

SelleRoyalGroup

Business Partners Code of Conduct

On the right track

Our identity is inspired by simple founding values that have always guided us “on the right track”. As an ecosystem of iconic cycling brands, our purpose is fostering **positive change by connecting humans with the outside world.**

Consequently, we envision a future in which an ever-growing number of **sensitive and environmentally conscious people will choose the bike** as their main way of getting around, exercising and experiencing nature.

To pursue this vision, our daily commitment is to develop, produce and market saddles, components and accessories for different kinds of bicycles and cyclists, focusing on research, technology and style to improve the cycling experience and **lead the global cycling revolution.**

In full adherence with our corporate principles, we want to share with our people and business partners the **values that guide our actions** and decisions, responsibly, inside and outside our organization:

TOGETHERNESS

We act in concert with our surroundings and people. We see ourselves as part of a system that goes beyond the single elements of our organization.

TIME

We believe we need to take back control of time. A dimension that allows us to slow down, observe, reflect, and accelerate, when necessary, with a renewed awareness.

FRICTION

We believe the friction between different ideas and points of view is key to generating innovation—just like the friction between the road and the bike wheels is essential for moving forward.

MOMENTUM

We put impetus and enthusiasm in everything we do, to lead those who are brave enough to follow it, and build the momentum it needs to reach the finish line.

BALANCE

The secret to bike riding lies in balance. We actively work to find a balance between profit, respect for the environment and the wellbeing of people and communities.

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Dear Business Partner,

as Selle Royal Group, we believe that by partnering with all the actors of our value chain we can **foster positive change** within our planet and our society.

Working with responsibility and respect towards **people, planet, and communities** has been part of our company DNA since its origins. Today we want to build a more **collaborative path** and a **formal governance** that will allow us to evolve together, following the UN's Sustainable Development Goals.

The **Code of Conduct** is a first step in this direction. It's a document that recaps the fundamental principles that, as a company with brands and facilities around the world, we ask our business partners to read, understand, and respect. In the future, we will ask you to participate in surveys and audits that will allow us to evaluate your performance in the areas highlighted by the Code of Conduct and to cooperate in the corrective action plans that will be deemed necessary to improve it. Any future review of this document will be promptly communicated to you.

The Code of Conduct was written following the social standards of our industry, including the [Code of Conduct](#) by the World Federation of Sporting Goods Industries (WFSGI) whose principles are based on the Universal Declaration of Human Rights, relevant Conventions of the International Labour Organization (ILO), and internationally accepted occupational health and safety standards.

As a multidimensional and international organization, we are aware of the difficulties that might arise as we start formalizing our Code of Conduct. However, we believe this is the first, essential step to **create a shared vision of continuous improvement**, to make sure that we are "on the right track", together.

CALL TO COMMITMENT

We are kindly asking you to:

- 1) Read our Business Partner Code of Conduct carefully*
- 2) Add any meaningful notes*
- 4) Sign the commitment on these standards and principles*
- 5) Ensure that your business partners, as well as their business partners also comply with this Business Partner Code of Conduct*
- 6) Cooperate and provide all reasonable support in audits and investigations we may organize in the future, as well as cooperate in corrective action plans within a reasonable timing*
- 7) Send us back a signed copy of this document to your company contact, within the communicated deadline*

Business Partner Code of Conduct

People

We strive for...

1) REGULAR EMPLOYEMENT CONDITIONS

- All your workers must have a written contract that adheres to local laws and practices, they are entitled to receive written and understandable information about their employment conditions in respect to wages before they begin employment.
- All workers must have a wage that meets or exceeds the national legal minimum wage or the minimum wage set by the collective bargaining agreements in their respective countries. In any event, the wage should always be enough to meet basic needs and provide some discretionary income. Only legally mandated deductions from wages are allowed, and you are required not making deductions from workers' wages for disciplinary purposes.
- All workers must have benefits as required by law or contract, including holidays, sick and maternity leave, and statutory severance. You are required not imposing excessive probation periods or relying heavily on subcontractors, temporary workers, agency workers, or apprentices.
- Unless in exceptional business circumstances, your workers shall not be required to work more than 60 hours (including overtime) per week or the local legal requirement, whichever is less. Overtime work must be voluntary. All your workers must be granted at least 24 consecutive hours of rest within every seven-day period.

2) DIVERSITY, EQUITY AND INCLUSION

- All your workers and staff members must be treated with dignity and respect. No one should be subjected to physical, verbal, sexual, or psychological harassment, intimidation, violence, or abuse.
- Hiring, compensation, training, promotion, termination, and retirement shall not be based on discriminatory factors such as race, caste, national origin, religion, age, disability, gender, marital status, sexual orientation, union membership, or political affiliation. Eventual foreign or domestic migrant workers shall be treated equally with local employees.
- All your workers have the right to join or form trade unions of their choice and to bargain collectively, regardless of their position or status. You must respect the activities of trade unions and their organi-

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zational functions and, if the law restricts any right of freedom, you must facilitate the development of alternative means. Workers' representatives must not be discriminated against and should have access to perform their representative functions in the workplace.

- You should promote initiatives of vulnerable groups inclusion, even above the law requirements.
- You should promote an open context of listening, wellness, development and engagement of your people, aimed at the continuous improvement, also through formal or certificated tools/actions.

