

Tessilbiella's Sustainability Policy and Code of Ethics

Transparency and Sustainability Policy

In recent years, the attention to issues related to sustainability has increased considerably in all product sectors and especially in the world of fashion. As an operator in the supply chain of the fashion world, we felt it was essential to integrate activities and projects in line with the reduction of environmental impacts in our vision of a socially responsible company.

Growth, transparency and sustainability are what we want to stand out in, basing our strategies on the belief that ethics and profit cannot be in conflict, since there cannot be long-term economic development separate from social and environmental development.

Inspired and aligned with the [Sustainable Development Goals](#), through the adoption of the 4sustainability® Commitment, we are committed to transparency towards the market and contribute to the generation of positive change at a global level, assuming a clear environmental and social responsibility.

Transparency

For Tessilbiella, the concept of transparency directly concerns the relevant information made available to all parties and players in the value chain in a standardized way, allowing for common understanding, accessibility, clarity and comparison. Transparency is the necessary prerequisite to ensure the traceability requirement on products, processes and suppliers that belong to one's value chain.

Certified Raw Materials

Tessilbiella with the aim of reducing environmental impacts and protecting animal welfare as regards fibers of animal origin, purchases certified yarns:

- **GOTS:** GOTS Certification is a world leader in the definition of textile processing standards for organic (biological) fibers, and includes strict environmental and social criteria. The environmental criteria include the assessment of all chemical inputs (pesticides, dyes, process chemicals) that must meet basic requirements on toxicity and biodegradability.
- **ZQ:** ZQ Certification identifies merino wools from farms located in New Zealand and selected by the New Zealand Merino Company. ZQ wool is defined as "ethical" because it is selected and produced through a sustainable production chain that safeguards the well-being of the people and animals that are part of it.
- **RWS:** RWS Certification is a voluntary and independent standard. On farms, certification guarantees that sheep are treated in compliance with their five freedoms (Freedom from hunger, to have an adequate physical environment, from pain, to manifest one's behavioral characteristics and from fear) and guarantees best practices in management. and protection of the territory. Through the processing stages, the certification guarantees that the wool coming from

certified farms is correctly identified and traced.

- **NATIVA:** It is a brand launched by Chargeurs Luxury Materials in 2017 to identify a quality yarn made with full respect for people, animals and the environment, ensuring complete traceability.
- **FSC®:** It is an international certification, specific for the forest sector and products - woody and non-woody - derived from forests. Fabrics composed of fibers of plant origin such as viscose can be decidedly respectful of the environment, but only if the cellulose fibers they are made of come from forests managed in a correct and sustainable manner. FSC was involved to ensure its traceability.
- **GRS:** GRS Certification aims to encourage the use of recycled materials in the textile sector. It is intended to meet the needs of consumers who wish to check for the presence of recycled materials in the products they purchase. Most of the recycled fibers come from industrial waste while others are made thanks to the separate collection of clothing, or other materials. Thanks to this certification we can talk about circular fashion.

Environmental Responsibility

Tessilbiella aims to reduce the environmental impact resulting from its business by adopting an approach oriented towards monitoring and continuous improvement of performance, starting from compliance with current legislation with a constant focus on innovation and research and development.

In particular, with a view to reducing the environmental impact, Tessilbiella constantly wants to reduce the introduction of pollutants into the production processes, and therefore into the environment, and ensure compliance with limits relating to the presence of chemical substances that are dangerous for humans and the environment, increasingly restrictive on the processed product delivered to customers.

In full awareness that the implementation of sustainability objectives is only possible from a collaborative perspective, we constantly seek partnerships with entities that share the same values of attention to the protection of the environment, of people as well as with an orientation towards innovation.

Tessilbiella has therefore defined the following macro-objectives for reducing the environmental impact:

- To implement a chemical risk management system aimed at reducing the environmental impact deriving from the use of chemical substances harmful to humans and the environment in production processes and along the production chain, according to the state of advancement of technical knowledge on the subject, through the implementation of the MRSL ZDHC;
- To guarantee constant monitoring as well as improvement of the quality of waste water connected, directly and indirectly, to our production;
- To inform and train employees on the activities carried out by the company in the field of sustainability through periodic meetings and meetings, in order to stimulate research and innovation;
- To seek legislative compliance by constantly addressing partners and suppliers who share the same strategic values and objectives, capable of responding to the increasingly challenging demands of the market;
- To adopt cutting-edge management techniques and tools aimed at continuously improving sustainability performance;
- periodically sharing the results achieved and the new improvement objectives defined with the stakeholders;
- correctly and responsibly manage the waste deriving from the production process;

- To consider district partners as a priority, in order to minimize the environmental impacts associated with the movement of materials along the production cycle;
- To prefer, where possible, raw materials with a lower environmental and social impact, such as recycled or regenerated raw materials, certified, tracked and traceable, organic and / or connected to sustainable initiatives;
- consider the environmental impact of our activities right from the design of the collection with a view to sustainable / circular design;
- To seek production and organizational solutions that guarantee greater efficiency of production processes in order to reduce and / or minimize energy and water consumption and CO2 emissions into the atmosphere;
- To seek and favor solutions aimed at reducing waste production and / or increasing reuse and recycling practices;
- **(if RWS)** to limit purchases of material from activities that use cruel methods of breeding or taking the raw material;
- **(if FSC)** limiting the impact on forests caused by the use of components obtained from vegetable raw material originating from them and related to situations of: i) illegal logging or trade in illegal wood or cellulose; ii) violation of human rights in forestry activities; iii) destruction of areas of particular botanical interest; iv) significant conversion of forests into plantations; v) introduction of GMOs into forestry activities; vi) violation of the ILO Convention on the rights of workers involved in the related supply chain.

