

SUPPLIER CODE OF CONDUCT

1. Modus Asset Management, UAB (**the Management Company or MC**), the collective investment undertakings (**CIUs**) it manages and the companies controlled by the latter (**SPVs**, hereinafter referred to as MCs, CIUs, SPVs, and collectively referred to as "**the Group**") operate on the basis of transparent, honest and ethical business practices and therefore apply high environmental, social and governance (**ESG**) standards in their business operations. We also strive for high business standards throughout the Group's value and supply chain, which is why we place a strong emphasis on ESG aspects when working with suppliers and business partners.
2. The suppliers of the Group shall be deemed to be natural and legal entities or any other entities (**Suppliers**) that provide goods and/or services to the Group, or perform work (**Products**).
3. The Supplier Code of Conduct (**the Code**) sets out the basic requirements for business conduct and is based on the following international principles and standards:
 - the Organization for Economic Co-operation and Development Guidelines for Multinational Enterprises;
 - the United Nations Guiding Principles on Business and Human Rights;
 - the principles set out in the 8 fundamental conventions referred to in the International Labour Organisation's Declaration on Fundamental Principles and Rights at Work;
 - principles and rights set out in the International Bill of Human Rights;
 - principles of the United Nations Global Compact Initiative.
4. The Code reflects the Group's ambition to have a sustainable supply chain, to reduce its negative impacts, to promote improvement and to strengthen sustainable cooperation with its Suppliers, thereby creating transparent business practices that incorporate ESG aspects. All Suppliers of the Group, their subcontractors or third parties with whom the Suppliers of the Group have business relationships are expected to adhere to the minimum principles of business ethics set out in the Code.
5. The suppliers of the Group must comply with the applicable relevant national and other legislation and the principles set out in this Code in the countries in which they operate. We also consider the Supplier's compliance with the principles and requirements set out in the Code when selecting or deciding on business continuity with the Suppliers, even if the Code's requirements impose higher standards than those set out in national legislation or regulations. The Group also expects its Suppliers to comply with all professional standards applicable to their sector of activity.
6. This Code shall be deemed to be a part of the contract between the Group and the Supplier and shall form an integral part of any contract. The Supplier shall ensure that all its business operations and supply chain comply with the legal requirements and those set out in this Code, and shall regularly verify compliance with those requirements.

Environmental Protection

7. The Supplier shall comply with the requirements of national environmental legislation and applicable environmental and sustainability principles.
8. The Supplier shall strive to choose solutions with the lowest possible environmental impact and to continuously improve its operational processes affecting the environment. The Group encourages the Supplier to comply with approved international environmental sustainability standards and to have a plan in place to manage environmental risks and mitigate the environmental impact of its activities.
9. The Supplier shall regularly review the impact of its activities on climate change and environmental elements (surface and underground, air, water, biodiversity, etc.) and shall initiate changes to mitigate negative environmental impacts.
10. The Supplier aims to: (1) develop and disseminate environmentally friendly technologies, and to use Products or materials that do not have a negative impact on the environment; (2) to operate in a manner that minimises waste, and to manage it properly and safely, giving priority to reuse and recycling.

11. In order to produce goods, provide a service or carry out works, the Supplier aims to: (1) use measures that do not endanger society and the environment and do not cause environmental damage; (2) to use less electricity and renewable energy sources; (3) to preserve natural resources and contribute to the promotion of the circular economy; (4) to integrate energy efficiency, ecology and recycling into their value chain.
12. The Supplier shall provide its employees with opportunities for professional development and promote a responsible approach to environmental impact.
13. Where possible, the Supplier shall be involved in public initiatives and/or prevention programmes to promote environmentally friendly attitudes and the sharing of good practice and experience.

