



Breathing the future

CODE OF ETHICS



Breathing the future

Code of Ethics and Conduct

Version of Code of Ethics approved by the Board of Directors of Sapiro Produzione Idrogeno Ossigeno S.r.l. by way of the resolution passed on the 28st March 2018.

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1. FOREWORD

The SAPIO GROUP (hereinafter “SAPIO” or “GROUP”) mission is to offer its clients integrated products and services that meet their demands for quality, punctuality and reliability, benchmarking itself against the most sophisticated technology and skills currently available in the market in the firm belief that economic growth must be compatible with the environment.

SAPIO business activities aim to achieve the following:

- Creation of value for shareholders;
- Value of human capital enhancement as a fundamental and essential element, through the wellbeing and professional growth of employees and collaborators;
- Promotion and internal implementation of ethical behavioral sensitivity;
- Correctness of internal and external relations as the basis of every action.

All of the above can be summarized in a basic philosophy: *current needs must be satisfied without compromising the future.*

In this context, ethical values represent a fundamental element of our company heritage, while ethical and behavioral rules and principles, which have been considered a social responsibility since the founding of the company, guide the GROUP’s relations with its personnel and third parties, and more generally characterize all company activities.

These principles are contained in this Code of Ethics and Conduct (hereafter “Code of Ethics”), which describes all the ethical commitments and responsibilities guiding the company’s business affairs and activities, and which is followed in all GROUP companies by our employees, collaborators and partners.

These principles form part of the general code of ethics of the SAPIO GROUP and each of its collaborators. Therefore, top Management, aware that, on one hand encourages their spontaneous sharing, adherence and diffusion, and on the other hand demands that each individual working on behalf of the GROUP, or individuals that come into contact with the GROUP, observe and apply them.

In compliance with its ethical principles, SAPIO promotes research activities according to sustainability models that may be advantageous to both the industrial world and the community.

With the aim of pursuing this objective, the GROUP is committed to research projects related to:

- ENERGY – The use of hydrogen as a source of energy to increase the availability of energy and reducing environmental impacts to a minimum and encouraging the use of renewable resources;
- NOURISHMENT – Innovation for quality food production to guarantee food safety and health protection;
- ENVIRONMENT – Protection of the environment through the remediation of contaminated sites and the purification of water;
- HEALTH – The development of integrated assistance and home hospitalization services aimed at improving the quality of life of patients and their families.

2. SCOPE

This Code of Ethics is valid in Italy and abroad, where it finds reasonable grounds for application based on the different cultural, political, social, economical and commercial circumstances of the various countries in which the GROUP operates.

The Code of Ethics rules apply to SAPIO employees and all those who cooperate for the development of its activities and the achievement of its business purpose.

The Code of Ethics principles must guide the components of the Board of Directors of each Company in the Group when making any decision or performing any action relative to the management of said companies; similarly, all collaborators must be guided by said principles when effectively performing their tasks.

Employees and all those who collaborate with SAPIO are obliged to adapt their behaviors to the rules and principles of this Code of Ethics.

This Code of Ethics is available on the Group's website at www.grupposapio.it.

3. GENERAL PRINCIPLES

3.1 General ethical principles

SAPIO intends to operate in a market opened to competition and which allows any company to compete on the merit, challenging to strictly comply with any applicable law.

The SAPIO GROUP is aware that its activities are important for the community and have a social impact, and for this reason is guided by the following ethical principles, which must be followed by all parties involved.

SAPIO operates in compliance with EU, national and international standards applicable in the countries in which it performs its activities, refusing any illegal activity.

The GROUP considers its image and reputation to be values that must be protected and developed, also insofar as common heritage, through their total diffusion, sharing and through compliance with the ethical and behavioral principles contained in this code.

No conduct in breach of current legislation, in conflict with the current Code of Ethics or with internal standards, implemented by organs of corporate governance, company management or in general by any employees and collaborators when performing their tasks or assigned roles, shall be considered justified; such conduct shall therefore result in the adoption of punitive measures, even if motivated by the pursuit of a GROUP interest.

