



Regina Catene Calibrate S.p.A. Via Monza, 90 - 23870 Cernusco Lombardone (LC)  
Telefono +39 039.99801 Fax +39 039.9905229 www.reginachain.net

## Supplier Code of Conduct

### Foreword

Ladies and Gentlemen:

Regina Catene Calibrate SpA (“**Regina**”) takes human rights, environmental protection and sustainability extremely seriously. The basic principles that apply to these issues therefore not only determine how we act and think but also form the foundation for cooperation with our business partners worldwide.

Within the global context of the several regulations concerning Corporate Due Diligence Obligations in Supply Chains, our suppliers are also obliged to act according to these principles.

The Supplier Code of Conduct reported below in its currently valid version is an essential part of the contract for the entire term of our contractual relationship with the supplier and equally applies until further notice to all future follow-up and subsequent orders, even if the applicability thereof is not again referred to herein.

This also applies to all contracts that already exist or shall be concluded in the future between the supplier and one of the affiliated companies in the Regina Group listed in Appendix 1.

This agreement can be terminated in due form by either party in text form giving a notice period of three months to the end of the respective calendar half-year. For contracts concluded before termination becomes effective, however, the Supplier Code of Conduct shall apply until the end of their respective terms, including the prescription period for claims for defects (warranty period).

Notice of violations of the Supplier Code of Conduct can be sent to Regina Compliance Manager.

Carlo Garbagnati  
Chairman of Board  
Regina Catene Calibrate SpA

Paolo Garbagnati  
CEO  
Regina Catene Calibrate SpA

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### Supplier’s declaration

I have acknowledged the above statement and the Supplier Code of Conduct reported below and hereby give my consent that said Supplier Code of Conduct in its currently valid version shall apply, with all rights and obligations, to my business relationship with companies named in Appendix 1 of this document.

.....  
Place, date

.....  
Signed the Supplier



## SUPPLIER CODE OF CONDUCT

LADIES AND GENTLEMEN,

Being a globally operating group of companies, Regina and its subsidiaries have not only established for themselves the commitment to adhere to the highest standards of safety and quality while being environmentally friendly in producing goods and providing services, but also the commitment to perform all business activities, and, with it, the relationship to their business partners and all parts of society, in a correct and fair manner in terms of both a legal and ethical perspective.

This is why we have adopted a Group-wide Code of Conduct and, additionally, taken further measures to ensure a universal compliance approach.

As our business activities are largely based on supplies and services from suppliers, licensors, service providers, lessors and others – all together hereinafter referred to as “Suppliers” – we are being legitimately judged not only based on our own conduct, but also on the extent to which we, and our Suppliers, ensure that legal and ethical standards are also consistently being observed throughout our entire supply chain, i. e. by our Suppliers.

Based on the values of our Code of Conduct, we have established this Supplier Code. It comprises regulations as to the compliance with general human rights, environmental protection, and laws, the observance of and compliance with which should be a matter of course anyway. It concretizes towards Suppliers the expectations which the Board of Directors of Regina has expressed in its policy statement on a human rights strategy.

We as Regina do not make any demands on our Suppliers that we ourselves are not prepared to fulfil.

We expect all Suppliers of our Group to accept that the common basic understanding to respect human rights, to comply with laws, and to protect the environment, shall form part of the contractual relationship and also be consistently implemented in practice. Therefore, we wish to jointly review compliance with this legal, sustainability and ethical framework together with our Suppliers on a regular basis and to implement any improvements that may be necessary. However, in the unlikely event of a serious violation, or lack of cooperation, a termination of a business relationship will also have to be considered.

The following requirements shall set forth the minimum conditions for our mutual cooperation. We encourage our Suppliers to introduce, for themselves and on behalf of their employees, further reaching behavioural guidelines with higher requirements for ethical and sustainable conduct, as may be necessary according to specific needs. Whereas this Supplier Code, for reasons of simplification, refers to Regina, the following positions or requirements of Regina shall apply accordingly and be deemed to qualify as the positions or requirements of a Group company, whenever a Group company, instead of Regina, is the relevant contracting party of the Supplier.

To the extent that our Suppliers render services to Regina making use of the assistance of upstream suppliers, subcontractors or other third parties, it shall be incumbent upon, and be in the responsibility of, the Suppliers to agree on the following principles and obligations also in relation to these upstream suppliers, subcontractors or third parties, or to otherwise ensure the adherence hereto. Only by consistently incorporating these principles and obligations into the entire supply chain can it be ensured that fundamental human rights, fair working conditions, occupational safety and environmental protection are consistently upheld throughout the entire supply chain.



