

Suppliers Code of Conduct

Introduction

Dama S.p.A., owner of the Paul & Shark brand, is committed to conducting its business with the highest standards of fairness, transparency and integrity, placing respect for people, the protection of labour rights and environmental stewardship at the core of its relationships with all stakeholders.

Collaboration with suppliers, as an integral part of the production system, is essential to achieving these objectives. For this reason, Dama S.p.A. adopts and promotes this Suppliers Code of Conduct (the “Code”), which sets out the ethical principles and standards of conduct that shall govern its business relationships with suppliers and sub-suppliers.

Through compliance with the principles set forth in this Code, Dama S.p.A. seeks to strengthen a responsible, transparent and ethical supply chain that reflects the ethical values on which its commitment to society and the market is founded.

The Code incorporates and gives practical effect to the main international standards and guidelines relating to human rights, labour and environmental protection, including the OECD Guidelines for Multinational Enterprises, the conventions of the International Labour Organization (ILO), and the fundamental rights enshrined in the United Nations Universal Declaration of Human Rights.

Implementation of the Code is based on the principles of proportionality and risk-based due diligence. Dama S.p.A. will assess specific expectations and requirements taking into account the supplier’s profile and potential impact.

Scope of Application

This Code applies to all suppliers, sub-suppliers, business partners and service providers (hereinafter collectively referred to as “Suppliers”) engaged by Dama S.p.A. at any stage of the supply chain, including the sourcing of raw materials, accessories, manufacturing processes, finished products and ancillary services.

Suppliers shall fully comply with the requirements set out in this Code and with all applicable laws and regulations in the countries in which they operate. They are also encouraged to promote awareness and implementation of the Code among their own sub-suppliers, in a manner proportionate to the complexity of their supply chain and their ability to exercise influence and oversight.

Suppliers shall cooperate with Dama S.p.A. by providing, upon request, information regarding the entities involved in the supply chain and in the manufacturing processes relating to products supplied to Dama S.p.A., and by promptly communicating any significant changes to the supply chain that may affect compliance with the principles set out in this Code.

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Cooperation with Dama S.p.A. in monitoring activities, audits and reporting processes shall be conducted in a transparent and constructive manner. Responsibility for the practices adopted extends to Suppliers' own operations and, to the extent reasonably possible, throughout their supply chain.

Failure to comply with this Code may result in corrective measures proportionate to the severity of the non-compliance identified, including the temporary suspension or termination of the contractual relationship, in accordance with applicable laws and with due transparency in the decision-making process.

Human Rights and Labour

General Principles	Dama S.p.A. recognises the fundamental and inalienable value of human rights and is committed to upholding the principles set out in the United Nations Universal Declaration of Human Rights, the fundamental conventions of the International Labour Organization (ILO), and the OECD Guidelines for Multinational Enterprises. Respect for human rights constitutes an essential foundation of all business relationships and employment practices throughout our supply chain.
Prohibition of Child Labour	The employment of workers below the minimum age established by applicable national laws is strictly prohibited, with particular reference to the prohibition of employment of persons under the age of 15, or the age for completion of compulsory education where higher. Dama S.p.A. requires that young workers between the ages of 15 and 18 are not engaged in hazardous work or work that may be harmful to their physical, mental or moral well-being, nor in night work or excessive overtime. Apprenticeship and internship programmes must be designed to provide training and professional development and shall not be used as a means of exploitation or circumvention of labour laws and regulations.
Forced Labour and Modern Slavery	Dama S.p.A. condemns all forms of forced, bonded, compulsory or involuntary labour, including human trafficking, slavery, servitude and work performed under coercion, threat or intimidation. Suppliers shall ensure that all workers enjoy freedom of movement, the right to terminate their employment freely and control over their personal identity documents. The retention of money, deposits, identity documents or any other form of security as a condition of employment is strictly prohibited. The use of recruitment and employment agencies must be transparent and fully compliant with all applicable laws and regulations. Suppliers shall take reasonable and proportionate measures to identify, prevent and mitigate the risk of forced labour within their operations and, where possible, throughout their supply chains. Upon request, Suppliers shall cooperate with Dama S.p.A. by providing information and documentation relevant to the assessment of such risks.
Non-Discrimination and Equal Treatment	Equal rights and opportunities shall be guaranteed to all workers without direct or indirect discrimination based on race, gender, age, nationality, religion, sexual orientation, disability, social status or political affiliation. Dama S.p.A. promotes inclusion and values diversity in the workplace, prohibiting all forms of harassment, abuse, and physical or verbal violence.