SAPIO considers fair treatment a fundamental value in all of its relations, whether internal or external to the GROUP, and also considers individuals, their beliefs and rights to be intangible values that must be protected.

SAPIO expects its employees and collaborators to behave in such a way that reflects principles of responsibility, loyalty, honesty, availability, creativity and transparency, with a view towards collaboration, solidarity and knowledge exchange.

SAPIO considers principles such as diligence, competence, professionalism and efficiency to be of fundamental importance for the successful outcome of professional services provided by GROUP employees and collaborators, also for the purpose of offering clients and related parties high-quality services and to ensure the regularity and continuity of production activities.

Commercial acts of kindness, such as gifts or forms of hospitality, are allowed provided they are of a modest value and in any case do not compromise the integrity and reputation of either of the parties and do not influence the autonomous decision-making capacity of the recipient.

All business decisions must be made in the interests of SAPIO, avoiding all potential conflicts of interest between personal or family interests and roles covered in the GROUP, which may compromise fair judgement.

3.2 Company Ethics

SAPIO considers the environment (intended as the environment in which individuals, companies and institutions interact) to be one of the essential elements on which business activities and external relations are based.

Over the years, within the context of its own institutional objectives, the GROUP has successfully combined its business activities with the most important elements of social growth including:

- Constant employment growth with respect for people and applicable employment legislation;
- The capacity to offer opportunities for growth within the industrial context in which the company operates, thanks to the pipeline generated by its activities;
- Continuous cultural and professional growth offered to its employees;
- Strong interaction with the world of education and universities, for the development of research geared towards and intended to create programs for insertion into the employment world;
- The transfer of specific sector knowledge to clientele and authorities in charge of monitoring and applying legislation on industrial risks and environmental impacts;
- A constant focus on social and non-profit themes.

It is common practice to delegate resources to promotion and research for social and environmental purposes.

3.3 Internal Control

In terms of its culture and its own organisation, the SAPIO GROUP firmly believes in creating an environment with suitable controls in place, which contribute to improving the efficiency and efficacy of company operations and in relation to which employees and collaborators of the GROUP are properly sensitised.

Internal Control Systems imply a set of instruments and processes necessary or useful in directing, managing and monitoring activities designed to ensure with reasonable certainty:

- The achievement of company objectives;
- The reliability and integrity of financial and operating information;
- The efficiency, efficacy and economic viability of company activities;
- The protection of company heritage;
- Compliance with laws, regulations and contracts resulting from company decisions and actions;
- The confidentiality of company information, which is not for public divulgation.

4. GOVERNANCE

4.1 Corporate governance system

When performing its activities, the GROUP is committed to promoting and implementing principles of good corporate governance and disseminating current company policies to its employees and collaborators, encouraging awareness through suitable training programmes.

SAPIO adopts a corporate governance system conformant to that provided for by the law and according to best administrative practices. This system is oriented towards maximising shareholder value, controlling and preventing company risks, guaranteeing market transparency and respecting the legitimate interests of all stakeholders.

The system also aims to ensure maximum collaboration among its components through harmonious respect for the various figures responsible for management, direction and control.

4.2 Relations with shareholders

Through a balanced growth strategy and knowledgeable risk management, which also includes protecting management independence, SAPIO seeks to suitably distribute its share capital and increase its company holdings.

SAPIO is also aware that the nature and composition of its capital requires SAPIO to continuously improve the quality of its offer and constantly improve the balance between the cost of services and the services effectively offered, and believes the regular involvement of shareholders to be of fundamental importance - while respecting the various roles - when making the most important decisions regarding SAPIO.

4.3 Directors and statutory auditors' liability

Components of the company's bodies must adapt their activities to comply with principles of correctness, transparency and integrity, refraining from acting in situations where there may be a conflict of interest while performing their activities in the company.

