

Supplier Sustainability Policy

1. Sustainability Basis

Teoresi has made a commitment to contribute to sustainable development by using technology. To this effect, Teoresi is aware of the importance of its supply chain for the fulfilment of its objectives. This document therefore establishes the basic operational principles related to ethical, social and environmental conduct that Teoresi expects from all its suppliers and tier-1 suppliers, in alignment with the “Ten principles” of the UN Global Compact.

Teoresi’s Sustainability Policy for Suppliers is based on the following international agreements and commitments:

- The United Nations Universal Declaration of Human Rights
- The United Nations Guiding Principles on Business and Human Rights
- The Fundamental Conventions of the International Labour Organisation (ILO)
- The United Nations Convention on the Rights of the Child
- The OECD (Organization for Economic Co-operation and Development) Guidelines for Multinational Enterprises

2. Basic principles of action for suppliers and partners

The principle of respect for legislation, ethics and compliance

Teoresi requires all its suppliers to comply with the applicable international, domestic and local legislation.

Principles of respect for people

Human Rights

Teoresi expects its suppliers to support and respect the protection of Human Rights in accordance with the United Nations Universal Declaration of Human Rights, the Fundamental Conventions of the International Labour Organisation (ILO) and the United Nations Guiding Principles on Business and Human Rights.

This means that suppliers must:

- Prohibit forced labour and/or any mistreatment of their employees. This includes a total prohibition on any trafficking of human beings
- Ensure the absence of child labour
- Assign a living wage sufficient to meet the basic needs of their employees and ensure compliance with the current regulations in the countries in which they operate
- Ensure that the working hours are not excessive, and that the maximum working day complies with the domestic legislation
- Respect the freedom of association of their employees

Health and safety

Suppliers must provide a working environment that ensures respect for the health, safety and well-being of their employees while bearing in mind the local, domestic and international standards, in accordance with the specific hazards/risks of each activity.

The appropriate measures must be taken to prevent injuries and accidents related to or occurring in the course of their work, minimising the causes of the hazards inherent in the working practice and environment.

Diversity, inclusion and non-discrimination

Suppliers must undertake to treat all their employees fairly and to ensure that there is no discrimination on the basis of race, sex, age, language, religion, disability, sexual orientation, opinions, origin, economic position, birth, trade union membership or any other personal/social condition or circumstance.

Suppliers shall promote diversity and equal opportunities by means of measures that foster a work-life balance and the integration

of collectives at risk of exclusion, guaranteeing the same opportunities for all their employees.

Principles of respect for the environment

Environmental legislation

Teoresi maintains a firm commitment to environmental protection and the transition to a low-carbon economy with the final aim being decarbonization.

Suppliers must operate in compliance with the international, domestic and local environmental legislation at all times, particularly with regard to emissions, energy, waste, resource consumption and hazardous substances.

Renewable energy must be preferred and chosen to diminish GHG emissions effect. Energy efficiency must be a driver.

Environmental policy and management

Suppliers, if so required by Teoresi, must have a documented and updated environmental policy that includes a commitment to environmental protection, biodiversity, compliance with the applicable laws and continuous improvement.

Waste

Suppliers must implement systematic waste management processes in accordance with the applicable legislation

Hazardous substances and products

Suppliers shall comply with all the laws, regulations and requirements regarding bans and restrictions on specific substances. Hazardous chemicals and other materials included in the products, especially those listed as Substances of Very High Concern under the REACH Regulation, must be identified and handled to ensure their safe use, recycling or reuse and disposal. Suppliers should prevent counterfeit parts enter in the supply chain pipeline.

3. Consultation and complaint channels

Teoresi “whistleblowing platform” (<https://www.teoresigroup.com/it/whistleblowing/>) for anonymous communication is available (including suppliers and their employees) as a confidential way to communicate any

concerns regarding the interpretation or application of the Code of Ethics and its implementing regulations (ex anti-corruption and anti-money laundering) and, as well as for the mandatory reporting of any illicit behaviour or any irregularity or infringement detected in relation to said Code and regulations.

All the correspondence received via this channel is handled in accordance with the principles of impartiality, confidentiality and independence, with full respect for rights and guarantees in the process, both in the analysis and verification of the correspondence received and, in the resolution, and, as applicable, adoption of corrective measures whenever appropriate.

4. Obligation of notification

Suppliers must inform Teoresi as soon as possible if they become aware of any non-compliance with the obligations imposed by this Policy on their own part, during their own operations or in their supply chain (including their subcontractors tier-1).