3) HEALTH AND SAFETY

- All your workers shall be protected from workplace hazards by the employer.
- Risk assessments shall be conducted by you to identify all relevant risks, including chemical and physical hazards.
- Appropriate measures shall be taken by to mitigate such risks, including the use of proper design, engineering and administrative controls, preventative maintenance, training, and safe work procedures.
- Personnel operating machinery shall be provided with protection through appropriate design of machines, training, preventative maintenance, and personal protective equipment.
- All your workers shall receive regular health and safety training, and such training shall be recorded.
- Clean toilet facilities and safe drinking water shall be accessible to workers and, if appropriate, sanitary facilities for food storage shall be provided.
- A senior management representative at each of your site shall be assigned responsibility over health and safety.

4) NO UNDER AGE LABOR

- You must not hire (or allowing to work) any individual under the age of 15, or under the local minimum school leave or employment age, whichever the higher.
- You must implement adequate policies and procedures to verify the age of your workers and prevent child labor.
- Physically demanding and hazardous work is strictly forbidden for anyone under the age of 18.

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5) NO FORCED LABOR & MODERN SLAVERY

- You shall not use forced labor in any form; this includes, as an example, indentured labor, prison labor, bonded labor and other forms of forced labor or modern slavery.
- All your workers shall have free access to their identity documents.
- All your workers shall not be required to make monetary deposits or other form of compensation for finding employment or be required to pay, also partially, recruitment fees to their employer, recruitment agencies or any other intermediaries.
- After a reasonable notice workers are free to leave their employer.

** These standards applies to all workers, including migrant workers (both cross-country and internal), temporary workers, agency workers, regional workers, permanent workers, and local nationals. You are responsible for ensuring that any intermediary employers or recruitment agencies understand and comply with the principles outlined in this Code of Conduct.*

Space For Notes

Planet

We strive for...

1) ECO-DESIGN AND RESPONSIBLE SOURCING

- You are expected to integrate more and more of the principles of sustainability into your business decisions, practices, product and service development.
- You are encouraged to explore responsible sourcing of natural resources or alternative options to carbon-fossil ones.
- You should commit with us to reducing the amount of packaging associated with our products, while ensuring that the packaging that is used is recyclable and made from sustainable materials.
- You are expected to collaborate in providing us with the required certifications and/or technical documents that demonstrate the eco-sustainable features of your products.
- You are expected to promote a collaborative research attitude on new eco-sustainable solutions to integrate into our business, in the spirit of continuous improvement and co-development.

2) SUSTAINABLE OPERATIONS

- You are expected to reduce, minimize, and avoid pollution or other negative environmental effects of your activities, facilities, and services throughout the entire product life cycle. This includes, but is not limited to, raw material sourcing, production, transport, use, disposal, and recycling.
- You are encouraged to track your CO₂ emissions and set up an improvement action plan, to participate in our commitment of net zero within 2050.
- You are encouraged to further reduce our carbon footprint; you should also consider using renewable energy generation or renewable energy contracts, whenever possible.

3) END OF LIFE AND CIRCULAR ECONOMY

- We expect you to comply with all relevant laws and regulations related to waste management and disposal. This includes ensuring that hazardous waste is properly handled and disposed of in accordance with the applicable laws and regulations.
- You are expected to implement waste reduction strategies and properly disposing of waste materials, and also to explore sustainable waste management options such as composting, biodegradable packaging, and the use of eco-friendly materials.
- You should commit with us to minimizing waste by reducing, reusing, and recycling materials whenever possible.

Space for notes

Participation

We strive for...

1) COMMUNITIES

- In your daily business, you should act to create value for your stakeholders, including suppliers, customers, employees, shareholders, and the wider community in which your company is active.
- Our business partners should embrace our vision to promote social and economic development through projects and activities, including supporting local initiatives and organizations, promoting education and skills development, and investing in infrastructure and facilities that benefit the wider community.

2) STAKEHOLDER ENGAGEMENT ON ESG

- A development on Environmental Social and Governance goals can only succeed with true engagement from all our stakeholders. You are required to start a path of stakeholder engagement, including all the key ones in your ESG path.

Space for notes

Governance

1) BUSINESS INTEGRITY AND LEGAL COMPLIANCE

- You are expected to conduct business on the basis of sincere, fair, and transparent principles; principles that are properly implemented and supervised.
- You are expected to comply with national and other applicable laws, with special reference to anti-trust, anti-bribery, and anti-competitive behavior. Where the provisions of law and these criteria address the same subject, you should apply that provision which affords the greater protection.
- We expect you not to tolerate any form of bribery, corruption, or fraud - with respect to government officials or commercial parties. Gifts, favors, or forms of entertainment to influence business decisions are also not tolerated.
- You should take a proactive approach towards identification, monitoring, and understanding of applicable laws, regulations, and customer requirements, as well as a proactive approach towards informing and training your employees on actions that are or could qualify as non-compliant.

2) CONFIDENTIALITY, CYBERSECURITY, AND PRIVACY

- Our trade secrets, personal and other confidential information must be respected at all times, taking all necessary measures to safeguard them.
- You should implement a cybersecurity strategy and plan to guarantee data protection and business continuity.
- You are required to comply with applicable privacy and data protection laws and regulations.

Space for notes

COMPANY NAME

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COMPANY REFERENCE CONTACT

Full Name

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Email

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Phone

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STAMP AND SIGNATURE

*For acknowledgement and commitment
of a legal representative of the company*

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