Components of the company's bodies must also behave in line with principles of autonomy, independence and respect for company guidelines in circumstances where they act on behalf of SAPIO with public institutions and any other private parties. They are required to participate in company activities in an assiduous and informed manner, obtainable through the Board of Directors; they are obliged to treat information about which they may become aware for internal reasons as confidential, and may not use their position to reap direct or indirect personal advantages.

All communication activities must comply with the law and guidelines adopted by SAPIO and must be geared towards protecting confidential information and industrial and commercial secrets.

The obligation for loyalty and confidentiality is binding on said parties even after the termination of the relationship with SAPIO.

4.4 Relationship with auditors

Directors, employees and collaborators must act with correctness and transparency when carrying out their role in relation to any requests made by shareholders, the Board of Statutory Auditors, other company organs or auditing firms when performing their respective institutional roles. When dealing with said parties, maximum correctness, availability and collaboration must be guaranteed, avoiding any form of potential pressure with the intent of influencing judgement.

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4.5 Accounting information

SAPIO considers correctness, completeness and transparency to be essential characteristics of all accounting practices, according to the criteria indicated by the law and accounting principles.

In accounting activities for facts relative to SAPIO's management, employees and collaborators are obliged to scrupulously respect current legislation and internal protocols in order that each operation, in addition to being correctly recorded, is also authorised, verifiable, legitimate, coherent and congruent.

Directors, employees and collaborators are obliged to act with transparency when dealing with auditing firms and Statutory Auditors, and to offer their maximum collaboration during their respective inspection and control activities, avoiding any form of potential pressure with the intent of influencing judgement.

SAPIO complies with the taxation laws of Italy and the foreign countries in which it operates and undertakes to promptly communicate any information requested by the law, in order to guarantee the correct calculation of taxes owing.

4.6 Management of ordinary and extraordinary company operations

Directors, as well as company referees responsible for fulfilling requirements relative to ordinary and extraordinary company operations, are obliged to act with honesty, correctness and transparency and with full respect for current laws.

When drawing up documents relative to said transactions, it is important to consistently guarantee truthful, complete and clear information, as well as maximum accuracy.

4.7 Protection of privacy and confidential information

SAPIO protects the reserved and confidential nature of information and data pertaining to employees, collaborators or third parties, collected either for, or on occasion of working activities, and all employees and collaborators are obliged to comply with said principles.

Moreover, SAPIO demands respect for privacy legislation and guarantees the confidentiality of the information in its possession, in compliance with legal provisions.

4.8 Safety memorandum

Regardless of their title, all personnel involved in operations of management of computerised data contained in the SAPIO server and who uses the available software, as well as personnel authorised to use internet browsing tools, must use the data, computer equipment and software within the limits strictly necessary to perform their activities (database administration, management, etc.), practices and work that needs to be carried out and furthered.

Computer activities must be performed by each party using their own credentials and all parties must refrain from accessing computer systems using third-party and supplier authorisations or credentials, and must also refrain from giving their own computer access credentials to any other party.

Personnel shall refrain from performing fraudulent computer activities.

5. MANAGEMENT OF RELATIONS WITH EMPLOYEES AND THIRD PARTIES

5.1 Relations with employees

SAPIO widely distributes its Code of Ethics to all employees.

Employees and collaborators must know and observe, insofar as their qualifications allow, the provisions of the Code of Ethics and at the same time promote knowledge among new employees and third parties affected by its application, with whom they come into contact during their activities.

SAPIO affords maximum and constant attention to enhancing the value of its human resources. For this purpose, it considers professional skill, dedication and honesty to be fundamental principles to further employment and career prospects.

SAPIO promotes dignity, equality, and the wellbeing of all individuals, refusing all forms of illegal, underage or forced employment.

The GROUP undertakes to protect the psychophysical integrity of its employees, based on their personality.

Employees are obliged to adopt an attitude that ensures continuous respect for the rights and personalities of their colleagues, collaborators and third parties, regardless of their hierarchical standing within SAPIO.

