



Zippas Industries

Heating Element Technologies

SUPPLIER CODE OF CONDUCT

REVISIONS

REVISION	DATE	DRAFTED BY	APPROVED BY
0	24/05/2023	Purchasing Dept	Board of Directors

SUPPLIER SUSTAINABILITY POLICY

I.R.C.A. S.p.A. Industria Resistenze Corazzate e Affini S.p.A. (IRCA) began producing electric heating elements for domestic applications in 1963 and over the years it has become a market leader for the worldwide design, production and sale of heating elements and heating systems for different sectors of applications with a global presence, sharing and disseminating at the same time its philosophy in support of sustainable development and encouraging understanding and respect for diversity and spreading the culture of integrity within its Group.

IRCA or all of its companies - directly or indirectly - parent or controlled by IRCA (hereinafter referred to as the “ZOPPAS INDUSTRIES HEATING ELEMENT TECHNOLOGIES GROUP” or “ZIHET”) operates in compliance with its Code of Ethics and with the principles expressed by the Organisation and Management Model adopted pursuant to L. Decree no. 231/2001, the Code of Basic Working Conditions, the Anti-Corruption Code of Conduct, the Policy on non-discrimination and diversity, the Policy for the Environment and Safety and Health in the Workplace which prescribe the principles and values, integral parts of the company.

ZIHET requires its suppliers, who are essential for the Group's development, to adopt the same conduct on issues such as human rights, health and safety in the workplace, environmental protection and the fight against corruption and requires them to transfer this conduct to their supply chains.

The selection of ZIHET suppliers is based on the quality and competitiveness of products and services, as well as on socio-environmental performance and adherence to ethical values considered fundamental by ZIHET, factors that represent a prerequisite for becoming ZIHET suppliers and for developing a lasting working relationship.

ZIHET suppliers are also required to comply with the regulations and standards in force in the countries in which they operate.

In the event of local regulations being less stringent than the principles contained in this Code of Conduct for Suppliers, the latter undertake to adopt, within a reasonable period of time, the measures required for complying with the principles contained in the following Code of Conduct for Suppliers.

2

Suppliers are required to comply with the following principles:

HUMAN RIGHTS AND FAIR WORKING PRACTICES

2.1 Child labour

ZIHET considers it essential to guarantee respect for human rights and the protection of individual dignity, by prohibiting and combating any form of exploitation of labour and, in particular, of child labour. Recruitment takes place in compliance with the minimum age requirements as provided for by the Conventions of the International Labour Organization (ILO Conventions on the minimum age n.138 and 182) and by the laws and any national or local jurisdiction on the matter. Compliance with these guarantees and the aforementioned prohibitions is binding and is also required of all their own suppliers, irrespectively of whether they operate in Italy or abroad.

2.2 Forced labour

ZIHET opposes all forms of forced labour. In any activity carried out by ZIHET and in its supply chain, slavery, servitude, irregular work, forced and/or coercive labour and human trafficking are not tolerated. Compliance with these guarantees and the aforementioned prohibitions is binding and is also required of all their suppliers, irrespectively of whether they operate in Italy or abroad. Suppliers must not tolerate the use of any disciplinary practice involving the use of physical violence and must oppose any form of trafficking in human beings. If suppliers operate in a country that does not adhere to ILO (International Labour Organization) standards or to any Convention and law mentioned in this Code, ZIHET reserves the right to ask its suppliers to demonstrate compliance with ILO standards relating to forced labour, freedom of association and child labour.

2.3 Right to work and freedom of association

Suppliers must recognise, respect and fully guarantee the rights of workers and trade union freedom for their employees in all plants and related subsidiaries, such as, in particular, the freedom of association and collective bargaining in accordance with applicable local laws.

