

## **ETHICAL CODE**

This Code of Ethics is adopted by the Lanificio Subalpino and expresses the commitments and ethical responsibilities in the conduct of business and company activities to which every employee, collaborator, consultant, supplier, subcontractor and any other figure who has to collaborate with the Lanificio must comply in carrying out their work.

This Code of Ethics was conceived to guide and orient the actions and behaviors of all those who work and collaborate with Lanificio Subalpino managing, according to the principles listed below, all the daily actions.

This Code of Ethics is inspired by the main regulations, guidelines and documents existing at national and international level on the subject of corporate social responsibility, Human Rights and the Environment such as the United Nations Charter of Rights, the Charter of Rights of the European Union., the decent work standards contemplated in the ILO (International Labor Organization) conventions.

### **1. THE WORK IS CHOSEN FREELY**

1.1 There is no forced, bonded or involuntary labor done by prisoners.

1.2 Workers are not required to "deposit" sums of money or leave identity documents with their employer, and workers are free to leave their employer following adequate notice.

### **2. FREEDOM OF ASSOCIATION AND THE RIGHT TO COLLECTIVE BARGAINING ARE RESPECTED**

2.1 Workers have the right, without distinction, to join a union or to form a union of their choice and to bargain collectively.

2.2 The employer adopts an open attitude towards the activities of the trade unions and their organizational activities.

2.3 Employee representatives do not suffer from any discrimination and have the right to perform their representative functions in the workplace.

2.4 Where freedom of association and the right to collective bargaining are limited by law, the employer facilitates, and does not hinder, the development of parallel means for association and free and independent bargaining.

### **3. WORKING CONDITIONS ARE SAFE AND HYGIENIC**

3.1 A safe and hygienic working environment will be provided, taking into consideration the prevailing notions of industry and any specific risk. Appropriate measures will be taken to prevent accidents and damage to health that derive from, are connected to, or occur during work, reducing, as far as reasonably possible, the causes of risks inherent in the work environment.

3.2 Workers will receive periodic and documented workplace health and safety training and this training will be repeated for new hires and whenever workers change job.

3.3 Workers will have access to clean sanitation and clean water and, if applicable, they will be provided with sanitation facilities where they can store food.

3.4 Where provided, the accommodation will be safe and adequate for the basic needs of the workers.

3.5 In compliance with the code, the company will assign responsibility for health and safety at work to a representative of senior management.

### **4. CHILD LABOR WILL NOT BE USED**

#### **4.1 There will be no further employment.**

4.2 Firms will develop, adopt and contribute to policies and programs to provide for the transition of children already employed at work to enable them to attend school and maintain an adequate level of education until they are no longer children. The definitions of "child" and "child labor" are below.

4.3 Children and young people under the age of 18 will not be employed for night work or in dangerous conditions.

4.4 These policies and procedures will comply with the provisions of the applicable standards dictated by the ILO (International Labor Organization).

## 5. ENOUGH WAGES ARE PAID TO LIVE DECENTLY

5.1 The wages and overtime paid for a standard working week correspond, at a minimum, to national legal standards or industry reference standards, whichever is greater.

5.2 All workers will be provided with clear information in writing on the working conditions regarding their pay before hiring and on the details of their pay for the period in question each time they are paid.

5.3 No wage reductions will be allowed as a disciplinary measure without the express consent of the worker concerned. All disciplinary measures must be recorded.

## 6. THE WORKING HOURS ARE NOT EXCESSIVE

6.1 The working hours comply with the provisions that offer the maximum protection to the worker among those dictated by national legislation, collective agreements or subsequent clauses 6.2-6.6,

6.2 Working hours, with the exception of overtime, must be defined by contract and must not exceed 48 hours per week.

6.3 All overtime will be voluntary. Overtime will be used responsibly, taking into account the following: the amount, frequency and hours worked by individual workers and the workforce as a whole. It will not be used to replace regular employment. Overtime will always be remunerated with a higher than normal pay and in line with national contracts

6.4 The total number of hours worked in any seven-day period will not exceed 60 hours, with the exception of the circumstances referred to in the following clause

6.5 Hours worked may exceed 60 hours in any seven day period only in exceptional circumstances where all of the following requirements will be met:

- is permitted by national law;
- is permitted by the collective agreement freely negotiated with a workers' organization representing a significant portion of the workforce;
- appropriate safeguards have been taken to protect the health and safety of workers;
- the employer can demonstrate that these are exceptional circumstances, such as an unexpected peak in production, accidents or emergencies.

6.6 Workers must be given at least one day off in each seven-day period or, where permitted by national law, two days off in each 14-day period.

\* International standards recommend the gradual reduction of normal working hours when appropriate to 40 hours per week, without the reduction of working hours corresponds to any reduction in workers' wages.

## 7. NO DISCRIMINATION IS PRACTICED

7.1 There must be no discrimination in hiring, compensation, access to training, advancement, dismissal or retirement, based on race, class, nationality of origin, religion, age, disability, sex, marital status, sexual orientation, membership of trade unions or political parties.

## 8. REGULAR WORK IS PROVIDED

8.1 As far as possible, the work carried out must be in accordance with recognized employment relationships established under the law and national customs.

8.2 Obligations towards employees under labor or social assistance laws and rules emanating from the regular employment relationship will not be avoided through the use of employment contracts, subcontracts or home work agreements or through apprenticeship programs with no real intention of imparting any training or providing regular employment, nor will such obligations be avoided through the excessive use of fixed-term employment contracts.

## 9. CRUEL OR INHUMAN PRACTICES ARE NOT ALLOWED

9.1 Physical abuse or physical disciplinary measures, the threat of physical abuse, sexual or other torment, verbal abuse and other forms of intimidation will be prohibited.

The provisions of this basic code constitute the minimum standards required and not the maximum. Code base should not be used to prevent companies from exceeding these standards. It is understood that the companies that adopt this basic code will comply with the provisions of national law. If both the national law and the basic code are found to cover the same issues, the provision offering more protection will apply.

## 10. REPORTING VIOLATIONS OF THE CODE OF ETHICS

Reports of any violations of this Ethical Code can be communicated to Lanificio Subalpino in anonymous or non-anonymous form directly or by telephone to the Company Management or by email at [rosa@lanificiosubalpino.com](mailto:rosa@lanificiosubalpino.com).

Lanificio Subalpino undertakes to protect the whistleblower from any form of retaliation or discrimination, ensuring confidentiality, except for legal obligations. In order to protect Lanificio Subalpino, senders of reports made with willful misconduct or gross negligence that prove to be unfounded will be sanctioned.

Lanificio Subalpino undertakes to take charge of the reports and the related processing as well as to provide feedback on the outcome of the investigations to anyone who reports a violation of the Ethical Code.

Andrea Rosa, CEO  
**LANIFICIO SUBALPINO SRL**

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