Equal opportunity

Each and every decision relative to the acquisition and use of company human resources shall be evaluated without any form of discrimination and with respect for equal opportunity.

SAPIO forbids any form of harassment – wherever and however it occurs – in work relations among its employees, collaborators and consultants.

SAPIO neither allows nor tolerates forms of discrimination due to race, colour, sex, age, religion, physical condition, civil status, sexual orientation, citizenship, ethnic origin, political or community standing, or any other form of discrimination in breach of the law.

All violations of said principles shall be legally pursued, where recognised, on a case by case basis.

Abuse of alcoholic and narcotic substances

SAPIO forbids the provision of services while under the influence of alcoholic and/or narcotic substances, or the consumption or transfer – in any form – of said substances while performing work-related activities, and considers said conduct to be illegal.

Use of company assets

Every employee and collaborator is obliged to use, hold and protect SAPIO patrimony constituted by moveable and real-estate assets, both tangible and intangible, including intellectual and industrial property, with due diligence.

Moreover, employees and collaborators must ascertain the ownership and availability of third-party data protected by author's rights laws, which SAPIO may decide to use in the context of its activities.

Employees must use the company assets made available to them correctly and for work purposes, protecting the value of company assets in general and avoiding the emergence of any personal advantages resulting from relations with clients or suppliers, managed on behalf of the GROUP.

Employees cannot perform work activities for their own personal gain or on behalf of third parties during work hours and therefore the use of company assets to perform said activities is considered illicit and unauthorised.

Employees must use workplace machines in line with company policies and applicable workplace health and safety laws. Employees must not use said machines in such a way that may cause damage to themselves or place others at risk. Each employee is therefore obliged to strictly respect workplace health and safety legislation and to constantly use the PPE supplied by the company, in compliance with the information provided during company safety training courses.

In regards to computer systems used, each employee is responsible for their own safety and must comply with current legislative provisions, current licence agreements and adopted company protocols.

SAPIO forbids the improper use of company computer systems and use of the same for purposes other than those inherent to work relations.

5.2 Relations with third-party collaborators and consultants

SAPIO identifies and selects its third-party collaborators (including agents, representatives, brokers, etc.) and consultants with absolute neutrality, autonomy and independent judgement, considering skill, professionalism and ethics to be essential elements.

Employees and all those who hold relations with third-party collaborators and consultants must comply with the GROUP's protocols and policies covering this matter, seeing to their proper dissemination and creating awareness.

SAPIO expects its third-party collaborators and consultants to act in a manner conformant to applicable legislation.

Any conduct contrary to the principles expressed in this Code of Ethics and in conflict with current legislation may be considered a serious breach of the contractual obligation to act correctly and in good faith, subsequently damaging the relationship of trust and therefore creating a lawful reason for the termination of the agreement.

5.3 Relations with clients

When performing its activities and managing client relations, SAPIO scrupulously abides by the law, the principles of this Code of Ethics and internal protocols; SAPIO requests that its employees and collaborators avoid all conflicts of interest with SAPIO, with the objective of maximising client value, considered a company asset.

In any case, it is prohibited to promise or pay sums of money and other utilities to representatives and/or employees of clients or prospective clients (or to people near to these), for the purpose of promoting or favouring the interests of SAPIO, even further to illicit pressure.

SAPIO is very attentive to ensure that technical and commercial information provided to its clientele corresponds with the effective content of the proposed goods and services.

5.4 Relations with commercial partners

SAPIO develops partnerships with counterparts that have a consolidated reputation and experience, establishing these relations in accordance with current legislation, including antitrust rules, and the principles of this Code of Ethics. The GROUP promotes transparent and collaborative agreements with its partners, enhancing the value of synergies and undertaking not to exploit situations where the counterpart may be dependent or weak, and expects the counterpart to act in the same way.

