

## GENERAL CONDITIONS FOR THE PURCHASE OF GOODS AND SERVICES

### 1. Field of application

- 1.1 The following General Conditions of Purchase (hereinafter the “**General Conditions**”) will be applicable to every purchase of goods and/or services by Artsana (as defined below) from Supplier (as defined below) in accordance with the Purchase Orders which may be issued by Artsana, or its Affiliates (as defined below) ( save in the event that the Parties have entered into a specific written agreement setting forth the terms and conditions of purchase of specific Goods or Services. In this case, the provisions of the specific agreement shall be applicable with respect the subject matters of that specific agreement. These General Conditions will prevail over any Supplier's general and/or specific conditions of sale. Any amendment or addition to these General Conditions will only be valid with the specific written acceptance from Artsana. Amendments and additions to the General Conditions will be limited to the specific purchase in relation to which they are agreed.
- 1.2 In the event of purchase of Goods, the provisions of the General Conditions referring specifically and exclusively to Services shall not be applicable. In the event of purchase of Services, the provisions of the General Conditions referring specifically and exclusively to Goods. shall not be applicable

### 2. Definitions

In the context of these General Conditions, the following terms shall have the meaning specified and assigned to each of them below:

- “**Supplier**” shall mean the supplier of goods or services who approves and accepts these General Conditions by affixing his/her signature hereto.
- “**Artsana**” shall mean Artsana S.p.A., with registered office in Grandate, Via Saldarini Catelli 1, VAT n. 00227010139 and Artsana's Affiliates as defined below;
- “**Affiliate**” shall mean any corporate body or entity directly or indirectly controlled by, controlling, or subject to common control as Artsana, such control being exercised through direct or indirect ownership of 50% or more of the company's share capital or of the voting rights in the shareholders' meeting of this corporate body/entity. Affiliates shall have the same rights and obligations as Artsana under this General Conditions and shall be entitled to exercise the same vis-à-vis Supplier. Any reference to “Artsana” in the General Conditions shall be deemed to be a reference also to the Affiliates;
- “**Confidential Information**” means, collectively, (i) the Technical Specifications, (ii) any other information, whether commercial or otherwise, other than Technical Specifications, concerning Artsana, its materials, products, processes, services and activities, supplied and/or disclosed, in any form, by and/or on behalf of Artsana to the Supplier and/or which the Supplier becomes aware of in connection with the performance of the Agreements, (iii) the Results and (iv) any note, study or other document prepared by the Supplier which contains or otherwise reflects Technical Specifications, the information mentioned in point (ii) and the Results.
- “**Goods**” shall mean any tangible or intangible goods, including products, materials, machinery, intellectual property rights or other items sold by the Supplier to Artsana according to the Agreements;
- “**Agreements**” shall mean the agreements for the purchase of Goods or Services between Artsana and Supplier resulting from the acceptance of a Purchase Order by Supplier according to article 3.2 or from issuance of a Purchase Order following an Offer by Supplier according to article 3.3;
- “**Offers**” shall mean any offer of sale of Goods or provision of Services submitted in writing by Supplier to Artsana;
- “**Services**” shall mean the services provided by Supplier to Artsana according to the Agreements;
- “**Technical Specifications**” shall mean technical, functional or quality specifications of any kind concerning the Goods or the Services, including, by way of example, briefs, drawings, models, samples, prototypes, methods, films, digital video segments, photographs and renderings, as submitted from time to time by Artsana to Supplier in writing or confirmed in writing by Artsana;
- “**Purchase Orders**” shall mean the requests for purchase of Goods or provision of Services issued by Artsana to Supplier in conformity to the requirements set out in Article 3.1;
- “**Results**” shall mean any and all designs, drawings, inventions, technology, data, information, results, methods, specifications, know-how, software, still or filmed images and photographs,

products and molds devised, produced or developed by Supplier as a result or in the performance of the Services;

- **“Parties”** shall mean Artsana and Supplier;
- **“Fault Rate”** means the ratio (expressed in percentage value) between the number of Goods found defective or non-conforming according to Article 6 and the total number of Goods delivered to Purchaser by Supplier under the Purchase Order to which such Products found defective pertain;
- **“Warranty Period”** shall have the meaning ascribed to this term in Article 6.1.2.

