

SABAF GROUP

Social Policy

Introduction

The Sabaf Group (hereinafter also “Sabaf” or “the Group”) considers the enhancement of the person, respect for ethics in business and socially responsible behaviour to be the founding elements of its business model. In this perspective, the Group has developed and adopted a governance system that ensures sustainable growth, through constant innovation and the balancing of the legitimate expectations of the various stakeholders. The Sabaf Charter of Values defines the principles of behaviour required of collaborators and stakeholders.

This Social Policy ('the Policy') promotes appropriate working conditions, including adequate remuneration, health and safety at work, equality and non-discrimination, and respect for human rights. The Policy also extends Sabaf's commitments to community relations and end-user protection. The Sabaf Group companies establish and maintain corporate procedures that comply with this Policy and are geared towards pursuing its objectives.

Recipients and scope

The recipients of the Policy are the members of the Company's administration and control bodies, the employees and any third party who collaborates or works in the name and on behalf of the Sabaf Group, regardless of the legal classification of the relationship. The recipients are obliged to observe and enforce the provisions contained in this Policy.

The Policy applies to the entire Sabaf Group, without exception and/or exclusion in the conduct of business and professional activities, geographical area, country of reference and/or stakeholder groups involved. In addition, the Group hopes that the entire value chain will share and act in accordance with the principles set out in this Policy.

Reference Documents

The Policy must be read in conjunction with the Charter of Values. For companies that have Health and Safety, Environmental and Energy management systems in place that comply with ISO 45001, ISO 14001 and ISO 50001, the Policy is supplemented by the specific provisions of the relevant Manuals.

For Group companies that have adopted an Organisational, Management and Control Model pursuant to Legislative Decree 231/2001, the Policy is supplemented by the specific provisions of the 231 Model.

Regulatory Context

The Policy is based on the values indicated in the Sabaf Group Charter of Values, which refers to:

- The United Nations Charter of Rights, the European Union Charter of Rights, the Italian Constitution;
- the core labour standards contained in the ILO conventions;
- the OECD Guidelines for Multinational Enterprises;

- the United Nations Global Compact, to which Sabaf adheres.

Recipients are required to comply with the regulations and standards in force in the countries in which they operate. Where local regulations are less stringent than this Policy, the addressees undertake to take the necessary measures to comply with the commitments herein.

Working conditions

In the area of working conditions of its workforce, including salaried and non-salaried employees, Sabaf is committed to:

- Guaranteeing secure employment, adequate working hours and competitive remuneration, by signing local national contracts supplemented by any more favourable bargaining agreements in all Group companies and the presence of remuneration policies that allow workers' economic and professional satisfaction;
- Guaranteeing freedom of association and promoting workers' rights of information, consultation and participation through dialogue with trade union representatives;
- Ensuring a healthy and safe working environment, by adopting management procedures and systems to prevent and minimise accidents and occupational diseases, and promoting and disseminating a work culture based on health and safety in all Group companies;
- Ensuring and promoting respect for human rights, as defined in the principles set out in the United Nations Global Compact, the Code of Conduct of APPLiA Europe (European Home Appliances Association) and the core labour standards of the ILO conventions, including the absence of child labour¹, forced or compulsory labour and human trafficking in all companies in which the Group operates;
- Not tolerating any form of discrimination or harassment on the grounds of racial or ethnic origin, skin colour, gender, sexual orientation, gender identity, disability, age, religion, political opinion, national descent or social background, as well as any other form of discrimination covered by EU law and the national law of the countries in which the Group operates;
- Adopting criteria of merit and competence in employment relationships, based also on the achievement of collective and personal objectives;
- Promoting and guaranteeing equal pay and the absence of favouritism related to gender and any other form of diversity or minority;
- Promoting participation in training and empowerment initiatives in all areas useful for the professional growth and development of workers' skills;
- Promoting initiatives and working conditions aimed at respecting the work-life balance;
- Providing communication channels to report any form of violation of the above principles, guaranteeing the anonymity of the reporting person and taking the necessary remedial actions;

¹ Unless local legislation prescribes a higher age limit, no person younger than the age for completing compulsory education or younger than 15 may be employed.

- Enhancing the contribution of human capital in decision-making processes, through constant dialogue with employees and by conducting regular surveys such as the company climate analysis.

Community relations

In the area of community relations, Sabaf is committed to:

- Promoting respect for human rights in the communities where Group companies operate, as defined by the UN Global Compact, the UN Charter of Rights and the EU Charter of Rights and the OECD Guidelines for Multinational Enterprises;
- Adopting measures to promote dialogue with the communities concerned and their representatives and ensuring that communication channels are in place to receive any reports and take charge of remedial actions;
- Contributing to the growth and protection of the communities concerned through the establishment of partnerships with universities and organisations in the area;
- Carrying out charitable initiatives of a social and humanitarian nature.

End-user protection

In the area of end-user protection, Sabaf is committed to:

- Ensuring respect for the human rights of end-users in the activities in which Group companies operate, as defined by the UN Global Compact, the UN Charter of Rights, the EU Charter of Rights and the OECD Guidelines for Multinational Enterprises;
- Guaranteeing end-user protection, ensuring compliance with local and international product safety regulations, by adopting dedicated procedures and conducting appropriate controls;
- Managing customer complaints effectively and promptly and implementing corrective actions to resolve them and prevent or limit their recurrence;
- Ensuring the highest standards of quality and safety of the products offered, including by adopting certified management systems and cooperating with client companies;
- Communicating information on products and services in a clear and transparent manner, and informing corporate customers about potential risks related to the use of products and their environmental impact;
- Acknowledging the needs of end-users through dialogue with client companies; constantly monitoring customer satisfaction and complaints received.

'Privacy, security and data confidentiality

In the area of personal data processing, Sabaf is committed to:

- Using data and information correctly and protecting them, while respecting fundamental rights and freedoms, confidentiality, dignity and identity;
- Ensuring the processing of personal data in accordance with the relevant legislation in force, maintaining high security standards.

Training and communication

Sabaf is committed to training its employees on the contents of this Policy and encourages its dissemination by all collaborators. The Policy is made available on the company website www.sabafgroup.com.

Reporting Violations

The recipients of this Policy are obliged to promptly report any policy violations to Sabaf.

Recipients are requested to report any conduct contrary to the Policy via the e-mail address internal.audit@sabaf.it. Sabaf guarantees the confidentiality of the identity of the whistleblower.

Implementation, monitoring and corrective actions

The Board of Directors of the Parent Company is responsible for the approval, implementation and regular review of this Policy.

Sabaf reserves the right to conduct audits through Internal Audit to verify the implementation of this Policy.

Any Sabaf Group interlocutor may report, according to the channels provided by the individual Group companies, cases of alleged non-compliance with this Policy by sending a written, non-anonymous description of the alleged non-compliance.

Where no channel is provided, the interlocutor may use the Whistleblowing channel adopted by Sabaf S.p.A. through the dedicated tool available on the corporate website.

The Group shall act in such a way as to guarantee the whistleblowers against any form of retaliation, discrimination or penalisation or any consequence deriving therefrom, assuring the confidentiality of the identity of the whistleblower, of the person involved or of the persons mentioned in the report, as well as of the content of the report and of the relevant documentation, without prejudice, however, to legal obligations and the protection of the rights of the Company or of the persons wrongly accused and/or accused in bad faith.

In the event of a breach of the principles set out in this Policy, the competent functions with disciplinary powers will take the appropriate disciplinary measures.