5.5 Relations with suppliers

During its relations with goods suppliers and service providers, SAPIO operates in accordance with current legislation, the principles of this Code and internally adopted protocols, also in relation to the quality management system developed by SAPIO.

Employees responsible for relations with suppliers and service providers must select and manage said relations according to criteria of fairness and correctness, avoiding potential and actual conflicts of interest with the same.

In any case, it is prohibited to promise or pay sums of money or other utilities to representatives and/or employees of suppliers or potential suppliers (or to people near to these), for the purpose of promoting or favouring the interests of SAPIO, even further to illicit pressure.

5.6 Protection of the market and free competition

SAPIO guarantees the full compliance with national and European antitrust laws, imposing to its employees to either abstain from performing any conduct that may alter the proper functioning of the market, or carry out the training obligations or comply with the instructions granted and the procedures set by the Company in the context of the antitrust compliance program.

To this end, all employees of the GROUP shall comply with the Antitrust *Vademecum* and read the Antitrust Compliance Manual, which are both available on the intranet of the GROUP, so that their conducts cannot alter the free competition. In case any employee whatsoever get to know any possible breach of the antitrust rules made by Sapio or by any company of the GROUP, he shall immediately inform its department head and/or the Antitrust Compliance Manager by eventually sending emails to the address complianceantitrust@sapio.it, which guarantees anonymity.

SAPIO provides measures and programs to avoid restriction or distortion of competition and anti-competitive practices, such as agreements that limit production or market access. SAPIO also provides measure to avoid agreements which have as their object or effect the prevention, restriction or distortion of competition and also any other type of anticompetitive coordination and collusion or illicit anticompetitive conduct with reference to market access.

SAPIO does not tolerate competitive acts made with corruption, violence or threats or in any way contrary to law or in violation of internal rules and procedures.

Moreover, SAPIO implements behavior directly aimed at avoiding the development of a dominant market position or control over a substantial part of it, and views increased competition – which currently characterises the markets in which SAPIO operates – as an incentive to constantly improve the quality of services offered to its customers.

5.7 Relations with trade associations

Only personnel specifically delegated by SAPIO may attend and participate in trade meetings, in cases where the latter are necessary to deal with general issues and those relative to the interpretation and application of the law in all sectors in which SAPIO operates.

In this regard, participation in said associations is allowed only on the condition that antitrust and free competition rules are respected.

SAPIO personnel may only participate in trade association meetings that respect said requirements; reports on said meetings must always be made available.

Any comparative or reference information provided must be totally compliant with current laws and regulations.

5.8 Protection of brands, patents, licences and original works

The protection of brands, patents, licences and original works by the company or third parties is considered of primary importance and therefore, all conduct aimed at their alteration or counterfeiting, as well as their reproduction, diffusion, sale or undue use is forbidden.

5.9 Relations with the Public Administration

In its relations with the Public Administration, with Entities that perform activities for public use or in the public interest, or in any case activities involving relations of a public nature, SAPIO follows the most rigorous applicable EU, national and corporate regulations.

The management of negotiations, the assumption of commitments and the development of relations of any kind, with the Public Administration, with Entities that perform activities for public use or in the public interest, or in any case activities involving relations of a public nature, shall be reserved exclusively to specifically delegated and/or authorised company figures.

In its relations with the Public Administration, SAPIO, and on behalf of each of its employees, collaborators or consultants, must not seek to inappropriately influence the decisions of the interested institution in order to secure the implementation of acts either conformant or contrary to office duties.

In any case, it is prohibited to promise or pay sums of money or other utilities to representatives and/or public employees (or to people near to them) for the purpose of promoting or encouraging the interests of SAPIO, even further to illicit pressure.

Moreover, the GROUP cannot be represented by third parties in relations with the Public Administration in cases where this may constitute a conflict of interest, even if only abstractly.

