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Introduction.

ESG (Environmental Sustainability Governance) topics have positively influenced the Enterprise, Corporate, Business activities of the MEP Group. The organization structure offered increasing attention during the COVID 19 pandemic, raising awareness through numerous papers (e.g. Health protocol, communications, instructions, regulations, practices and procedures). The idea of sustainable competitiveness and organization growth was gathered in the definition of the European Union of "an intelligent, sustainable and inclusive economy, with richness of resources, high levels of employment, productivity, education and social cohesion" (Europe 2020 strategy). The organization structure in the updated set up of the MEP Group, which counts on the inclusion of numerous new staff and the creation of the Sustainability Committee, was designed to manage sustainability as a first prior consistent topic. Thus, deservedly, to enable drawing up the first sustainable balance sheet. The organization structure for MEP sustainability was legitimated by the Sustainability Committee, endowed with operational powers to proactively and strategically engage the organization making it responsible for results, impact metrics, and maximization of sustainable values. Sustainability, the theme of economic-social-environmental-competitive development, has in other words, been conceived with a broad organizational spectrum (vertical and horizontal). Sustainability is the organization pillar "core embedded" management in the Corporate Governance & Strategy of the MEP Group. A retrospective analysis of the pandemic era today suggests the prevalence of a moral responsibility over the organization's thought alongside the materialistic attitude of civil society. An ethical, moral outline of knowledge and conscience enabled overcoming the difficulties arising from COVID 19. The prevalence in economics of intangible elements and the institutional parties management has generated a condition, in both cases, in which an organization can develop its talents, in the humanistic-Christian language, freely and in accordance with laws and fair rules. MEP Group made it possible to share cultural holism in a disciplined ecosystem of values, principles, emotions, instructions, policies, rules expressing five intangible macro behaviour contents. They are:

- 1) The determination in highlighting the excellence of human, civil, economic, organization and social commitment with a compliant result.
- 2) Ethical respect as a central value of relationships, more than just as "human feeling".
- 3) Economic, environmental and social sustainability in planning, programming, carrying out and controlling management.
- 4) Longevity for the future with an ethical sense of concern for what will come next, without inappropriate euphoric impromptu
- 5) Widespread information that is engaging, visible, legible and transparent.

These macro contents represent the tool and the safeguarding and protecting minimum target of the considerable awards obtained by the Company at every level of management innovation, environmental-social sustainability and circularity. To complement them, the continuous improvement of the decision-making processes quality, performance management, predictive tools, organizational motivation, involvement, access to debt, capital and operational management, all holistic, sustainable elements as the apex of an ideal triangle: economic, company assets and financial.

Assumption

The purpose and wish in drafting the present document are also the representation of the spreading and approach course for operational steps in the analytical, methodological, assets, managerial and programmatic theme.

The operational steps dedicated to the integrative activities of environmental and social sustainability were:

- 1) To embed sustainability in the definition of the strategic processes of intimate tracing for the Group organization. The organization indulged in the image of a participatory, effective course almost spontaneously made for the benefit of sustainability, the improvement for the

numerous collectivities (human and professional) present in a community and in a company through two vectors: emotion and technology.

- 2) Profiling sustainability in the structure to shape the company's operational portfolio (R&D, Business School, Corporate Governance, Business HR Partnership, Supervisory Bodies Legislative Decree 231/2001, Management Services, HSE Office, etc. ...) making it core component of the management and allocating adequate resources to the activity.
- 3) Proceed with the scalability of various sustainable business practices through full transformations (physical restoration of environments, dedicated training, new suppliers, procedures, obligations, initiatives, dialogues, working groups, etc.). Business practices which are made preparatory and prodromal to sustainability thanks to digital acceleration, Servitization-IOT and the Company Structure capable of teaching. The Policy integrates the Company in order to rise teaching to professional specialization, almost missionary, rewarded and rewarding, including skills and competences that are attractive to the new and traditional professional profile. The Company Structure should be better at operating, by hastening the phenomenology of the result, thanks also to the Training School, the MEP Business School, and the role of the HR Business Partner. A proactive protocol that may, at all levels, read data deriving from social interactions, digital processes, IOT, to qualify management holism, to compare data and process with internal KPIs and to act with extreme speed and precision. In this way, Sustainability becomes an integral mathematical function and not a derivative of the entire integrated policy of the company. All of this understood as unique and a whole: an authentic mosaic, a masterpiece of human, professional, scientific and technological energy.

The present Integrated Policy applies to the Management System, which governs:

the Quality and Safety of the Product - Processes - Operational Mechanisms - Human and Professional Relations - respect for the internal and external environment - energy management - Health and Safety in the workplace - Social Responsibility and Respect for Work and Workers Business ethics - protection of the principles - rules - instructions - behaviours and values of the Organization - the Company - the Environment - the Community, the Enterprise and the Economy.

Policy

The Policy has defined the five fundamental courses for Sustainability Work and Corporate Social Responsibility:

- 1) Organization
- 2) Economic
- 3) Social
- 4) Environmental
- 5) Competitive.