Social Welfare

(i) Respect for Human Rights

14. In carrying out its activities, the Supplier shall respect and ensure human rights and freedoms and respectful and dignified relations with people, shall be guided by democratic values, and shall comply with the requirements for the guarantee of human rights set out in the Universal Declaration of Human Rights, the United Nations Global Compact and other international conventions and national legislation.
15. The Supplier shall inform the Group of any potential or actual adverse human rights impacts and shall take appropriate steps to avoid, minimise and/or mitigate the adverse consequences of such impacts, and shall make additional efforts to ensure that such impacts do not occur again
16. The Supplier shall be open to diversity in its workforce and shall refrain from any discrimination, including, but not limited to, discrimination on the grounds of age, gender, race, nationality, citizenship, ethnic origin, language, descent, social status, religion, faith, beliefs or opinions, sexual orientation, disability, health, marital or family status, membership of a political party or association, and/or any other characteristic protected by law. Discrimination can also occur when a person is treated unfairly on the basis of objectively unjustified circumstances.
17. The Supplier shall ensure that employees are protected in the workplace against sexual or other forms of harassment, physical or psychological abuse, violence, verbal abuse, humiliation or bullying in any form. In addition, it is forbidden to threaten employees with the use of such measures.
18. The Supplier shall comply with the legal requirements relating to the protection of personal data, shall respect the privacy of its employees, customers and partners and shall implement appropriate technical and organisational measures to ensure adequate security of personal data, including protection against accidental or unlawful destruction, loss, alteration, unauthorised disclosure of, or unauthorised access to, personal data.
19. The Supplier shall have measures in place to allow employees to report anonymously unsafe working conditions, discrimination, harassment and other misconduct in the Supplier's operations. Employees shall not be subject to harassment, and the Supplier shall also protect employees and their representatives who report or testify about incidents from hostile behaviour, reprisal and other negative consequences.
20. The Supplier shall not practice or tolerate child labour and shall comply with legislation on the protection of minors. Also, the age of employees must not be lower than that specified in International Labour Organisation Convention 138. National legislation and international standards on the protection of minors must be respected. In addition, minors must not work at night or in jobs that would impede their development.
21. The Supplier prohibits physical punishment and forced labour in its operations, including modern slavery and human trafficking, as well as prison labour, forced labour for debt and other forms of forced labour.

(ii) Rights and Freedoms of Employees

22. The Supplier shall comply with all relevant laws, regulations and industry standards governing wages, working time and hours, rest periods, annual and parental leave and sick leave. Salaries, other benefits must be clearly defined and regularly and fully paid or allocated. The Supplier pays social security contributions as required by law, as well as employee benefits (e.g. insurance benefits, overtime pay and holiday pay) as required by national law. Employment obligations must be recorded in writing and given to employees in the form of an employment contract. Employees should not work longer than the legal working hours. Employees shall be granted days off as provided for by law. Employees must be guaranteed a minimum daily and weekly rest period.

23. The Supplier shall guarantee the right of its employees to freely form, join or refrain from joining trade unions or similar employee representative organisations and to negotiate a collective agreement. Threats of reprisals for exercising these rights are not permitted under any circumstances.
24. The Supplier must respect the right of its employees to terminate their contracts.

(iii) Occupational Safety

25. The Supplier shall provide opportunities for employees to work in a safe and healthy working environment, and shall ensure working conditions that are compatible with health and dignity, in accordance with the requirements of the applicable legislation. It is mandatory to comply with fire safety and emergency medical aid requirements. In addition, workplaces must be sufficiently clean. If the business partner provides housing for employees, they are subject to the same requirements.
26. The Supplier shall periodically ensure that employees are trained and instructed to work in a safe and healthy manner, taking into account the nature of their work and the risks involved. The Supplier shall also provide all necessary work equipment to the employees in order to ensure quality and safety of work.
27. The Supplier shall have in place the necessary means to report occupational health and safety incidents, to record such reports and to investigate them appropriately and effectively. The Supplier shall promptly inform the Group of any serious incidents, accidents or fatalities occurring in the workplace that are in any way related to the Supplier's business relationship with the Group, and the Supplier shall co-operate with, and assist, the Group in the assessment/investigation of such incidents.

