

# Customer Code of Conduct

Last updated on January 2025

## 1. Introduction

This Customer Code of Conduct (hereinafter "Code") outlines the ethical, social, and environmental standards that we expect our customers to uphold, reflecting xFarm Technologies Group (hereinafter "xFarm") commitment to sustainability and responsible business practices. Our goal is to foster two-way, mutually beneficial relationships with all partners, aiming to engage 100% of our customers. The Code sets out minimum requirements for our direct customers and subcontractors, in accordance with the business principles detailed herein and in full compliance with all applicable laws and regulations.

In line with our commitment to global sustainability, we adhere to principles outlined in key international agreements and frameworks. We support and strive to contribute to the United Nations Sustainable Development Goals (SDGs), which address global challenges such as poverty, inequality, and climate change. Additionally, we align our practices with the Paris Agreement to limit global warming and enhance climate resilience. Our Code is also guided by the Ten Principles of the United Nations Global Compact, which emphasize human rights, labor standards, environmental protection, and anti-corruption.

By integrating these standards into our operations, we aim to foster a sustainable and equitable world for current and future generations.

This document aims to reflect and communicate publicly our stand on ESG matters, demonstrating our dedication to transparency and accountability in our business practices. We also expect our customers to make their best efforts to implement these standards within their own supply chains.

## 2. Scope

This Code requires all customers, agents, intermediaries, consultants and contractors (hereinafter "Customers"), including all affiliates, officers, employees, subcontractors, agents and intermediaries of Customers, to observe the highest standard of ethics regarding when deploying goods and/or services provided by xFarm.

### 3. Code of Conduct

xFarm expects its Customer to support, embrace and enact the ESG standards mentioned below.

#### **Environmental regulations and protection**

xFarm acts to protect the environment through collaboration with Customers. We encourage our Customers' initiatives to reduce the environmental impact of their activities and we require our Customers to be able to demonstrate the effective implementation of the following environmental requirements:

- Compliance with all applicable environmental, health and safety regulations
- Promotion of environmental best practices throughout the whole life cycle of the product/service purchased by xFarm
- Efficient use of resources, reduction of waste, as well as emissions to air, water and soil, when applicable
- Protection of employees, neighborhoods and general public's health against hazards inherent to your processes and products
- Limitation to the best possible extend of any negative impact on biodiversity, climate change and water scarcity

#### **Social responsibility and labor standards**

xFarm encourage its Customers to behave in an exemplary manner in terms of social responsibility and compliance with international labor standards. In particular, we encourage our Customers to be able to demonstrate the effective implementation of the following social requirements:

- Prohibition of any violation of human rights, including forced labor, child labor, modern slavery or human trafficking
- Prohibition of supply which directly or indirectly finance or benefit armed groups and cause human rights abuses
- Guarantee of a safe and sound working environment
- Guarantee of the freedom of association and the right to collective bargaining in accordance with applicable laws
- Compliance with local and international laws regarding minimum wages, working hours and working conditions
- Equal and fair treatment of all employees, ensuring a workplace free of harassment or abuse of any kind, harsh treatment, unlawful practices or discrimination
- Guarantee of anonymous, and without fear of retaliation, reporting of concerns (e.g. unlawful practices at the workplace) from employees or external stakeholders

## Business ethics and sound governance practices

xFarm encourage its Customers to act with integrity in the conduct of their business. In particular, we encourage our Customers to be able to demonstrate the effective implementation of the following governance requirements:

- Compliance with all applicable national and international trade laws and regulations including but not limited to antitrust, trade controls, and sanction regimes
- Consideration of business integrity as the basis of business relationships
- Prohibition of all types of bribery, fraud corruption or money laundering activities
- Respect for privacy and information confidentiality from all employees, business partners and customers
- Implementation of an appropriate Compliance Management System, which facilitates compliance with applicable laws, regulations and standards and reporting of concerns
- Provision of clear and accurate information about resources used, production sites and characteristics of the products/services provided, refraining from making any misleading claims

## 4. Implementation and sanctions

xFarm's Customers are required to acknowledge and commit to the adherence of responsible business principles as expressed in this Code.

xFarm expects all its Customers to comply this Code and communicate it to all relevant representatives (employees, subcontractors, etc.).

Customers should address any gaps in the implementation of this Code by establishing and implementing a time-bound improvement plan in consultation with xFarm.

In the event of violation of this Customer Code of Conduct by one of our Customers or by one of their Customers or subcontractors, xFarm reserves the right to re-examine and take actions including and up to termination of the commercial relationship.

## 5. Reporting Concerns

xFarm expects its Customers to have a reporting system to ensure that employees can voice grievances anonymously and without fear of reprisal on any aspects of this Code. All grievances will be investigated in a fair and timely manner.

We also welcome concerns from anyone within or outside of xFarm if they suspect or know of any potential or actual violations of this Code. We do not tolerate retaliation against persons making reports in good faith.

Concerns can be reported to the following email address: [federica.spina@xfarm.ag](mailto:federica.spina@xfarm.ag).

## 6. Revision history table

Version	Date of Revision	Author	Description of Changes
v1	January 2025	Federica Spina	-

## Customer's agreement

Customers acknowledge having received a copy of xFarm's Customer Code of Conduct. Have read and understood the Code of Conduct. Understand that, if the Code of Conduct is violated, this violation may be subject to corrective action, including termination of contract. This Code of Conduct is to be attached as an annex to the main contract and forms an integral part of the agreement between xFarm and the customer.