4.7 Restrictions on the use of materials

The Supplier must comply with the applicable legal requirements and FRASCOLD requirements regarding the prohibition or restriction of specific substances that may be contained in its products. These limitations may be related to the hazardousness or origin of the substances from conflict areas (e.g. RoHS).

4.8 Water Management

Wastewater produced by activities, industrial processes and sanitary facilities can cause pollution through direct, intentional or accidental discharges.
The Supplier undertakes to reduce water consumption and prevent pollution by controlling and monitoring the plants.

4.9 Energy consumption and greenhouse gas emissions

The Supplier undertakes to record and document energy consumption and greenhouse gas emissions in order to identify solutions for improving energy efficiency and reducing consumption and greenhouse gas emissions.

5. Ethical Principles

The Supplier acknowledges that FRASCOLD, pursuant to Legislative Decree no. 231 of 8 June 2001, has adopted an organisational model and a code of ethics (the latter can be consulted and downloaded free of charge from the website www.frascold.it). The Supplier undertakes to refrain from conduct that may constitute a crime referred to in the Decree, regardless of whether the crime has actually been committed or whether it is punishable, as well as to operate in compliance with the provisions and principles of the Decree itself.

The Supplier also undertakes to comply with the provisions of the Code of Ethics, to the extent of its competence and as amended from time to time, in relation to the fulfilment of its obligations arising from the Contract and in the course of its relations with the Società.In the event of violation of the provisions of the Code of Ethics, the Company shall have the right to immediately terminate the Contract and to claim compensation from the Supplier for any damages suffered, within the quantified limits.

The principles that are required to be implemented are listed and briefly described below.

5.1 Integrity in Business Operations

Supplier is committed to operating in accordance with the strictest standards of integrity.
It ensures that staff, its representatives, suppliers, sub-suppliers, collaborators are aware of the ethical significance of their actions, do not pursue personal or corporate profit to the detriment of compliance with current laws and regulations.
The Supplier undertakes to ensure that all activities are carried out with transparency and are verifiable in accounting records and records.
In compliance with anti-bribery laws, the Provider identifies, implements and maintains practices that combat corruption and extortion.

5.2 No undue advantage

The Provider endeavours to ensure that bribes and other methods of obtaining undue or illegitimate advantages are neither offered nor accepted.

5.3 Disclosure of Information

The Supplier undertakes to make available information relating to its activities, results obtained, structure and financial situation in full transparency and in accordance with applicable laws and regulations.

5.4 Intellectual property

It is the Provider's obligation, in accordance with current legislation, to respect the intellectual property rights and protection of the customer's information, implementing practices that protect these rights in the transfer of technology and know-how.

5.5 Confidentiality

The Provider must protect the confidentiality of FRASCOLD's information and technologies and all those that come into its possession, including those that are transmitted by other third parties.
The Provider is obliged to ensure the utmost confidentiality of the information in its possession.

The Supplier is obliged to require its staff and collaborators to maintain the utmost confidentiality on the confidential information acquired by FRASCOLD or available to them by reason of their function: they are required not to disclose it to third parties or make improper use of it.

5.6 Fairness of business, advertising and competition

The Provider undertakes to conduct its business in a manner consistent with applicable competition laws. All activities and advertising must be based on confidentiality criteria.

5.7 Identity protection and prohibition of retaliation

The Supplier shall encourage employees to report any conduct that they believe to be illegal or non-compliant with the provisions by ensuring the confidentiality, anonymity and protection of employees acting as whistleblowers.
The Provider shall prohibit any retaliation against any employee who has reported any wrongdoing in good faith, while protecting the rights of the persons complained of.

5.8 Responsible sourcing of minerals

The Supplier undertakes to verify the origin of the minerals used in its products and to use raw materials of legal and sustainable origin and not to purchase "conflict minerals" that contribute to the financing of armed conflicts and to the violation of human rights (Conflict Minerals).
It is recommended to refer to the guideline for responsible sourcing of minerals “Organisation for Economic Co-operation and Development (OECD) Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas” or other equivalent guideline.

5.9 Privacy

The Provider must ensure and guarantee full compliance with the rules for the protection of privacy.
The privacy of staff, collaborators and customers must be protected by adopting standards that specify the information that the Company requests from them and the related methods of processing and storage.

Place and date

Company signature and stamp

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