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Freedom of Association and Collective Bargaining

Dama S.p.A. respects and promotes the right of workers to establish or join trade unions and workers' representative organisations of their choice without fear of retaliation, discrimination or intimidation. Suppliers shall respect these rights and foster conditions for constructive social dialogue. In countries where such rights are restricted by law, Suppliers are encouraged to support alternative forms of independent and lawful worker representation.

Working Conditions

Suppliers shall provide a dignified working environment and ensure compliance with all applicable labour laws, regulations and collective bargaining agreements. Employment relationships shall be governed by clear and understandable written contracts. Suppliers shall comply with all applicable employment regulations and shall refrain from any form of irregular or undeclared work, including the employment of workers without valid work authorisation where required by law. Suppliers shall also ensure that employees and other workers receive social security, welfare and insurance benefits in accordance with applicable legal requirements and collective agreements.

Disciplinary Practices

Suppliers shall treat all workers with dignity and respect and shall provide a workplace free from any form of abuse or mistreatment. The use of corporal punishment, as well as any form of physical, sexual, verbal or psychological abuse, coercion or intimidation, is strictly prohibited. Suppliers shall prevent and prohibit all forms of harassment, bullying or abusive behaviour in the workplace and shall promote a working environment that is respectful, inclusive and supportive of individual dignity.

Working Hours

Suppliers shall comply with all applicable laws and collective bargaining agreements governing working hours, overtime, breaks, rest periods, holidays and leave entitlements. Regular working hours shall not routinely exceed 48 hours per week. In exceptional circumstances, the total number of regular and overtime hours shall not exceed 60 hours per week, where permitted by applicable law and for a limited period of time. Workers shall be provided with at least one day of rest following six consecutive working days. Excessive overtime and overtime that is mandatory or not agreed upon in accordance with applicable laws are prohibited. Suppliers shall ensure full compliance with legal requirements and safeguard workers' health, safety and well-being.

Wages and Benefits

Suppliers shall pay wages regularly and in a timely manner and shall provide overtime compensation in accordance with applicable laws and collective bargaining agreements. Where no specific provisions exist, wages shall be at least equivalent to the prevailing industry minimum standards, and overtime compensation shall not be lower than the rate applicable to regular working hours.

Wages shall be fair and sufficient to meet workers' basic needs and provide a decent standard of living. Unjustified deductions from wages are prohibited, and workers shall receive clear and understandable written information regarding the calculation of their remuneration.

Suppliers shall comply with all applicable requirements relating to social security and welfare contributions and shall provide employees with all benefits required by law, collective bargaining agreements and applicable employment arrangements.

Reporting Mechanisms

Dama S.p.A. encourages the establishment of confidential and, where permitted by law, anonymous reporting channels that enable workers to raise concerns or report violations without fear of retaliation. Suppliers are encouraged to protect individuals who report unlawful conduct or breaches of this Code and to ensure that concerns are handled appropriately and in good faith.

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Health and Safety

General Principles	Dama S.p.A. places the highest importance on protecting the health and safety of all workers throughout its supply chain. Suppliers shall provide working environments that ensure safe, hygienic and healthy conditions in compliance with all applicable laws and regulations, with particular attention to the prevention of accidents, injuries and occupational illnesses.
Safe and Healthy Working Conditions	All facilities shall be equipped with appropriate infrastructure and amenities, including clean sanitary facilities separated by gender where appropriate, access to safe drinking water, clearly marked and unobstructed emergency exits, compliant electrical systems and adequate lighting. Appropriate measures shall be implemented to minimise workers' exposure to chemical, physical and biological hazards.
Training and Awareness	Workers shall receive adequate training and information regarding workplace safety procedures and the specific risks associated with their activities. Such training and information shall be provided in a language that workers can understand, enabling them to perform their duties safely and with full awareness of the relevant risks.
Emergency Preparedness	Emergency response and evacuation procedures shall be established, regularly reviewed and updated, and supported by periodic drills to ensure a prompt and coordinated response in the event of an emergency.
Protection of Vulnerable Workers	Dama S.p.A. requires particular protection for vulnerable workers, including pregnant women, young workers, persons with disabilities and individuals exposed to specific occupational risks. Suppliers shall ensure appropriate safeguards, including adequate rest breaks and suitable work restrictions where necessary to protect workers' health and well-being.
Medical Care and Assistance	Suppliers shall ensure access to appropriate first-aid facilities and trained personnel and shall provide for the prompt transportation of workers to suitable medical facilities in the event of an emergency.