## I. OUR REQUIREMENTS AND EXPECTATIONS

### 1. Requirement: Legality and Integrity

As Regina, we are committed to a comprehensive approach to legality and integrity which must be adhered to by our Suppliers. This includes, in particular, that laws, regulations and standards as well as contractual obligations shall be reliably complied with and that violations, evasions or deceptive practices be avoided.

#### *a. Compliance with Applicable Law as a Minimum Standard*

We expect our Suppliers to abide by the laws and other relevant regulations applicable in the places where they operate. If a delivery or service is intended for export, the delivery or service must also comply with the legal provisions of the country of destination. Insofar as international regulations applicable to our Suppliers justify more extensive or stricter requirements, these must be observed.

#### *b. Corruption (Public Sector/Private Sector)*

We expect our Suppliers to neither actively participate in any corruption nor to tolerate any corruption. We expect our Suppliers to take active precautions against corruption and to consistently punish any corruption that is identified. This shall also apply to actions or arrangements that serve or lend themselves to the concealment of corruption or the circumvention of the prohibition of corruption.

We expect our Suppliers to deal responsibly with the mutual interests of Regina, its Suppliers, and the employees involved, and to separate those interests appropriately.

We expect our Suppliers and their employees to behave with integrity, to make business decisions exclusively on the basis of objective criteria and, in particular, not to let themselves become influenced by donations from business partners or third parties.

We expect our Suppliers to exercise strict restraint in granting benefits such as monetary or immaterial personal advantages to business partners and public officials. Under no circumstances may benefits be offered, promised, or granted in return for a sovereign or business decision or in the expectation of preferential treatment. Benefits may only be offered or granted in exceptional cases if they are appropriate, socially adequate, customary and of low value. The applicable provisions of criminal law and tax law must be observed.

#### *c. Antitrust Law*

We expect our Suppliers to behave fairly in competition and to refrain from unfair competition.

In particular, we expect our Suppliers to comply with applicable national and international antitrust laws and other laws regulating competition. Unlawful agreements restricting competition, or the abuse of a dominant market position, must be avoided, as must the unlawful exchange of information relevant to competition.

#### *d. Export Control*

We expect our Suppliers, whenever importing and exporting, to comply with all applicable national and international regulations of foreign trade law, and to abstain from participating in any violations, evasions or deceptions.

We expect our Suppliers to carry out and document their imports and exports in a comprehensible manner.

We expect our Suppliers to abstain from rendering any acceleration payments to public officials.

#### *e. Money Laundering*

We expect our Suppliers to comply with national and international money laundering laws in all transactions and other services arising from or in connection with business relationships.



*f. Secrecy and Data Protection*

We expect our Suppliers to respect the trade or company secrets and property rights of third parties and to treat exchanged documents, data, offers, and prices confidentially.

We expect our Suppliers to protect intellectual property rights owned by or belonging to the company, and not condone improper acquisition, use and infringement of the intellectual property rights of any third party and establish and manage effective detection processes in order to minimize the risk of introducing counterfeit parts.

We expect our Suppliers to store confidential company related and personal data and information that is not in the public domain carefully and in accordance with national and international regulations on the protection of business secrets and to comply with the applicable laws on data protection.

*g. Regular bookkeeping*

We expect our Suppliers to maintain accurate books and records in full compliance with legal requirements and industry standards under applicable laws. The financial, accounting and management evidence of the Suppliers must be based on precise, exhaustive and verifiable information and in line with the organizational structure of the company.

*h. Disclosure of information to stakeholders*

We expect our Suppliers to disclose information such as the financial condition, business performance, and details of business activities, to their stakeholders in a timely and appropriate manner. Through open and fair communication, our Suppliers should aim to maintain and develop mutual understanding and trust with their stakeholders.

## **2. Requirement: Human Rights and Working Conditions**

Regina expects its Suppliers to respect universal human and fundamental rights, especially in the working environment. In particular, Regina considers the principles of the International Labor Organization of the United Nations (ILO) as well as the substance of the UN Civil Pact and the UN Social Pact to form a global minimum standard. We expect our Suppliers to abide by these.

*a. Freedom of Association*

We expect our Suppliers to respect the right to freedom of expression and freedom of association of their workers within the framework of the laws applicable at their place of business and place of employment. Employees shall not be discriminated against for forming or participating in trade unions or interest groups, nor for advocating for their rights or for improvements in their situation or working conditions.

*b. Working Hours*

We expect our Suppliers to comply with the laws in force at their place of business and place of employment regarding working hours, in particular the maximum number of hours per day/week. This includes, in particular, compliance with applicable collective bargaining agreements. It must be ensured that employees have sufficient days off for recreation.