### **3. Purchase Orders**

3.1 Purchase Orders must be issued in writing and must contain at least the following information:

- Goods or Services object of each single Purchase Order;
- quantities, features and delivery terms of the Goods or Services;
- prices and payment terms;
- any specific purchase conditions, also in derogation of this General Conditions.

3.2 Purchase Orders shall become binding on the Parties once accepted by Supplier in writing within the acceptance term established by Artsana in the Purchase Order or, failing that, within three days from receipt of the Purchase Order. Purchase Orders shall be deemed accepted and shall become binding on the Parties also if Supplier does not deliver to Artsana a refusal notice within the acceptance term established by Artsana in the Purchase Order or, failing that, within three days from receipt of the Purchase Order, but Artsana reserves the right to (i) cancel and revoke Purchase Orders until Supplier accepts them in writing and (ii) reject the acceptance received or the Goods or Services delivered after expiration of the acceptance term established in the Purchase Order.

3.3 In the event that a Purchase Order is issued following an Offer, the Purchase Order will become immediately binding on the Parties once Artsana issues the Purchase Order to Supplier without need of a further acceptance by Supplier, provided that the Purchase Order makes express reference to that Offer.

3.4 Any communications exchanged by the Parties by means of letter, fax, e-mail or any other form of written commercial correspondence shall be considered as made in writing.

3.5 The sale of the Goods or the provision of the Services shall be governed by the General Conditions, the Technical Specifications, the Purchase Orders and any document referred to in the Purchase Orders, including Offers. In the event of discrepancy between the terms of the Offer and the terms of the General Conditions or the Purchase Order, the General Conditions and the Purchase Order shall prevail.

3.6 These General Conditions do not constitute any obligation for Artsana to issue a specific or minimum number of Purchase Orders.

3.7 Artsana shall be entitled to terminate the Agreements at any time, if deems in its unquestionable discretion that Supplier's technical capability to regularly supply the Goods or Services no longer exist or the Supplier is in such a state of economic distress as to jeopardize the regular supply of Goods or Services or if the Supplier has been subject to any form of debt recovery or enforcement procedures, insolvency procedures, liquidation, compulsory winding up procedures or settlement with creditors (including *concordato preventivo*).

3.8 Supplier shall not assign to third parties the Agreements nor the receivables arising out of them without the prior written consent of Artsana. Artsana shall be entitled to assign to third parties the Agreements and the receivables arising therefrom.

3.9 In the event that a Purchase Order or the documents referred to in a Purchase Order provide that the Services are to be performed according to a time plan consisting of different phases or milestones and that Supplier must deliver specific deliverables in respect of each phase or milestone, Artsana will decide upon completion of each phase or milestone whether or not to proceed with the following phase or milestone. Supplier shall perform the phases or milestones subsequent to the first one and Artsana shall pay the relevant consideration only following Artsana's prior written notice to proceed with the following phase or milestone.

### **4. Delivery and performance**

4.1 For the purposes of ascertaining compliance with the lead times for delivery and transfer of the risk of damage or total or partial loss of the Goods from the Supplier to Artsana, all deliveries must be made in accordance to the current “Incoterms” specified in the Purchase Orders. Failing that, the delivery shall be “delivered duty-paid” (DDP - INCOTERMS 2010). The Goods must be transported taking all measures required to protect them against damage.

4.2 The Supplier must comply exactly with the deadlines for delivery of Goods or performance of Services specified in the Purchase Orders (which are to be considered essential in Artsana's interests). Artsana

shall have the option to reject any Goods or Services supplied before the agreed delivery date, at the Supplier's expense, or charging the cost of storage and financial costs of the advance delivery period to the Supplier.