Environmental Protection

General Principles	Dama S.p.A. recognises the importance of environmental protection on a global scale and encourages the adoption, throughout the supply chain, of practices aimed at reducing the environmental impact of products and processes, in compliance with applicable laws, regulations and international agreements.
Regulatory Compliance and Continuous Improvement	Dama S.p.A. encourages the implementation of environmental management systems, preferably certified (e.g. ISO 14001 or equivalent), and the continuous improvement of environmental performance, including energy consumption, greenhouse gas emissions and waste generation.

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Natural Resource Management	Dama S.p.A. considers the efficient use of natural resources to be of fundamental importance, with particular attention to the responsible consumption of water and energy, and the promotion of renewable energy sources and low-impact technologies. Where possible, the selection of raw materials should favour options with a reduced environmental footprint, including recycled or regenerated materials, while promoting eco-design principles and packaging optimisation to minimise waste and resource consumption.
Waste and Hazardous Substances Management	Suppliers shall implement rigorous procedures for the handling, storage and disposal of waste, preventing contamination of soil, water and air. The use of chemicals shall comply with the REACH Regulation (Regulation (EC) No. 1907/2006), the General Product Safety Regulation (Regulation (EU) 2023/988), and all other applicable national and international laws and standards (e.g. GB 18401). Effective safeguards shall be implemented to protect human health and the environment.
Biodiversity Conservation and Ecosystem Protection	Dama S.p.A. requires strict compliance with national and international regulations relating to the protection of endangered and protected species, protected natural areas and ecological corridors. The use of raw materials derived from illegal practices or activities that result in the destruction of natural habitats is prohibited. Suppliers shall avoid any activity that may contribute to deforestation, environmental degradation or biodiversity loss and shall promote environmentally responsible practices throughout their operations.
Animal Welfare	Where applicable, Suppliers shall respect animal welfare throughout all stages of animals' lives and shall adopt ethical practices that safeguard their well-being. Suppliers shall also comply with all applicable local and international regulations governing the sourcing, import, use and export of materials derived from endangered or protected species, including the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES).
Emissions Reduction	Dama S.p.A. supports the monitoring and reduction of greenhouse gas emissions throughout the supply chain and encourages the adoption of lower-impact technologies and the collection of reliable environmental data. Efforts to reduce emissions are considered an important element of responsible and sustainable business management.
Accountability and Transparency	Suppliers shall maintain clear and accessible records of their environmental practices and shall cooperate with Dama S.p.A. and any authorised third parties in connection with audits, assessments and verification activities. Suppliers are encouraged to promote environmental awareness among their personnel and to communicate transparently regarding the environmental impacts of their operations.

Business Ethics and Compliance

Integrity and Transparency	Dama S.p.A. conducts its business in accordance with the highest standards of integrity, honesty and transparency in all commercial relationships. Suppliers are expected to conduct their activities in compliance with applicable laws and the highest ethical standards, avoiding fraudulent conduct, unfair business practices or any behaviour that could damage the reputation of the Paul & Shark brand or Dama S.p.A.
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Anti-Corruption, Fraud and Bribery	All forms of corruption, bribery, improper influence, fraud, favouritism, extortion or other unethical business practices are strictly prohibited. Suppliers shall implement effective policies and procedures to prevent, detect and address such conduct and shall promote a corporate culture based on ethics, integrity and accountability.
Antitrust and Fair Competition	Suppliers shall conduct their business in compliance with applicable antitrust and competition laws and shall refrain from entering into agreements, engaging in practices or adopting behaviours that may restrict fair competition or adversely affect the market.
Privacy and Data Protection	Suppliers shall comply with all applicable laws and regulations relating to privacy and the protection of personal data and shall implement appropriate measures to ensure the security, confidentiality and integrity of information relating to employees, customers and Dama S.p.A.
Intellectual Property	Suppliers shall respect and protect the intellectual property rights of Dama S.p.A. and third parties, including trademarks, patents, copyrights, trade secrets and other proprietary rights. Suppliers shall ensure that the products and services they provide do not infringe such rights and shall refrain from any unauthorised use of protected intellectual property.
Conflicts of Interest	Suppliers shall avoid any situation that may give rise to an actual or perceived conflict of interest capable of compromising impartiality in decisions or activities related to their business relationship with Dama S.p.A. Any potential conflict of interest shall be promptly disclosed and managed in a transparent manner.
Social Responsibility and Non-Discrimination	Dama S.p.A. promotes fairness, respect and equal treatment in all employment and business relationships. Suppliers are encouraged to foster inclusion, prevent discrimination and respect the dignity of every individual in the workplace.
Reporting and Grievance Management	Dama S.p.A. promotes a transparent and respectful working environment in which reports of ethical violations, unlawful conduct or irregularities are received, protected and investigated in a timely manner. Suppliers are encouraged to provide their employees and business partners with secure and confidential channels through which concerns may be raised and reported.
Legal Compliance	Suppliers shall comply with all applicable laws and regulations, including those relating to taxation, customs, health and safety, environmental protection and labour. In the event of non-compliance, Dama S.p.A. may require the prompt implementation of corrective measures. Failure to cooperate or continued non-compliance may result in the termination of the contractual relationship.