Governance

(i) Fair and Ethical Operations

28. The Supplier shall comply with the requirements of the law, the principles of fair and transparent competition, and shall conduct its activities in an ethical manner, based on the principles of transparency and fairness.
29. Passive and active corruption and other forms of corruption are prohibited. The Supplier shall not tolerate any form of corruption (bribery, pay-offs, influence peddling, money laundering, abuse of position, etc.) in the conduct of its business. The Supplier shall have developed and implemented adequate internal anti-corruption controls to prevent and detect corruption, and shall train its employees and impose disciplinary penalties. The Supplier shall monitor the effectiveness of such measures and enhance transparency.
30. The Supplier shall avoid conflicts of public and private interests that could lead to risks of corruption. In the event of potential conflicts of public and private interest in relation to the Products supplied, the Supplier shall always inform the Group.
31. The Supplier shall disclose to the Group any information about any financial interests, such as significant ownership interests, in the Supplier's business of persons employed as public officials in government agencies or public undertakings, or business connections of the persons themselves, their family members or friends to the Supplier. The Supplier shall disclose to the Group information about any personal relationships between the Supplier's employees and the Group that may give rise to conflicts of interest, such as family members, relatives and friends.
32. The Supplier shall not tolerate, offer, provide or accept any gifts that are prohibited by law.
33. The Supplier shall maintain proper accounting records and regularly submit performance reports to allow stakeholders to assess the Supplier's market behaviour, environmental impact, relationship with employees and society.
34. The Supplier shall comply with all applicable tax laws and strive to ensure that obligations to the state are fulfilled in a transparent, responsible and timely manner.
35. The Supplier shall ensure that the Group's confidential information and intellectual property is protected. In the event of the termination of the business relationship, the Supplier shall continue to be obliged to protect and not to disclose confidential information which has come to its knowledge in the course of its joint activities with the Group, unless a specific period of time for the protection of the confidential information is provided for in the contract or under other legal basis.

Enforcement of the Code

36. The Supplier shall ensure that the provisions of this Code are implemented and shall provide evidence and any necessary explanations on request. In order to comply with the provisions of the Code, the Supplier's internal control measures shall be proportionate to the size and complexity of the business and the likelihood of occurrence of the relevant risks to sustainability and the significance of the potential consequences.
37. The Supplier shall carefully select subcontractors for the performance of its activities and shall only enter into business relationships with subcontractors who comply with mandatory legal requirements and, as far as possible, with the principles set out in this Code.
38. The Supplier shall actively monitor its daily management processes for compliance with the requirements of this Code and shall provide the Group with the necessary information upon request. If the Supplier suspects that a significant provisions of this Code have been violated, it shall immediately report it, giving details of the violation, the persons involved and the consequences or possible consequences of the violation. This also applies to violations committed by the Supplier's subcontractors.
39. In order to assess the Supplier's compliance with the requirements of this Code, the Group may request information from the Supplier or visit the Supplier's premises for verification purposes. In order to ensure a smooth cooperation, the Supplier shall be expected to provide all the information necessary to verify the transparency of the operation. The Supplier's refusal to provide information or to allow a visit to the Supplier's premises shall constitute a breach of this Code.
40. In the event of non-compliance with the requirements of this Code, the Supplier is expected to immediately initiate changes to its operations, to be implemented within a timeframe agreed with the Group and within a reasonable period of time. The Group encourages consultation and joint solutions where assistance is needed while implementing correction of non-compliance with the Code. If necessary, the Supplier may contact the Group's representative directly or by email at info@envolve.capital.
41. The Group appreciates the Supplier's sharing in good faith of information about potential non-compliance with the Code and ensures that cooperation continues when the Supplier takes corrective action. By contrast, if the Supplier avoids providing information, provides incorrect information, fails to take the initiative to correct breaches of the Code, or if it proves impossible to correct them, the Group reserves the right to terminate unilaterally, without referring the matter to the dispute resolution bodies, any or all contracts with the Supplier.
42. The Supplier's employees, suppliers and other parties related to the Supplier's business relationship have the right to report breaches of the Supplier's Code in accordance with the Group's Whistleblower Protection Policy, which is available on the website www.modusam.com (<https://www.modusam.com/it/whistleblowing-complaints>).

Approval and Amendments to the Code

The Code and any amendments thereto shall be approved by the Board of the Management Company.