4.3 The quantity of Goods delivered must conform to the quantity specified in the Purchase Orders. Artsana may reject quantities in excess of the ordered quantities and, if the Supplier does not pick up the Goods immediately, ship the Goods in excess to Supplier at Supplier's expense and charge Supplier with the financial costs of payment, if already made, and storage costs.

4.4 In the event of delayed or incomplete delivery of the Goods or performance of the Services, Artsana shall be entitled to undertake the following actions at its sole discretion:

- (i) establish a further deadline for the Supplier to deliver the Goods or perform the Services, or
- (ii) terminate the relevant Agreement and request to the Supplier repayment of any amounts paid by Artsana.

4.5 Artsana's request to deliver the Goods or perform the Services within a further deadline according to Article 4.4(i) above does not prevent Artsana from availing itself of the remedies provided by Articles 4.4(ii) and 4.4(ii) if the Supplier does not meet the new deadline established by Artsana.

4.6 In addition to the remedies set out in Article 4.4, in the event of failed, delayed, incomplete or non-conforming delivery of Goods or performance of Services, Artsana shall be entitled to:

- (i) withhold any payment due to the Supplier in respect of the failed, delayed, incomplete or non-conforming delivery or performance;
- (ii) request airway delivery of the Goods at Supplier's cost;
- (iii) recover 5% (five per cent) of the price of the ordered Goods or Services as liquidated damages for each week of delay starting from the initial delivery or performance date established in the Agreements, without prejudice to Artsana's right to compensation of further losses, and
- (iv) request compensation of any additional direct and indirect cost, loss and damage incurred by Artsana as a consequence of the failed, delayed, incomplete or non-conforming delivery or performance, including, but not limited to, loss of production, loss of profit and any extra expense incurred by Artsana to purchase the Goods or the Services or equivalent goods or services from another supplier as a consequence of Supplier's failure to deliver the Goods or supply the Services in due time.

4.7 The remedies provided by this Article 4 shall be in addition and not in substitution of any other statutory remedies available to Artsana according to the applicable law including, but not limited to, the right to request the performance of the Agreements.

4.8 Artsana shall be entitled to audit Supplier's premises or offices with a reasonable prior notice to assess compliance with the provisions of the General Conditions, the Technical Specification and the Purchase Orders.

## **5. Price and payment terms**

5.1 The price for the Goods and/or Services will be set out in the Purchase Orders or in separate written agreements. Prices set out in the Purchase Orders are fixed and not subject to any adjustment or revision. Once agreed for a given period, Prices are fixed and not subject to any adjustment or revision for the agreed period unless the Parties have otherwise agreed in writing.

5.2 Prices are all-inclusive. Additional costs and expenses shall be reimbursed to the Supplier only if previously authorized in writing by Artsana and upon presentation of documentary evidence of the expenses.

5.3 Unless the Parties agree otherwise, prices shall be "delivered duty-paid" (DDP - INCOTERMS 2010) and include packaging needed to guarantee product integrity. Value added tax (VAT) is excluded, unless specified otherwise.

5.4 Payment terms shall be set out in the Purchase Orders or otherwise agreed in writing by the Parties. Failing that, payment shall be made by means of bank transfer within 120 (one hundred twenty) days from the end of month of receipt of the invoice and copy of the bill of lading (if applicable), provided that payment shall be subject to the condition precedent that the Goods have been delivered and/or Artsana has received the original bill of lading (if applicable).

## **6. Warranty of quality**

6.1 Supplier warrants that at the time of delivery and during all the Warranty Period the Goods shall be:

- a) compliant with the applicable laws and regulations and to the best safety standards;
- b) compliant with the General Conditions, the Purchase Orders and the Technical Specifications;
- c) free of design, manufacturing or storage defects;

- d) compatible with any parts or components to be assembled or mounted on the Product according to the Technical Specifications or the information provided by Artsana;
- e) fit for the purposes for which products of the same type are normally used and for any particular purpose for which Artsana requires them and which he made known to the Supplier;
- f) compliant with the features and qualities of the Goods which the Supplier has held out to Artsana as samples or models.