*c. Wages*

We expect our Suppliers to pay their employees appropriately and adequately and to comply with applicable minimum wage and compensation regulations. This also includes that overtime shall be paid according to the applicable laws/ collective agreements.



*d. No Child Labor*

We expect our Suppliers to abide by the regulations of the United Nations on human and children's rights. Regina does not tolerate child labour. In any case, the employment of schoolage children and children under the age of 15 must be avoided. Any stricter national regulations concerning child labour as well as the minimum age for employment, shall have precedence.

*e. No Slavery or Forced Labor*

We expect our Suppliers to abstain from practicing, economically benefitting from, or accepting any slavery, slavery-like conditions or forced labour. Any involuntary labour or service that is required of a person under a threat of punishment, such as prisoners and detainees, shall be deemed to qualify as forced labour. This shall also apply on any retraining, training, or education scheme of certain groups of persons or parts of populations, ordered or induced by a government entity or a local potentate, which essentially comprises involuntary labour or labour performed under the threat of sanctions, if such labour has to be carried out under conditions similar to imprisonment or confinement in a closed sanatorium, reformatory, or camp.

*f. No Discrimination*

We expect our Suppliers to treat all people and in particular their employees with respect, without prejudice, and, in particular, without discrimination. Any form of discrimination or disadvantage, especially on the grounds of national and ethnic origin, social origin, health status, disability, sexual orientation, age, gender, political opinion, religion or belief must be avoided. Legal regulations for protection against discrimination must be observed.

We expect our Suppliers to provide equal employment opportunities regardless of worker or applicant characteristics such as race, ethnicity, national origin, religion, gender, etc.

*g. Natural Resources and Protection Against Encroachment*

We expect our Suppliers to respect and protect the natural resources of mankind. Harmful pollution of soil, or water, or of air as well as noise emissions or water consumption, which, for example, prevent the basic supply of food, access to clean drinking water, or the appropriate use of sanitary facilities, must be avoided. No one shall be unlawfully deprived of access to land, forests, or waters necessary to sustain their livelihoods.

*h. Use of Private or Public Security Forces*

Any inappropriate use of own security forces or the commissioning of third party security forces for the unlawful enforcement of one's own interests by force shall be abstained from.

*i. Responsible Procurement of Materials*

We expect our Suppliers to implement procedures in accordance with the OECD Due Diligence Guidelines for Promoting Responsible Supply Chains of Minerals from Conflict and High-Risk Areas with respect to the conflict minerals tin, tungsten, tantalum and gold, and, if necessary, for other raw materials such as cobalt. Smelters and refineries without adequate audited due diligence processes should be avoided.

### **3. Requirement: Occupational Safety and Health Protection**

Regina requires their Suppliers to ensure that humans can perform their work safely and without permanent physical impairment.

*a. Healthy and Safe Working*

We expect our Suppliers to provide a healthy and safe working environment for their employees.



We expect our Suppliers to recognize, and minimize, the risks of physical integrity hazards, especially to their employees. A system should be in place to protect employees. Occupational safety and health laws shall be respected.

*b. Accident Prevention*

We expect our Suppliers to organize their work, the design of products as well as the performance of work and services in such a way that the occurrence of accidents is precluded as far as reasonably possible, and the consequences of accidents are minimized as far as possible.

**4. Requirement: Sustainability (Environmental and Climate Protection / Energy / Natural Resources)**

Regina expects its Suppliers to have as little impact on the environment as possible and to proactively support the protection of the environment and the preservation of natural resources. In particular, Regina considers compliance with the prohibitions of the Minamata Convention, the Stockholm Convention (POP's Convention) and the Basel Convention as a global minimum standard. We expect our Suppliers to comply with these.

*a. Environmental Regulations*

We expect our Suppliers to behave responsibly with respect to protecting the environment and conserving limited natural resources, and to fully comply with environmental laws.

We encourage our Suppliers to support us in possible further environmental protection measures beyond the scope of the legal regulations and to submit suggestions for more environmentally friendly products or production processes as well as for works and services.

*b. Sustainability*

We expect our Suppliers to handle the available natural resources in such a way that the next generations will not have to suffer from the current consumption. We expect our Suppliers to consistently pursue the principle of sustainability and to act in an environmentally conscious manner. Especially the use of non-renewable resources is to be continuously reduced in favour of renewable resources.

*c. Energy*

We expect our Suppliers to work continuously on reducing their energy consumption and to use CO<sub>2</sub>-neutral energies to the greatest possible extent.

