

SUPPLIER CODE OF CONDUCT

The fundamental mission of **LBG Sicilia Srl** constitute the set of basic criteria for all our decisions and business activities. Our mission can be fully pursued if shared with all our stakeholders. For this reason LBG Sicilia Srl asks its suppliers to read and agree to our "Supplier Code of Conduct" and operate in accordance with those provisions and fundamental principles.

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Our expectations

The principles and provisions of the SCC are the guidelines which must be followed for business practices and we ask all our supplier to agree when they work with us.

By accepting this Code, the suppliers accept to operate in accordance with the rules and principles outlined in this document. Aware that many suppliers operate in various legal and cultural fields, the fulfilment of the provisions of this Code must take into account national and international laws. In any case, **LBG Sicilia Srl** is confident that the suppliers will inform on time when the compliance with the provisions of this Code is for some reason not respected and that they will undertake immediate actions to implement the appropriate corrective forms.

1. Requirements

1.1 Legal compliance

Our suppliers must comply with all legal requirements at national and international level regarding goods and services that they supply to **LBG Sicilia Srl**.

1.2 Product safety and compliance

The goods and services of our suppliers must comply, in terms of quality and safety, with national and international laws and standards, meet the standards of **LBG Sicilia Srl** relating to work and production. **LBG Sicilia Srl** products are manufactured to high quality and safety standards, so we expect our suppliers to comply with all applicable specifications and regulations.

2. Ethical business practices

2.1 Conflicts of interest

LBG Sicilia Srl implements its decisions on employees and commercial relations according to exclusively objective criteria. According to this principle, **LBG Sicilia Srl** expects its suppliers to communicate any conflicts of interest or situations that present potential conflict of interest. Suppliers must comply with the rules on conflict of interest and commit to preventing any actions that might lead to a loss of trust.

2.2 Antitrust and integrity in business

Suppliers must act in compliance with fair national and international competition rules as well as anti-trust provisions. Our business relationships are based only on objective criteria: quality, reliability and competitive prices but also social and environmental standards, as well as principles of good corporate governance. Suppliers must not practice nor tolerate any kind of corruption, extortion, embezzlement, therefore they must not offer, promise nor accept bribes or other types of illegal incentives.

2.3 Financial reporting

LBG Sicilia Srl is committed to ensuring a public and transparent financial reporting in the capital market. Suppliers must comply with all applicable national and international accounting, taxation and transparency laws and must refrain from any form of tax evasion, circumvention or other similar unlawful conduct. **LBG Sicilia Srl** carries out a risk-based assessment of the identity of existing and potential business partners in order to avoid any form of money laundering.

2.4 Conflict minerals (where applicable)

LBG Sicilia Srl discourages the use of minerals whose trade could finance armed groups involved in conflicts, for this reason, the suppliers must verify the presence in their supply chain of "Conflict Minerals".

They must respond promptly to any investigation of LBG Sicilia Srl on this topic.

Depending on their position in the supply chain, Suppliers must procure the materials exclusively from responsible sources or take necessary measures for the ethical purchase of the materials.

More information can be found here:

<https://www.oecd.org/corporate/mne/GuidanceEdition2.pdf>

2.5 Customs authorities

Suppliers must respect the applicable customs laws.

3. Working conditions and human rights *

3.1 Compensation and benefit

Suppliers must comply with applicable laws and standards relating to employment contracts, the employee's remuneration, minimum wages, overtime compensation, statutory benefits and paid vacations.

3.2 Working hours

Suppliers must comply with national and international rules regarding workers' working hours. Working hours may not exceed the maximum limit laid down by national law. The national collective labour agreement provides for essential breaks during the day, annual holidays and national holidays as well as maternity or paternity leave, sick leave or any other legal leave.

3.3 Health and safety at work

Suppliers are required to comply with the safety and health regulations in the workplace in force in their respective countries of origin. Suppliers must ensure machinery, equipment, personal protective equipment and adequate safety training, in order not to endanger the physical integrity or health of their employees. The workplace and its environment must have emergency exits, fire protection devices and adequate lighting.

3.4 Prohibition of child, forced and clandestine labour

The employment of children under the age of 16 is prohibited. In countries where local laws establish a higher age for child labour or an age completion of compulsory education higher than 16 years, the higher age applies. An employee under the age of 18 is considered to be a young worker. Suppliers must not expose young workers to situations that are dangerous to their health and physical and mental development. In addition, young workers must not work at night.

LBG Sicilia Srl does not make use of any form of forced labour for this reason we expect our suppliers to comply with this principle by not using any form of work or service resulting from the threat or a penalty to a person that has not offered voluntarily to work. Finally, Suppliers are required to comply with the legislation against illegal and clandestine work.

* The Universal Declaration of Human Rights (UDHR) or the Conventions or the International Labour Organisation (ILO) were taken into consideration when writing up this Supplier Code of Conduct.

3.5 Inclusion and prohibition of discrimination

LBG Sicilia Srl supports fair treatment as one of the fundamental principles. Suppliers must not discriminate on recruitment or in the course of employment for reasons of gender, race, colour, religion, sexual orientation, age, disability, political opinion, nationality, social or ethnic origin. Workers must be treated with dignity and respect by ensuring equal opportunities.

3.6 Workers' organizations

Suppliers must respect the right of workers' association and their right to freely choose their representatives and ensure that they do not suffer any kind of discrimination, intimidation or harassment as a result of their membership of workers' organisations.

4. Privacy

Suppliers must act in accordance with applicable laws on the protection of personal data.

5. Confidentially and intellectual/industrial property rights

Suppliers must comply with applicable national and international laws and regulations on intellectual and industrial property. Confidential information obtained by LBG Sicilia Srl concerning intellectual and/or industrial property rights must be considered confidential and treated as such.

6. Environment and sustainability

LBG Sicilia Srl has always been aware about the responsibility of each of us to protect the environment and that it is why we are committed to carry out our activities in a sustainable and ecological way.

We are committed to minimizing the consumption of energy resources, emissions, water and wastewater consumption, as well as the disposal of solid waste and any environmental impact in our supply chain.

Land use must respect the natural environment and the landscape, taking into account legislation to nature conservation, property and land use rights.

LBG Sicilia Srl expects its Suppliers to aim to reduce the waste of natural resources and to support their recycling and reuse in the performance of their activity. All actions that may be harmful to health or the environment must be carefully monitored in order not to cause damage to the environment.

7. Responsibility for implementation

Suppliers must comply with this Code and inform LBG Sicilia Srl of any failure to comply with this Code and of the related corrective measures planned in this regard.