5.10 Relations with supervisory boards and auditing bodies

SAPIO defines its relations with supervisory boards and control authorities, including the Italian Competition Authority (AGCM - *Autorità Garante della Concorrenza e del Mercato*), along the lines of maximum collaboration and complete respect for their institutional role, undertaking to avoid any behaviour that may in some way or to some extent obstruct, limit or mislead audit activities, promptly implementing any requested measures and indications.

5.11 Anti-money laundering, receipt of stolen goods and anti-terrorism

The Group performs its activities with complete respect for current anti-money laundering and anti-terrorism legislation, and with respect for provisions issued by competent Italian and foreign authorities. For this scope it undertakes to refuse to perform any suspicious operations in terms of correctness and transparency in all the States in which it operates.

Recipients are therefore obliged to check all information available on their commercial counterparts, suppliers, partners, collaborators and consultants, for the purpose of confirming their respectability and the legitimacy of their activities, prior to establishing business relations with the same.

Recipients must avoid any involvement in any operations that may even potentially facilitate terrorism or the recycling of money originating from illicit or criminal activities, and act in total compliance with legislation and internal auditing procedures.

5.12 Gifts, sponsoring and publicity

Only gifts and sponsoring of a modest amount are allowed, which can be directly and legally attributed to acts of commercial kindness. In any case, said gifts and sponsoring must not generate the impression in the other party - or third and impartial party - that the intention is to acquire or grant undue advantages, and must not generate the impression of illegality or immorality. In any case, said gifts, presents and sponsoring must always be offered in compliance with company rules and suitably documented.

Sponsoring and contributions may be for the purpose of developing studies, research, conferences, seminars and must have a theme that is of direct interest to the GROUP.

When selecting the initiatives that will be supported, the SAPIO GROUP operates correctly, with transparency and in line with legislation and internal regulations, avoiding all possible situations where a conflict of interest may arise at either a personal or company level.

The participation of SAPIO in training initiatives or conferences and more generally in promotional and marketing activities is characterised by the strictest and most scrupulous respect for the provisions of legislation covering this matter.

The SAPIO GROUP is socially responsible and as a consequence predominantly adopts tools to manage its brand and present its products, which guarantee direct fruition.

Although it uses technical tools for the mass diffusion of its products and services, the GROUP privileges direct or indirect support for activities including:

- Scientific divulgation;
- Training and information;
- Support for problems tied to personal fragility;
- Technological support to the Public Administration for the development of new solutions to environmental and energy-related problems.

6. MANAGEMENT OF RELATIONS WITH THE COMMUNITY

6.1 Relations with local Communities

A continuous relationship with local Communities represents the basis of the GROUP's activities. SAPIO therefore respects and contributes to the development of the economic and social fabric of the Local Communities in which it operates and acts.

6.2 Relations with political parties and union organisations

SAPIO does not pay grants of any kind, neither directly nor indirectly, to union organisations or political parties, nor to their representatives or candidates, except in the forms and using the methods provided for by current legislation; its relations with the aforementioned parties are characterised by principles of transparency, correctness and collaboration.

6.3 Relations with the press and other mass media

SAPIO addresses the press and mass media only through its delegated company departments and figures, using an approach characterised by maximum correctness and accuracy, in total compliance with the GROUP policy.

SAPIO communications towards the outside environment must be truthful, clear, transparent, as well as coherent, consistent and accurate, conformant to company policies and programmes.

In the case of participation in conferences and conventions, the publication of articles and publications in general, as with participation in public events, any information provided relative to SAPIO activities, results, positions and strategies shall be released in accordance with procedures established for the handling of confidential information.

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Confidential information

Confidential information is considered all knowledge acquired during the performance of work activities, whether in relation to a project, negotiation, agreement, proposal, or any other fact or event, even if it relates to the future and is uncertain, and which pertains to the GROUP's sphere of activity, the diffusion and use of which may be the cause of danger or damage to SAPIO and/or of undue earnings or advantages reaped by internal or external employees or collaborators.