2.4 Discrimination and inclusion

Suppliers must not tolerate any form of harassment and / or discrimination based on gender, race, colour, religious belief, age, ethnic origin, national origin, marital status, pregnancy, disability, sexual orientation or any other personal condition that may give rise to discrimination and shall guarantee equal opportunities for all and ensure a non-discriminatory and non-hostile working environment for all individuals.

2.5 Health and safety in the workplace

Suppliers must comply with the applicable laws and regulations regarding health and safety in the workplace, and the same will be considered mandatory provisions. This includes workplace risk analyses carried out on a regular basis and the implementation of appropriate precautionary and hazard control measures, including the provision of adequate personal protective equipment (PPE). Employees must be properly educated and trained on health and safety matters.

2.6 Remuneration, allowances and working hours

Remuneration and allowances must be paid in accordance with the applicable legislation and collective bargaining agreements to promote the material well-being of their employees as much as possible and must comply with applicable laws on the regulation of working hours.

Compliance with these guarantees and the aforementioned prohibitions is binding and is also required of all their own suppliers, irrespectively of whether they operate in Italy or abroad.

Suppliers must therefore act in compliance with national regulations, international labour regulations and industry standards as regards the payment of wages and benefits, the right to be paid for overtime, as well as the granting of weekly rest periods, annual leave and national holidays.

3

DATA PROTECTION, INFORMATION SECURITY AND DISCLOSURE OF INFORMATION

Suppliers must comply with the applicable laws on data protection and security, as well as with the respective regulations, for example the EU Regulation known as “GDPR” (General Data Protection Regulation), in particular with reference to the personal data of customers, consumers, employees and shareholders. Suppliers must comply with all the aforementioned requirements when acquiring, registering, hosting, processing, transmitting, using or deleting personal data.

Suppliers must take into account the need to protect the confidentiality, integrity and availability of information. The necessary level of security and control of information ensured by suppliers must be constantly commensurate with the sensitivity, value and criticality of the information being processed during the life cycle of the information itself.

Suppliers shall safeguard and use confidential information appropriately. Suppliers must comply with the contractual requirements regarding data protection and information security and undertake not to disclose any information that is not in the public domain.

4

ETHICS

4.1 Anti-corruption conduct

Suppliers must operate with transparency and integrity in compliance with the anti-corruption regulations in force in all the countries in which they operate.

Any form of corruption, incitement to crime, extortion and embezzlement is strictly prohibited.

Suppliers must refrain from offering, promising, paying or requesting money directly or indirectly (including through bribes and / or “Facilitation Payments”) or other benefits in order to obtain an undue advantage, both in cases where the undue advantage is offered directly or through an intermediary.

4.2 Unfair competition

Suppliers must act in accordance with the rules relating to **free competition, antitrust and trade** that are applicable in each country in which they operate. Any form of agreement in violation of competition is strictly prohibited, as well as commercial practices that breach antitrust laws.

4.3 Money laundering

Suppliers must firmly oppose all forms of **money** laundering and take steps to ensure that each economic and financial transaction is traced. This is to allow the identification of the origin of the goods and/or money for each business transaction and thus prevent their financial transactions being used by third parties to launder money.

4.4 Counterfeit Parts

The Supplier guarantees that there is no introduction of **Counterfeit Parts** in the Supply where Counterfeit Part means an unauthorised copy, imitation, substitute, or partially modified item (for example, material, part, component), which is deliberately used as an original part from an original or authorised manufacturer.

4.5 Conflicts of interest

Conflicts of interest mean any personal or financial interest, business or personal activity or relationship, previous or current employment or any obligation that may interfere with the ability to objectively perform professional obligations and responsibilities or impair independence and objectivity.

Suppliers must promptly report any situations that are or may appear to be conflicting.

4.6 Intellectual property rights and protection of corporate information

Suppliers must respect the **intellectual property rights of third parties**, guarantee the confidentiality of the information and personal data of their customers, as well as the confidentiality of information based on the significance importance of the same.

4.7 Adoption of a code of conduct

The adoption of a **Code of Conduct** and a periodic review of its application is strongly recommended.