6.1.1 In the event that the Goods fall under the scope of application of REACH Regulation 1907/2006, Supplier further warrants that the Goods:

- a) are fully compliant with pre-registration / registration requirements under the REACH Regulation 1907/2006;
- b) are provided with the relevant safety data sheet and label in Italian and updated according to the applicable legislations;
- c) do not contain substances included in the candidate list SVHC (conc.> 0.1%), whose presence has not been properly communicated.
- d) are fully compliant with specific condition of restriction set out in REACH Annex XVII.

6.1.2 Supplier's warranties set forth in Article 6.1 / 6.1.1 shall commence at the date of the delivery of the Goods to Artsana and shall last for the period agreed in writing by the Parties, or, failing that, for the remaining shelf life of the Good or, if the Good does not have a limited shelf life, for the entire life of the Good (the "**Warranty Period**").

6.2 In the event of defects or non-conformity of the Goods to the warranties set forth in Article 6.1 / 6.1.1, Artsana may at its discretion avail itself of any of the following rights:

- a) reject the Goods and establish a deadline for Supplier to correct the defects or replace the Goods at Supplier's own expense;
- b) request a reasonable reduction of the price for the non-conforming Goods or the batch of Goods where the non-conforming Goods have been detected;
- c) terminate the Agreement concerning the non-conforming Goods or the batch of Goods where the defective or non-conforming Goods have been found, decline payment of the purchase price and recover from Supplier any amount already paid by Artsana for the defective or non-conforming Goods.

6.3 The request by Artsana to correct the defects or replace the Goods according to Article 6.2(a) does not prevent Artsana from availing itself of the remedies provided by Article 6.2(b) and 6.2(c) above if Supplier does not correct the defects or does not replace the Goods within the deadline established by Artsana.

6.4 In addition to the remedies set out in Article 6.2, in any event of non-conformity of the Goods to the warranties set forth in Article 6.1 / 6.1.1, Artsana shall have the right to:

- a) withhold any payment due to Supplier in respect of the non-conforming Goods or the batch of Goods where the defective or non-conforming Goods have been detected;
- b) if the Fault Rate exceeds 3%, recover as liquidated damages 10% (ten per cent) of the aggregate price of the total number of Goods delivered by Supplier to Artsana under the Purchase Order to which such Goods found defective pertain. The liquidated damages shall be immediately payable or deductible from the price of the Goods upon written request of Artsana.
- c) request indemnification of any additional direct and indirect costs, losses and damages incurred by Artsana as a consequence of the non-conformity of the Goods.

6.5 In the event that the Goods prove defective, non-conforming or dangerous, Supplier shall cooperate with Artsana in any recall of Goods from the market and shall reimburse to Artsana all the costs of the recall campaign, including the cost of employees and external advisors employed by Artsana for the recall.

6.6 The warranties and remedies provided by this Article 6 shall be in addition and not in substitution of any other warranty and remedy provided by the applicable Law. In order to exercise the rights provided by this Article 6 and the applicable provisions of Law, Artsana must inform Supplier of the lack of conformity within a period of 60 (sixty) days from the date on which he discovered such lack of conformity.

## 7. Intellectual property

7.1 Supplier warrants that:

- a) the Goods, their components and accessories and the Results do not infringe patent, trademark, copyright, design or other third party industrial or intellectual property rights;
- b) Supplier has full title to grant Artsana the right to use, assemble and resell the Goods and to use and reproduce the Results.

7.2 In the event that a third party claim, an investigation or a decision of a Judicial or Governmental Authority assesses, claims or implies the non-conformity of the Goods or Results to the warranties set forth in Article 7.1, also on an *interim* basis, or results in the impossibility to use the Results or market

the Goods or the products to which the Goods have been incorporated or assembled as a consequence of non-conformity of the Goods or Results to the warranties set forth in Article 7.1, Artsana shall be entitled to terminate the Agreements which the breach of the warranties refers to, without prejudice to the remedies set out by Article 8.