The high level of technology that characterises the GROUP and therefore the quality of the information about which employees or collaborators may become aware, calls for the absolute respect of rules in place to protect industrial secrets from both third parties and parties not officially authorised for communication activities.

At any time, and in particular during the stipulation and execution of contracts, the obligation for confidentiality must be strictly complied with during relations with third parties and with the press, as well as during relations with parties not officially authorised for communication activities.

All forms of exploitation, use for economic purposes, direct investment or indirect investment which is based on confidential company information is against the law and therefore strictly forbidden.

Depending on the specific situation and the consequences of their conduct, an employee's breach of the obligation for confidentiality may damage the relationship of trust with SAPIO.

7. QUALITY SYSTEM, WORKPLACE AND ENVIRONMENTAL SAFETY

7.1 Quality

With the commitment and involvement of all staff, SAPIO has adopted and pursued a quality process, developing its quality management system in compliance with the ISO 9000 standard.

SAPIO's main objective is the efficient application of the quality management system to improve the production process and the quality of products, consequently improving client satisfaction and the capacity to create value for all interested parties.

SAPIO continuously monitors the performance indicators of processes relevant to the quality of activities, in order to guarantee the high standard requested and to facilitate improvement.

7.2 Protection of Health & Safety in the Workplace

SAPIO considers the health and safety of workers to be one of its main priorities and makes a dedicated and continuous commitment to guarantee their wellbeing.

The GROUP has always been committed to the dissemination of a safe working culture among its own personnel and third parties, taking priority over all economic considerations.

The theme of "workplace health and safety" must always be present at all operating and decision-making levels, and the need for continuous improvement must be recognised.

In particular, the main principles on which the SAPIO safety management system is based, are:

- Responsibility for safety management extends to the entire company hierarchy, starting from the employer and down to individual workers, according to each of their attributions and skills;
- The organisation has identified various specific resources that have been entrusted with the responsibility of applying the company guidelines on the matter of workplace health and safety;
- The necessary personnel and infrastructure have been provided to guarantee safe conditions;
- Worker health is constantly monitored through an extended health monitoring plan;
- In-depth educational courses, information and training plans are implemented for workers and company figures in charge of guaranteeing workplace health and safety;
- Specific performance indicators have been identified to constantly monitor the efficiency of the safety management system;
- Workers are actively involved in the application of basic prevention and protection principles and are encouraged to feel a sense of responsibility for the safety, health and wellbeing of themselves and of their colleagues;
- External personnel is also protected during the activities they perform at the GROUP's facilities;
- All safety laws are strictly respected;
- Special attention is afforded to the GROUP's internal and external communication;
- Every accident, near miss or potentially dangerous incident is promptly recorded and analysed in order to avoid the recurrence of the event;
- The use of preventive actions or improvement plans designed to improve working conditions and reduce worker risk is actively promoted;

7.3 Environmental protection

The SAPIO GROUP affords much importance to respect for and protection of the environment; SAPIO considers each employee to be obliged to collaborate in achieving this objective in order to improve the quality of life and civil living conditions, to seek sustainable development and to safeguard future generations.

SAPIO considers the environment and nature to be essential values and common heritage that must be protected and defended. For this scope, it is firmly committed to aligning its activities with these principles.

In particular, SAPIO offers environmentally compatible technology and products and is committed to activities involving the search for new solutions that encourage sustainable development. This includes for example a series of research activities and the experimentation of new production and distribution technology, and the use of hydrogen as a source of energy for the future.

The GROUP is aware that company protection:

- is obtained by involving and sensitising personnel at all levels;
- consists in managing all aspects associated with environmental impacts and the protection of the land;
- means protecting and not correcting.

For this scope, SAPIO undertakes to ensure that:

- current environmental laws and regulations are respected;
- a suitable structure exists for the definition, perfection, development and review of objectives and milestones in relation to environmental protection;
- SAPIO environmental policies are documented, applied, updated and diffused within and outside of the GROUP.