Monitoring and Accountability

Implementation and Communication of the Code	Full compliance with this Code is an essential condition for doing business with Dama S.p.A. Suppliers shall ensure that the Code is communicated, understood and observed by all their employees, workers, contractors and sub-suppliers.
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Management and Control Systems

Suppliers are encouraged to establish and maintain management and control systems appropriate to the size and structure of their organisation, designed to ensure compliance with the ethical, social and environmental principles set out in this Code, while promoting continuous improvement and transparency.

Suppliers are encouraged to maintain appropriate information regarding their supply chains and to retain relevant documentation in order to ensure adequate levels of transparency and traceability of the activities performed.

Audits and Assessments

Dama S.p.A. may conduct periodic audits, generally with reasonable prior notice, at the production facilities of Suppliers and sub-suppliers, either directly or through independent third parties, in order to assess compliance with this Code. Unannounced audits may be carried out in exceptional circumstances or where there are reasonable grounds to suspect non-compliance, taking into account the operational needs and reasonable planning requirements of Suppliers.

Audits and assessments may include, by way of example, matters relating to human rights, working conditions, health and safety, environmental protection, the prevention of forced labour and supply chain traceability.

Reporting and Whistleblowing

Dama S.p.A. has established a dedicated and secure reporting channel through which workers and third parties may confidentially or anonymously report violations or non-compliance with this Code without fear of retaliation. The reporting channel is available to all internal and external stakeholders through the Company's website at: <https://whistleblowing.paulshark.it/paulshark/segnalazioni/>. Dama S.p.A. is committed to ensuring the highest level of protection for reporting persons and to handling all reports confidentially and appropriately.

Consequences of Violations

Where instances of non-compliance with the principles of this Code are identified, including risks or confirmed cases of forced labour, Suppliers shall cooperate with Dama S.p.A. in identifying and implementing appropriate corrective actions and remediation measures.

Serious or repeated violations of this Code by Suppliers or sub-suppliers may result in the temporary suspension or termination of the business relationship with Dama S.p.A. In the event of significant violations, Dama S.p.A. also reserves the right to take any legal action deemed appropriate to protect its interests.

Review and Update of the Code

This Suppliers Code of Conduct is subject to periodic review to ensure its continued adequacy and effectiveness in light of regulatory developments, emerging best practices and feedback received from Suppliers and other stakeholders.

Commitment and Acknowledgement Letter

Supplier Legal Name: _____

Address: _____

By signing this letter, the above-mentioned Supplier:

- Confirms that it has received, read and understood the provisions contained in the Suppliers Code of Conduct of Dama S.p.A.;
- Commits to continuously comply with the principles, requirements and obligations set out in the Code, as well as with all applicable laws and regulations in the countries where it operates;
- Commits to informing and engaging its employees, suppliers, sub-suppliers, contractors and all parties involved in its supply chain, so that they also comply with the provisions of the Code;
- (where applicable) Assumes responsibility for ensuring compliance with this Code by the following sub-suppliers, to whom it applies the same principles and requirements:

- Accepts the monitoring and verification activities provided for under the Code, including audits conducted by Dama S.p.A. or by third parties appointed by Dama S.p.A.;
- Commits to taking all necessary actions to remedy any identified non-compliance and to align its activities and operations with the requirements of the Code;
- Commits to promptly report to Dama S.p.A. any actual or suspected violation of the Code through the designated reporting channels.

By signing this letter, the Supplier authorises Dama S.p.A. and any third parties appointed by Dama S.p.A. to conduct audits and assessments for the purpose of verifying compliance with the Code.

Place and Date: _____

Name and Position of the Legal Representative: _____

Company Stamp and Signature of the Legal Representative: _____