

Human Rights & Labour Policy

Our approach towards respect of Human Rights

The F.I.L.A. Group is one of the leading global enterprises devoted to the research, design, manufacture, and sale of tools for creative expression. The Group designs, makes and packages tools and supports for drawing, colouring and painting, in addition to modelling clays, for use by children, youths and adults. Our product range includes more than 25 well-known brands and thousands of products sold on all continents.

We are engaged to a responsible behavior towards all our relevant stakeholders in operating business, combining respect of people, natural environment, and communities, and sustainability is therefore embedded with our Purpose, Vision, Mission, Values set out in our Ethics Code, and day-to-day operations.

This policy, together with our Ethics Code and the Corporate Governance Model, should be adopted by all Group companies and form part of the Group Organization, Management and Control Model, in accordance with the principles and objectives of the Organization, Management and Control Model as per Italian Legislative Decree 231/2001.

To us, respect for Human Rights is a non-negotiable fundamental value of our culture and strategy. We work to manage and reduce the potential risk of Human Rights violations, to avoid causing - or contributing to causing- adverse impacts on these rights within the international, multiracial, socially and economically diverse conditions in which the Group operates, in order to create sustainable value.

We are committed to maintaining the highest possible ethical standards and to complying with all applicable laws in all countries in which we do business. We firmly believe to have the responsibility to operate in compliance with the rules of the countries where we have a presence, distinguishing ourselves as an enterprise capable of exporting the values that permeate our actions, by promoting them in the communities where we operate.

F.I.L.A. Group activities are governed by our Ethics Code, by the 2021-2025 Strategic Plan inclusive of our Sustainability Plan and are inspired from the “Ten Principles” of the United Nations Global Compact (UNGC). We are committed to ensuring that all employees are treated with dignity and respect. We respect and protect the fundamental human rights laid down by the laws and regulations of each country where we operate. Our approach to human rights protection is inspired by international standards, including:

- the United Nations Declaration of Human Rights
- the United Nations Convention on the Rights of the Child
- the International Labor Organization's (ILO) Declaration on Fundamental Principles and Rights at Work, and the relevant applicable conventions
- the European Convention on Human Rights.

Scope of this Policy

This policy applies to F.I.L.A. S.p.A., its subsidiaries, the entities in which it holds a majority interest, and the facilities that it manages. We are committed to working with and encouraging our business partners to uphold the principles in this Policy and to adopt similar policies within their businesses.

Locally each company should adopt more stringent rules and procedures, as needed and in accordance with local laws and regulations. While conducting its management, coordination and supervision activities, F.I.L.A. S.p.A. respects management autonomy of each affiliate within its Group, managing and controlling the overall business, as per legitimate interests of majority and minority shareholders, considering confidentiality requirements and local applicable laws.

We firmly believe to have the responsibility to operate in compliance with the rules of the countries where we have a presence, distinguishing ourselves as an enterprise capable of exporting the Values that permeate our actions, by promoting them in the communities where we operate. The purpose of this Policy is to provide guidance to F.I.L.A.'s directors, officers, employees, agents, consultants, intermediaries, controlled joint ventures, and other third-party representatives to ensure compliance with applicable regulation and our Values and Policies.

The F.I.L.A. Group is committed to a continuous improvement of its policies and its programs, facilitating the adoption at local level of all procedures, rules, and instructions needed to have the principles set in this Policy applicable and monitored, in order to make an impact. By adopting this Policy, we believe to contribute to a better condition of existing

and of next generations, providing tools for a better quality of life.

General principles

A violation of the applicable Human Rights regulation potentially subjects both the F.I.L.A. Group and the individual(s) involved to severe criminal and civil penalties. This Policy contains principles of conduct that must be followed to comply with all relevant regulations.

As a rule, our activities are based on respect for global Human Rights, which are a non-negotiable fundamental value of our culture and corporate strategy. In conducting our business and operations, we consider the following principles:

- **Respect of Human Rights:** We respect human rights and are committed to identify, prevent, and mitigate adverse Human Rights impacts resulting from or caused by our business activities before or, if they occur, through appropriate mitigation processes,
- **Valuing diversity / Non-discrimination:** We value the diversity of the people with whom we work and the contributions they make and we are opposed to any form of direct or indirect discrimination on the basis of gender, marital status, sexual orientation, religious or political beliefs, union membership, race, ethnicity, nationality, age, social background and status, physical and mental disability, and we are committed to the prevention of discrimination in all areas of working life,
- **Adequate working conditions:** We promote a working environment based on trust, dialogue and mutual respect and protect the welfare and work-life balance of our employees, ensuring decent wages and fair working hours,
- **Opposition to forced labor and Human Trafficking:** We oppose all forms of labor exploitation, including child labor, forced or compulsory labor and all forms of abuse or mental or physical coercion towards both our workers and workers employed along the supply chain, and strongly condemn all forms of human trafficking and exploitation,
- **Work Hours, Wages and Benefits:** We compensate employees competitively relative to the industry and local labor market. We operate in full compliance with applicable wage, work hours, overtime and benefits laws,
- **Child Labor:** We prohibit the hiring of individuals that are below the local age requirement,
- **Safe and Healthy Workplaces:** We provide a safe and healthy workplace and comply with applicable safety and health laws, regulations and internal requirements. We consider the health and safety of workers a core value and proactively maintain a safe and healthy working environment by adopting high standards of prevention, assessment and management of related risks, and by fostering and constantly spreading a corporate culture geared towards occupational health and safety,
- **Workplace Security:** We are committed to maintaining a workplace that is free from violence, harassment, intimidation and other unsafe or disruptive conditions due to internal and external threats. Security safeguards for employees are provided as needed and will be maintained with respect for employee privacy and dignity,
- **Freedom of Association and Collective Bargaining:** We respect our employees' right to join, form or not to join a labor union without fear of reprisal, intimidation or harassment and recognizes the right of its employees to form freely trade unions and to collective bargaining, and we engage in open and constructive dialogue with representatives of recognized trade union,
- **Privacy:** We are aware of the importance of ensuring adequate safeguards to the interested parties concerned with the personal data processing operations and respects the right to privacy of all of our stakeholders, undertaking to use the data and information provided in a correct manner,
- **Communities and Stakeholder Engagement / Local Communities:** we seek to disseminate and promote our core business Values, while respecting local cultures and indigenous people, protecting cultural and natural heritage and local traditions and customs.

The F.I.L.A. Group is engaged in the identification, prevention and mitigation of human rights violation risks, promptly implementing corrective actions if these events occur.

In particular we encourage:

- employees' awareness in conducting corporate activities with respect for Human Rights
- managing our supply chain in a responsible manner

- requiring to our suppliers deploying a similar management model.

F.I.L.A.'s Top Management has a strategic role in the full implementation of this Policy ensuring the involvement of all personnel and of those who collaborate with F.I.L.A. and the consistency of their behavior with the values embodied in this Policy.

This Policy is communicated within the organization and made available online to all stakeholders on the web site www.filagroup.it.

F.I.L.A. encourages anyone who becomes aware of facts or behaviors contrary to the Company's Code of Ethics, policies and internal rules, laws or regulations, to make a report in the utmost confidentiality. Assuring confidentiality of the whistleblower's identity, F.I.L.A. offers the following channels to file a report:

- E-mail: whistleblowing.fila@gmail.com
- Mail to: odv@fila.it Organismo di Vigilanza, F.I.L.A. Fabbrica Italiana Lapis ed Affini S.p.A. Via XXV Aprile, 5 20016 Pero (MI).

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GROUP CEO – Massimo Candela