In light of the above objectives, we have decided to concentrate our efforts to address the issue relating to the assessment and management of the risk deriving from the use of chemical products in a systemic way, and for this reason we have adopted the CHEM 4sustainability® Protocol, which implements with a structured method, the MRSL ZDHC (58,1maptozero.com) monitors the supply chain and periodically measures the level of application in a transparent manner.

Reduction of environmental impacts in offices

The rational use of natural resources and the reduction of polluting emissions are fundamental objectives for Tessilbiella.

Recognizing the importance of safeguarding the environment as a primary asset, Tessilbiella has undertaken the commitment to promote, within our facilities, **a rational use of resources** and attention to the search for innovative solutions.

Therefore, Tessilbiella:

- Guarantees **energy savings** thanks to the use of two **photovoltaic systems**;
- It has implemented its lighting system with latest generation **low energy consumption LED lamps**
- It wanted to innovate the way drinks are consumed daily, replacing plastic cups with **positive impact cups**, made of ceramic or derived from sustainable raw materials;
- It is committed to supporting the **Eco Miles project which supports companies in offsetting the carbon emissions** emitted during corporate travel operations.

Code of Ethics and Behavior

Social Responsibility

We believe it is important, like Tessilbiella, to be promoters and supporters of the main objectives of the International Labor Organization, in promoting labor rights, encouraging decent work opportunities and enhancing social protection of workers.

We take a stand on:

Child Labor

Tessilbiella undertakes not to employ workers under the minimum age required by current law and in any case child labor.

Forced Labor

Tessilbiella undertakes not to use forced or compulsory labor. Workers will not be forced to pay "Deposits" or leave their documents with the company and they will be free to terminate the employment relationship in compliance with the terms provided for by current legislation and / or collective bargaining.

Coercion and Harassment

Tessilbiella undertakes to treat each worker with dignity and respect and not to use corporal punishment, threats, verbal harassment, abuse or other forms of physical, sexual or psychological violence.

Discriminations

Tessilbiella does not discriminate in the hiring and management of personnel, including salary treatment, granting of benefits, career advancement, layoffs or retirement, based on race, religion, age, nationality, social or ethnic origin, sexual preference, gender, political opinion, disability or other personal condition not related to experience or ability in the job.

Trade union associations

Tessilbiella undertakes to respect the rights of workers to participate in trade union associations in a legal and peaceful manner, and to negotiate collective agreements, without applying discrimination and interference of any kind.

Health and Safety

Tessilbiella ensures a safe and healthy working environment, taking into consideration the regulations applicable in and guaranteeing, in any case, access to drinking water, sanitation, fire prevention systems and adequate systems lighting and ventilation. It undertakes to apply production processes and individual protection tools and collectives that guarantee the safety and health of workers. Tessilbiella also guarantees that adequate health and safety standards are maintained in any accommodation placed available to workers.

Working Hours

Tessilbiella undertakes to comply with applicable laws and industry standards regarding working hours, festivity and holidays. Notwithstanding the above, the standard working week, excluding overtime, does not have to exceed 48 hours. Overtime work must be voluntary and must not exceed 12 hours per week. The staff must receive at least one day off after six consecutive days of work, except as required by laws and contracts working groups do not foresee flexible working hours with the possibility of adequate compensatory rest periods.

Salary

Tessilbiella respects the right of staff to a decent salary, which reaches the minimum legal and legal standards sector, and that it is always sufficient to satisfy the primary needs of the worker.

All overtime will be paid with a surcharge as defined by national law, the collective bargaining or prevailing industry standards.

Environment and Animal Protection

Tessilbiella operates in respect of the environment, complying with all applicable environmental regulations and taking into account the evolution of production systems, plants and industry practices for improvement continuous.

Tessilbiella, within the scope of the services supplied, undertakes to respect the animals and not to put in be any kind of cruelty towards them.

Monitoring and Compliance

Tessilbiella authorizes to carry out monitoring actions to verify compliance with the Code of Conduct, including unannounced inspections at the production sites and at the accommodation provided to workers, the possibility of verifying books and records relating to personnel and the possibility of conducting interviews reserved for workers.

Tessilbiella undertakes to make available at its headquarters all the documentation that may be necessary to prove compliance with this Code of Conduct.

Publications

Tessilbiella takes the necessary measures to ensure that the provisions of this Code of Conduct are made known to their workers, by publishing it in the local language and in one place easily accessible to workers at all times.

Vigliano, 23/11/2021