*d. Climate Protection*

We expect our Suppliers to be geared towards the goals of sustainable climate protection in production and development as well as in the provision of services for Regina.

We encourage our Suppliers to develop and implement a climate protection strategy that aims at CO<sub>2</sub> neutrality. In order to enable us to gradually achieve the goal of maximum CO<sub>2</sub> neutrality of our deliveries and services, upon our request, our Suppliers shall provide us with information on the CO<sub>2</sub> footprint of their deliveries or services. In the interest of continuous improvement processes, we will, by way of a joint dialog, search for ways to achieve CO<sub>2</sub> neutrality and avoid harmful emissions.

*e. Chemical Substance Management*

We expect our Suppliers to safely manage any chemical substances that carry a risk of environmental pollution.



For chemical substances prohibited by the laws and regulations of each country and region, we expect our Suppliers to make sure and guarantee their products in those countries and regions do not contain such chemical substances.

We expect our Suppliers to not use prohibited chemical substances in manufacturing process.

With respect to any specified chemical substances as stated in the laws and regulations of each country and region, we expect our Suppliers to record and report the information on their emissions and discharge amount to government and administrative offices in accordance with the laws and regulations.

*f. Conservation of Biodiversity*

We expect our Suppliers to understand the importance of biodiversity conservation and give the maximum consideration to it.

*g. Animal welfare*

We expect our Suppliers to comply with all applicable laws in relation to livestock breeding operations, including environmental regulations and to align their practices with internationally recognised principles for the welfare of animals in livestock production systems, as set out by the World Organisation for Animal Health.

## II. REVIEW / COMPLIANCE / CONTROL / AUDITS

As Regina, we are subject to internal and external audits in order to ensure and improve the supply chain in a sustainable and lasting manner. We expect our Suppliers to appropriately participate in this process. We will appreciate our Suppliers having their management systems certified and sending in any verification thereof to Regina.

We expect our Suppliers to ensure in an appropriate manner that their employees, suppliers, and subcontractors will be obligated to comply with the provisions of this Supplier Code of Conduct, and that they will be trained accordingly, if necessary. Suppliers and subcontractors shall pass on the requirements of this Supplier Code in an appropriate form to their suppliers or subcontractors in the supply chain.

Any violation of the principles set forth in this Supplier Code will be considered by Regina as a material breach of the contractual relationship on the part of the Supplier. In the event of indications of a failure to comply with the principles of this Supplier Code (e.g. through media reports), Regina reserves the right to demand information on the relevant facts, without prejudice to further rights.

Regina reserves the right to conduct random checks and audits of Suppliers to verify compliance with this Supplier Code.

**Important:** in the event of serious or continuous violations, the contractual relationship may be terminated. We will grant our Suppliers a reasonable period of time to remedy violations or complaints.



### III. CONTACT PERSONS

The basic contact persons for our Suppliers or their employees shall be the already known business contacts. In addition, Suppliers or employees of Suppliers as well as downstream suppliers and their employees may contact the Regina Compliance Manager - also on a confidential basis - in order to point out violations of the law or other circumstances by which people, the environment, Regina or one of its Group companies are harmed, unjustly disadvantaged or natural resources are unlawfully impaired in connection with the economic activities of Regina or one of its Suppliers.

Contact details for the Compliance Manager are as follows:

Matteo Pizzoccaro  
Regina Catene Calibrate S.p.A.  
Via Monza 90  
23870 Cernusco Lombardone (LC)  
Tel.: +39 039 9980222  
Fax: +39 039 9980276  
[Matteo.pizzoccaro@reginachain.net](mailto:Matteo.pizzoccaro@reginachain.net)





## Appendix 1 | Group companies of the Regina Group

Company	Postal Code	City	Street	No.	Country
Regina Catene Calibrate SpA	23870	Cernusco Lombardone	Via Monza	90	Italy
Regina USA Inc.	53154	Oak Creek (WI)	E Mahn Ct	305	USA
Regina de Mexico S.A. de C.V.	45019	Guadalajara	Av Aviación	5051	Mexico
Regina Tianjin Chain & Belt Co. Ltd.	300385	Tianjin	Xiang Rui Road	17	China
Regina International S.A.	B1736JTR	Buenos Aires	Martin de Gainza	1802	Argentina
Cadenas Regina Espana S.L.	08120	La Llagosta	Calle Industria	37	Spain
Regina Industrie Sarl	45800	St Jean de Braye	Rue des Frères Lumières	34	France
Regina International Ltd.	BB13AB	Blackburn	Dyneley Road	Unit 1	United Kingdom