To implement through four functional processes of:

- a) Design
- b) Accountability
- c) Organization
- d) Priority.

The standards and operational mechanisms implemented should be accounted for:

- **Quality: ISO 9001**
- **Environment: ISO 14001**
- **Social sustainability: SA 8000**

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Once continuous improvement has been assumed and established as one of the fundamental purposes of the Integrated Management System, MEP

- promotes, encourages, instructs and empowers all Employees, Suppliers, External Collaborators and Shareholders (Stakeholder & Stockholder) to contribute to the achievement of the defined objectives, in accordance with the principles indicated in the present policy;
- with Social Responsibility is committed to activate improvement plans, which define measurable, quantified, goals that can be motivated all reviewed during the Management Review;
- spreads this Policy to all Employees, Stakeholders & Stockholders, MEP Guests, making it available to all Interested Parties requiring it, and reviews the papers annually during the Management Review.
- protects and safeguards the fundamental rights of all individual, collective and organizations of all human resources, social and environmental elements and recognizes their educational and disclosure value, also deriving from the precious awards obtained and activated thanks to the Corporate & Compliance Governance adopted.

General principles:

- Guarantee the Quality and Safety of the product / service / performance / system offered.
- Engage the "Satisfaction of the Customer and of all the Interested Parties" as a primary value at the basis to guide the management and operations of the Company.
- Adopt a Risk Based Thinking approach in the management of all internal and external processes.
- Comply with all customer needs, including the specific code of conduct (social, anti-corruption, ethical, community ...).
- Consider the service as a crucial factor for one's success, acting towards the Customer as an interlocutor to solve his problems and not simply behave as suppliers of goods / services.
- Commit to the satisfaction of the requirements and to the efficiency of the integrated management system.
- Aim to the professional and cultural growth of collaborators (MBS MEP Business School - MEPoliTECH).
- Consider Suppliers an integral part of the production process (ERP - Supply Chain Customer Journey - Customer Experience) and of the cogeneration of values:
- Generate positive impact on the environment, with attention to renewable energy and energy saving (renovation, inverter compressors, photovoltaics, LED lighting).
- Pursue the continuous improvement of energy performance.
- Comply with mandatory legislation on product, environment, energy management, health / safety, corporate social responsibility, with particular attention to:
 - ✓ Maximum protection of pregnant or breastfeeding workers, with the application of the preventive and protective measures provided for in the relevant Risk Assessment.
 - ✓ Constant prevention in emergency management and firefighting.
 - ✓ The use of regularly serviced and maintained vehicles and equipment.
 - ✓ The widespread sharing of the culture of Prevention through the training of Managers, Supervisors and Employees.
 - ✓ Collaboration with the doctor in charge to organize the service provided based on the work suitability of the staff.
- Pursue the improvement of the performance of the entire System, preventing, informing and containing non-conformities (product, environmental, relating to working conditions, regulations, ethics, behaviour), analysing the causes, in order to implement effective remedies, prevent their recurrence and reduce the number of accidents and any occupational diseases.

- Conducting business fairly and correctly, applying the Code of Ethics, in order to fight corruption, abuse of office and extortion as well as the practice of giving and receiving gifts/gratuities of any unjustified amount.
- Protect your own Know-How, Goodwill, the entire tangible and intangible assets of the Company, Human Resources, the well-being, culture and individual, professional and social integrity.
- Protect the Client's intellectual, social and ethical property.
- Implement fair business practices.
- Ensure respect for privacy and personal information.
- Ensure the correctness of administration and accounting records.
- Essentially integrate the management of all company activities with the management of health and safety at work and the related indicators, actively including all workers.
- Respect and protect the environment, sustainability and biodiversity; to be engaged in reducing the production of waste from the production cycle by favouring, where possible, the recycling of materials, the containment of emissions and more generally reduce pollution.
- Promptly intervene in the event of any environmental and safety emergencies, with the help of a specific emergency team fully trained to deal with and prevent environmental impacts.

- Implementation of SA8000 principles:
 1. NO child and underage labour.
 2. Free choice of job/work.
 3. Workplaces are safe and hygienic, inclusive and assertive, non-discriminatory, non-servile, non-humiliating, non-oppressive for any gender, human, social, professional, cultural, educational, political, religious, ethnic, physical and spiritual.
 4. Respect of freedom of association and the right to collective labour contracting.
 5. NO to any form of discrimination and servile assignment for Human Resources.
 6. NO to inhumane disciplinary practices.
 7. Working hours are not excessive.
 8. Remuneration must be decent.
 9. Continuous internal improvement of Human Resources, suppliers and collaborators.
 10. Best practice of individual, professional, social, cultural relational excellence standard to ensure the best condition of well-being physical and spiritual state; where progress and prosperity allow the best for the community, individuals and institutions according to the inspiring principles of Luigi Einaudi, Eiichi Shibusawa, and John Maynard Keynes.