5

ENVIRONMENTAL PROTECTION

Suppliers shall comply with all applicable laws, regulations and environmental standards, and shall put in place an effective system aimed at identifying and eliminating potential risks to the environment.

All suppliers are required to:

- Undertake to meet all environmental requirements in compliance with applicable laws, regulations and permits with the aim of reducing emissions that are harmful to the environment and emissions of greenhouse gases;
- Design and use products and processes that reduce the impact on the environment;
- Design and use products and processes that take into account the impact on the environment;
- Manage in an appropriate manner, in compliance with the applicable regulations, the treatment and disposal of waste;
- Avoid the use of prohibited substances and adequately manage those which are potentially dangerous (as defined by the applicable regulations);
- Adopt optimised logistics procedures that minimise the impact on the environment.

6

CONFLICT MINERALS

6.1 Materials from conflict zones

Suppliers must comply with all applicable laws and the resulting due diligence obligations in relation to the sourcing of minerals and materials from conflict-affected regions or high-risk areas, which may contribute to human rights abuses, corruption, financing of armed groups or other adverse effects.

All suppliers must declare to ZIHET the presence and origin of materials regulated by the standard relating to Conflict Minerals called 3TG, such as Gold, Coltan, Cassiterite, Wolframite and their derivatives such as Tantalum, Tin and Tungsten if these are contained in the products to be supplied.

For this purpose, Suppliers must carry out a thorough investigation of their supply chain in accordance with the provisions of the OECD Guidelines (www.oecd.org) which specify what is required in terms of due diligence on the matter.

7

REPORTS AND VIOLATIONS

Suppliers are obliged to report to ZIHET any violations by ZIHET employees and/or their own employees of the Code of Ethics, of the Code of Conduct, of the Organisation, Management and Control Model and, more generally, of ZIHET's Internal Control System using the following e-mail: odv@ext.zoppas.com.

ZIHET guarantees the confidentiality of the identity of anyone making a report in good faith and/or refusing to carry out or undertake actions that breach this Code of Conduct for Suppliers.

Suppliers also undertake to retain the documentation and/or information necessary to substantiate the aforementioned reports.

ZIHET also reserves the right to verify such documentation if deemed necessary.

8

MONITORING AND CORRECTIVE ACTIONS

ZIHET reserves the right to carry out verifications through audits conducted by ZIHET Personnel/or third parties on the matters covered by this Code of Conduct subject to appropriate communication.

In the event of non-compliance, ZIHET:

- will require suppliers to prepare and subsequently implement a Non-Conformity recovery plan;
- will conduct documentary checks and/or further audits to ascertain the effective implementation of the recovery plans, subject to appropriate prior notification.

In the event that the Supplier should breach the principles of the Code of Conduct for Suppliers, or, in the event of non-conformities being found and the envisaged improvement plans not being prepared and implemented, ZIHET reserves the right to suspend on a precautionary basis and/or terminate in advance with immediate effect any commercial relationship and also reserves the right to take action for the compensation of any loss, damage, expense or other costs that may arise from any breach and/or conduct by a Supplier.

ZIHET thanks you for being part of its values.

Let's shape a sustainable future together.

Yours sincerely,

ZIHET company name:

.....

Date:

.....

Name and Surname:

.....

Role:

.....

Signature:

.....

9

COMMITMENT BY SUPPLIERS

ZIHET requires that all suppliers who receive the aforementioned Code of Conduct for Suppliers return this “Commitment Form” signed by their legal representative.

By signing this form, the supplier confirms it has read and accepts all the aforementioned principles, terms and conditions regarding the services and/or components subject to performance or supply to ZIHET.

Please return the signed “Commitment Form” to your ZIHET Purchasing Contact Person.

COMMITMENT FORM

Company name:

Address:

Legal Representative:

PEC (certified email) address:

Date:

Signature:



zoppasindustries.com