7.3 Supplier assigns all the intellectual property rights related to any and all Results, patentable or un-patentable, copyrightable or un-copyrightable, exclusively to Arstana, without geographical limit and time limitations. The Price agreed for the Service shall be inclusive of the consideration for the assignment of the intellectual property rights on the Results.

7.4 Supplier recognizes and acknowledges that nothing in these General Conditions or in the Agreements - unless specifically provided therein - shall be construed as assigning or granting to Supplier a license on Artsana's intellectual property rights.

## **8. Indemnity**

8.1 Supplier shall compensate indemnify and hold harmless Artsana from and against any and all direct and indirect losses, damages, liabilities, third party claims, penalties, fines, costs and expenses (including reasonable legal fees and other litigation costs, regardless of outcome) arising out or consequential upon:

- a) any breach or violations of Supplier's warranties under Articles 6.1 / 6.1.1 or 7.1;
- b) any breach of Supplier's obligations under Article 9;
- c) legal defense from third party claims that – if upheld – would imply a breach of Supplier's warranties and obligations under Articles 6.1 / 6.1.1, 7.1 or 9;
- d) any other breach of the Agreements, of the Technical Specifications and of the General Conditions.

8.2 By means of example and without prejudice to the generality of the foregoing, Supplier will hold harmless and indemnified Artsana from any product liability which may arise as a consequence of defects of the Goods.

8.3 The remedies provided by this Article 8 shall not be subject to the time limit of the Warranty Period.

## **9. Tax and employees**

9.1 In the performance of the Services and in the manufacture of the Goods, the Supplier shall:

- a) duly pay the salaries and compensations due to its employees, comply with individual and collective labor contracts and discharge its obligations concerning social security contributions to employees;
- b) will provide to Artsana evidence of compliance with point a) upon inception of this agreement and, in the event that the supply of Goods or Services lasts for at least three months, quarterly thereafter;
- c) comply with any applicable laws and regulations concerning safety at work, health, environment and with the Code of Conduct attached to these General Conditions (Annex 1);
- d) duly discharge all payment obligations concerning taxes (including VAT) and tax withholdings in connection with the Services.

9.2 As a condition precedent to the payment of the price for the Goods or the Services, upon request of Artsana Supplier shall provide documentary evidence of compliance with the provisions of Article 9.1.

## **10. Termination for breach**

10.1 Artsana shall be entitled to terminate the Agreements by means of written notice, in the event that the Supplier:

- (a) breaches any of its confidentiality and limitation of use obligations stated in clauses 11.3 and 11.4;
- (b) becomes partner with or becomes subject to any form of control, even indirect, of any competitor of Artsana;
- (c) breaches any of the obligations stipulated in Article 9.1;
- (d) breaches the obligation not to transfer the Agreements and/or receivables under Article 3.8;
- (f) commits any actions which are seriously prejudicial to the goodwill or reputation of Artsana or its products.

10.2 The termination shall apply only in relation to supplies which have not yet been executed as of the date of such termination.

## **11. Confidentiality**

11.1 Supplier acknowledges and agrees that Artsana is the owner of Confidential Information and of any related intellectual property right.

- 11.2 Supplier shall:
- (a) keep secret and not disclose Confidential Information to any third party;
  - (b) put in place all measures and precautions that are reasonably necessary and appropriate to prevent the disclosure and unauthorized use of Confidential Information;
  - (c) at the end of the supply, or even earlier upon request of Artsana, promptly return all documents containing Confidential Information and destroy any copy thereof, whether hard copies or copies or on any other support;
  - (d) use Confidential Information solely for the purpose of performing the Agreements;
  - (e) not reproduce or copy Confidential Information, save as expressly authorized by Artsana;
  - (f) not patent, nor register as trademark, design, model or otherwise any information or data contained in such Confidential Information;
  - (g) disclose Confidential Information within its own organization only to the employees whose duties require the knowledge of such Confidential Information;
  - (h) inform any employees within its own organization who become aware of Confidential Information, of the confidentiality obligations related thereto;
  - (i) not develop for third parties and/or supply to third parties, for whatsoever reason, directly or indirectly, products made or developed by using Confidential Information;
  - (j) require any third party to whom the Supplier must communicate Confidential Information to perform the Agreements to comply with the obligations under this clause and shall ensure such compliance, subject to the Supplier's liability to Artsana for any infringement by such third party of the obligations mentioned in this Article with respect to such Confidential Information.
- 11.3 Neither these General Conditions nor the disclosure of Confidential Information as envisaged herein, may be interpreted as granting the Supplier any licenses to patents, patent applications, or any other intellectual property rights with respect to information and data contained in Confidential Information.