8. SUPERVISION OF APPLICATION OF CODE OF ETHICS

8.1 Disciplinary system

Through its organs and dedicated figures, SAPIO seeks to make provisions – in a coherent, neutral and consistent manner - for sanctions proportional to breaches of this Code and of the provisions set forth in the Antitrust Compliance Manual and the *Vademecum*, and compliant with the current provisions regarding the regulation of employment and contractual relations.

Disciplinary action imposed upon directors and employees following a breach of the ethical principles and rules of conduct in this Code, shall be those provided for by current employment legislation (in Italy, applicable National Collective Labour Agreements).

All breaches of this Code by consultants, collaborators, agents, brokers, suppliers, business partners and other counterparts associated with the Group by way of a non-dependent collaboration agreement, or in any case by way of an agreement not subject to management or supervision, may result – in the most serious cases – in the dissolution of the contractual relationship, except for those cases in which a request for compensation is made in the event said behaviour causes damage to the Group Companies involved.

SAPIO guarantees more communication channels that allow the subjects mentioned in the Legislative Decree 231/01 art. 5, paragraph, letters a) and b), to present detailed reports of illicit conduct, relevant pursuant to and for the purposes of the Law 30/11/2017 n. 179 (the so-called Regulations on Whistleblowing), based on precise and concordant facts, or violations of the Organization and Management Model, which they have come to know due to the performed functions.

SAPIO guarantees the confidentiality of the reporting agent's identity in the management activities of the report and prohibits acts of retaliation or discriminatory, direct or indirect, against the reporting party, for reasons connected directly or indirectly to the report.

In the disciplinary system adopted, SAPIO guarantees sanctions against those who violate the protection measures of the reporting party, as well as those who carry out fraudulent reports with malice or gross negligence.

8.2 Dissemination of the Code

All those who collaborate with the GROUP, without distinction or exceptions, in Italy or abroad, undertake to observe the principles of this Code. In no circumstances may acting in favour of the Group justify the adoption of behaviour in conflict with legislation or these principles, even if demonstrated by way of omission and in collusion with others.

In particular, all directors, employees and collaborators are obliged to operate in such a way that said rules are suitably applied both within the GROUP, and in general by all those involved with the GROUP. Company organs and executives are also obliged to set an example of coherence between the principles of this Code of Ethics and daily behaviour.

The authority responsible for supervising the application of the Code and promoting its dissemination and knowledge is the Supervisory Board of each of the Group's Companies, or in their absence, the "Supervisory Board of the Parent Company", which coordinates the various departments and competent figures to ensure the correct implementation and suitable monitoring of the principles of this Code of Ethics.

Every breach or suspected breach must be communicated in writing and in a non-anonymous form to the competent Supervisory Board by way of:

- A letter in a sealed envelope, to be sent or delivered to the company offices to the attention of the Supervisory Board
- Dedicated email address

The Supervisory Board will evaluate the notification and those cases in which action is required.

Those who make notifications will be protected against any form of retaliation, discrimination or penalisation; in any case, the identity of the notifying person will not be disclosed, except in those cases required by the law and in order to protect the rights of SAPIO and other companies in the GROUP, or of people wrongfully or unjustifiably accused.

8.3 Incentives to comply with the antitrust laws

In order to guarantee the real and constant compliance with the applicable competition rules, SAPIO decided that in order to assess if any performance bonus which shall be granted to its employees based on the performance of the relevant job tasks applies, a specific qualitative criteria taking into account the full and regular compliance with the antitrust rules shall be considered. Such criteria shall be deemed as met should the employee (i) take part to the antitrust trainings organized over the relevant year; (ii) not be convicted for the breach of any antitrust rule ascertained by either the Italian Competition Authority or by the competent administrative authority through a final verdict; (iii) not breach the provisions set forth in the Antitrust Compliance Manual and the *Vademecum* and (iv) succeed in the final annual test aimed at verifying the knowledge of the antitrust rules, with the certification of the obtained results.