## **12. Insurance**

- 12.1 Without prejudice to Supplier's liability to Artsana, Supplier undertakes to subscribe and maintain for the duration of commercial relationship of the Parties, an adequate third party liability insurance policy covering civil liability resulting from sale of the Goods and/or performance of the Services according to the Agreements, with an insured amount proportionate to the value of the Goods or Services and to the amount of the damage that the Goods may cause to Artsana and/or to third parties.
- 12.2 Upon request of Artsana, Supplier shall deliver to Artsana a copy of the insurance policy mentioned in article 13.1 and certificate of payment of the relevant premium.

## **13. Applicable law and jurisdiction**

- 13.1 The General Conditions and the Agreements will be construed according to Italian law.
- 13.2 Any disputes which may arise in connection with the Agreements and the General Conditions, which cannot be settled amicably between the parties, will be referred to the exclusive jurisdiction of the Court of Como, Italy.
- 13.3 Artsana, at its own discretion, shall have the option to waive the exclusive jurisdiction set forth in Article 13.2 to bring an action against Purchaser in its domicile and before any court of competent jurisdiction.

## **14. Force majeure – independent party**

- 14.1 Neither party shall be deemed to be in breach of the General Conditions or the Agreements, or shall be otherwise liable to the other party, by reason of any delay in performance, or the non-performance of any of its obligations, to the extent that the delay or non-performance is due to circumstances which are objectively beyond that party's control, including, by way of example, wars, fires, floods, general strikes, lock-outs, embargos, orders of public authorities, impossibility of obtaining raw materials or energy for manufacture.
- 14.2 Under no circumstances delays or non-performance of Supplier's sub-suppliers shall be regarded as beyond the Supplier's control under the foregoing paragraph.
- 14.3 Supplier shall act solely as an independent supplier and nothing in these General Conditions shall be construed to create a partnership or joint venture, nor shall it give Supplier the power or authority to act for, bind or commit Artsana in any way.

## **15. Personal Data treatment**

- 15.1 Artsana, for the sole purpose of managing the contractual relationship of supply/purchase, will process certain personal data of Supplier whose knowledge, while not mandatory, is necessary to perform the Agreements. To this extent, the personal data of Supplier will be stored in the filing system of Artsana to the extent necessary for the above mentioned purpose. By means of example, Supplier's personal

data will include: company name, address, V.A.T. number, tax code, etc. Supplier's personal data shall be disclosed only to those who work in Artsana's company processes and who process them in fulfillment of specific legal obligations.

- 15.2 The Supplier may exercise at any time the rights specified under articles 15 -22 of Regulation (EU) 2016/679 of the European Parliament and of the European Council (including, inter alia: the right to be informed at any time of the personal data in Artsana's possession and how they are used, to have them updated, corrected or deleted for legitimate reasons), by writing to Artsana S.p.A. - Via S.Catelli, 1 - 22070 Grandate (Como), or connecting to the website [www.artsana.com](http://www.artsana.com) in the "Contacts" area. Artsana's heads of Purchasing Department and Administration and Control Department will be in charge of Supplier's personal data processing.

**16. Duration of the General Conditions**

- 16.1 The General Conditions will come into effect from the date at the date of signature by both parties and will remain in force for a period of five years. Upon expiration, the General Conditions shall be automatically renewed for further one year periods, unless either party notifies to the other party a six (6) months prior non-renewal notice. The General Conditions shall be applicable also to every purchase of goods and/or services entered into prior to the date of signature of the General Conditions, if and to the extent that the purchase is not governed by specific contractual provisions or other general terms and conditions.
- 16.1 Upon expiration or termination, the General Conditions will remain applicable to the Purchase Orders already accepted at the expiration or termination date. In any event, termination or expiration of the General Conditions shall be without prejudice to Supplier's obligations as stated in Articles 11 (confidentiality) and 13 (applicable law and jurisdiction).

Supplier

Name of Supplier: \_\_\_\_\_

Registered office: \_\_\_\_\_

VAT code/registration number: \_\_\_\_\_

Name of signatory: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Signature: \_\_\_\_\_

The Supplier expressly approves the following clauses of the General Conditions:

Articles. 3.5, 3.7, 3.9, 4.5, 4.6, 5.1, 6.4, 10.1, 11.2, 13, 16.1

The Supplier

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## ANNEX 1

### CODE OF CONDUCT

1. Artsana S.p.A. and the subsidiaries of Artsana S.p.A. (collectively and individually “Artsana”) are committed to the observance of the internationally recognised fundamental workers rights in conformity with the obligations undertaken with Italian trade union organisations. Artsana requires all the Artsana suppliers , wheresoever located, to abide by this code of conduct (this “Code”) in accordance with the standards of Artsana S.p.A.’s global policy (the “Policy”). Artsana declares that the stipulation of this Code, and the requirement that its suppliers abide by this Code, not only reflects a responsible corporate stance, but is also a choice which permits the formation and continuation of positive business relationships with its suppliers.
2. Artsana requires that, for so long as a supplier supplies products and/or causes products to be supplied to Artsana, the supplier shall comply with laws and regulations of the States (the “National Law”) as well as with basic principles with respect to working conditions as contained in this Code.
3. The minimum requirements defined by this Code are the following:

#### 3.1. CHILD LABOUR

3.1.1. That no Artsana supplier shall use or support child labour: no person who is below the minimum age for employment as established by National Law to complete the compulsory education (and in any case no person below the age of 15) shall be employed by any Artsana supplier. If the National Law establishes the age of 14 as minimum age according to the exceptions provided for by the developing countries adhering to the ILO Convention 138, the age of 14 is applied.

#### 3.2. FORCED LABOUR

- 3.2.1. That forced labour shall not be used nor supported by any Artsana supplier.
- 3.2.2. That no form of slavery shall be practised by any Artsana supplier.
- 3.2.3. That no worker employed by any Artsana supplier shall be subjected to corporal disciplinary measures, mental or physical coercion, verbal abuse.

#### 3.3. WAGES, BENEFITS AND WORKING HOURS

- 3.3.1. That wage levels of all categories of workers employed by Artsana suppliers shall not be less than the minimum wages prescribed by National Law and collective contracts entered into by the suppliers with the trade union organisations representing their respective workers.
- 3.3.2. That overtime of workers employed by Artsana suppliers shall be voluntary, shall not exceed the maximum limits prescribed by National Law and shall be paid at rates of not less than those established by National Law and collective contracts entered into by the suppliers with the trade union organisations representing their workers.
- 3.3.3. That the maximum working hours of workers employed by Artsana suppliers shall not exceed the maximum number of working hours established by National Law.
- 3.3.4. That workers employed by Artsana suppliers shall be permitted to take rest periods in accordance with National Law.
- 3.3.5. That workers employed by Artsana suppliers shall be permitted to take annual leave, sick leave, maternity leave, and all other forms of leave provided for by National Law and, if more advantageous to the workers in question, by individual employment contracts and/or collective contracts entered into by the suppliers with the trade union organisations representing their workers.

#### 3.4. HEALTH AND SAFETY

- 3.4.1. That workers employed by Artsana suppliers shall be provided with a safe and hygienic work environment in accordance with the standards established by National Law.
- 3.4.2. That health and safety facilities and equipment at all premises used by the workers employed by Artsana suppliers shall conform with the standards established by National Law.
- 3.4.3. That machinery safety systems shall be implemented and used by Artsana suppliers and shall comply with the standards established by National Law.
- 3.4.4. That an appropriate area, or areas shall be set aside by Artsana suppliers for the workers employed by the Artsana suppliers to take meals and pauses. These areas must conform to National Law.
- 3.4.5. That all premises used by the workers of Artsana suppliers, shall conform with local fire prevention regulations, have adequate and clearly marked safety exits, be ventilated and illuminated and have hygiene facilities all of which conform with National Law.
- 3.4.6. That all premises used by the workers of Artsana suppliers, shall conform with National Law relating to environmental protection.
- 3.4.7. That medical assistance shall be available to the workers of Artsana suppliers in case of emergencies and that workers responsible for providing such medical assistance shall be trained in first aid procedures.



3.4.8. That an emergency evacuation programme shall be drawn up and shall be regularly tested at all premises used by the workers of Artsana suppliers.

### 3.5. **DISCRIMINATION**

3.5.1. That no worker employed by any Artsana supplier shall be subjected to discrimination on any ground relating to race, social class, age, national origin, sex, disability, language, religion or trade union association.

### 3.6. **TRADE UNIONS**

3.6.1. That workers employed by Artsana suppliers have the freedom to establish and/or participate in such trade union organisations as are permitted by National Law and the appointed representatives of such trade unions have the freedom to put forward proposals in negotiation on issues related to workers' rights and working conditions in the manner and to the extent provided for by National Law;

3.6.2. That trade union organisations, permitted by National Law, have the freedom to enter into collective contracts on behalf of the workers they represent, in conformity with National Law.

### 3.7. **ENVIRONMENT**

3.7.1. The supplier must operate in compliance with the contractual terms and conditions of environmental sustainability agreed with Artsana;

3.7.2. The products supplied to Artsana must be compliant with the national and international laws and regulations, including by means of example European Regulation n. 1907/2006 (REACH) and subsequent amendments and integration.

3.7.3. The supplier must operate in compliance with the national laws and regulations concerning environment. In particular, supplier must comply with the national laws concerning emissions, wastes, soil, refreshing gases. In any event, the supplier's activity must not cause any environmental damage.

3.7.4. In the production process supplier must not employ any extremely dangerous substances (such as carcinogenic, mutagenic, toxic for the reproduction) or, if employed, must adopt adequate measures in accordance with the national laws.

3.7.5 Supplier must evaluate all environmental emergency situations that may occur (such as fire, waste of substances with possibility of soil or water pollution, etc.) and adopt emergency procedures adequate to manage those risks. Emergency procedures must be periodically tested.

3.7.6 The supplier must evaluate its greenhouse gases emissions and, if they are material, must adopt adequate containment measures.

4. Artsana, in accordance with this Code, requires Artsana suppliers to require, and ensure, that all subcontractors employed, or engaged, by the Artsana suppliers comply with the provisions of this Code.

5. Artsana may, from time to time, stipulate such policies and procedures as Artsana, in its absolute discretion, deems necessary for assessing its suppliers' compliance with this Code. To this end Artsana inspectors or independent auditing companies designated by Artsana to act on Artsana behalf are to be given free access to the premises and plants of suppliers and are to be permitted to have confidential talks with workers.

6. Any contravention of and/or falling short of compliance with this Code and/or any failure by an Artsana supplier to accept a corrective action requested by Artsana shall, and shall be deemed to, constitute a fundamental breach by the Artsana supplier of the contract.

7. For the purpose of this Code, all subsidiaries of Artsana shall not be, and shall not be deemed to be, considered Artsana suppliers except for the purposes of making a claim for, and the assessing of damages.

8. Artsana shall distribute its suppliers a copy of this Code, in Italian and/or in English and/or in French and/or in Spanish language. This Code is expected to be displayed in the suppliers' factories, translated into the Local Language, and made available to all workers of all the Artsana suppliers. Each Artsana supplier shall provide its workers with all necessary information relating to this Code and its implementation.

This Code shall be governed by and construed in accordance with the Italian laws.