Quality of the products and of the services provided

- Acquire the customers' availability to become an elective community adopting industrial, civil technological, ethic, economical principles through the *Technology Solution Provision* and the continued interaction with the Company.
- Increase the satisfaction of Customers and Interested Parties.
- Reduce the number and costs of complaints and non-conformities, including environmental ones.
- Establish goals and targets for continuous improvement and sustainable development.
- Implement internal and external communication consistently with corporate principles and values.
- Ensure that a careful analysis of the context is conducted, that the expectations of the Interested Parties are met and that the risks related to the processes are assessed, planning effective prevention and risk mitigation actions.
- Promote the sustainability of the production chain.
- Disclose and support this Integrated Policy at all levels, making it available to the public, external bodies and anyone who may be interested in it.

- Involving suppliers in the areas of Quality, Environment, Social Responsibility, Safety, and Business Ethics:
 - ✓ To evaluate their performance, taking them into account when renewing contracts;
 - ✓ To improve the performance of the supply chain, with corrective actions following non-compliance.

Environmental aspects and impacts and energy performance

Waste:

- ✓ Management of hazardous waste by adopting all necessary precautions.
- ✓ Put the waste in the care of qualified disposers, promoting recovery rather than disposal.

Raw materials:

- ✓ communicate the policy to all suppliers, sharing with them the principles of compliance contained
- ✓ select suppliers basing on the degree of compliance with the principles of the present policy.

Water:

- ✓ use the available water without waste, avoiding unnecessary pollution and correctly managing the discharges from production activities and subsequent purification.

Pollution:

- ✓ comply with legal requirements by minimizing the environmental impact;
- ✓ minimize the impacts such as light, noise, odours, vibrations and other sources of disturbance and environmental pollution on the Community in which the Organization operates.

Emissions:

- ✓ comply with legal limits by minimizing the environmental impact;
- ✓ monitor and minimize emissions of pollutants (greenhouse gases) into the atmosphere;
- ✓ keep all systems efficient by subjecting them to scheduled maintenance.

Energy:

- ✓ adopt an energy management system appropriate to the nature and size of the use and consumption of energy in the organization;
- ✓ ensure the availability of information and the necessary resources to achieve objectives and targets;
- ✓ comply with the applicable legislative requirements and other requirements that the organization subscribes in relation to the use of energy, consumption and energy efficiency;
- ✓ make the reference framework easily available for defining and reviewing energy objectives and targets;
- ✓ support the design and purchase of energy efficient products and services aimed at improving energy performance;
- ✓ minimize the use of energy generated by fossil fuels;
- ✓ improve the efficiency of lighting, production equipment and other energy uses;
- ✓ raise staff awareness on appropriate use of energy resources;
- ✓ privilege design criteria and construction technologies aimed at improving energy performance in the renovation of buildings.

Renewable energies:

- ✓ select suppliers, including energy suppliers, to ensure that at least part of the energy used in the production and processing of the raw materials used and the energy produced comes from renewable sources and / or that they are equipped with a management system power.

Biodiversity:

- ✓ involve suppliers and stakeholders to analyse and minimize the impact of supply chain activities on biodiversity.

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Health and safety in the workplace

Information, education and training:

- ✓ To guarantee each worker a quality and periodic process of information, education and training about any possible risk to which he is exposed, in particular for a new activity or for a change of job.
- ✓ Preventing injury or occupational disease scenarios thanks to communication between Workers and PES;
- ✓ Collaboration in advance, at present and subsequent to ongoing management with the Supervisory Body operating compliant to Legislative Decree 231/2001.
- ✓ Emergency and Firefight:
- ✓ Guarantee the safety of all Workers, especially the weakest categories, in case of emergency;
- ✓ Inform, educate and train in the most appropriate way all Workers based on their role and responsibility regarding occurring emergencies at the plant.
- ✓ Workers health:
- ✓ Promotion of healthy lifestyles (through training);
- ✓ Guarantee health supervision, without discriminations of any sort against the weakest categories in the recruitment phase.

Machinery, equipment and dangerous substances:

- ✓ After previously assessing the possible risks, provide the Workers with machinery, equipment and hazardous substances in compliance with specific health and safety regulations;
- ✓ Aware of the residual risks, the company takes steps to adopt appropriate prevention and protection measures, based on the cost / benefit ratio and on the technological progress.

Ambiente di lavoro:

- ✓ MEP is committed to providing a safe and healthy work environment. The minimum requirements to be provided include drinking water, adequate lighting, temperature and ventilation systems, sanitation and individual and collective protective equipment, as well as properly equipped workstations. In addition, the infrastructures must be built and maintained in accordance with the rules established by the applicable laws and regulations.

Work and respect for workers

Children and underage work:

- ✓ MEP does not select or hire Workers under the age of 18;
- ✓ In the event of children or underage labour MEP is committed to find remedy it in the best interest of the child and his family.

The work is chosen freely:

- ✓ Avoid all forms of forced labour (including requests for money and the use of labour by prisoners);
- ✓ Do not subcontract work to prisons or facilities with prison workers, unless required by law;
- ✓ Commitment to work only with qualified employment agencies, which comply with all applicable laws and company codes of conduct.

Freedom of association and collective contracting:

- ✓ Hiring, promotions, transfers and disciplinary measures must not be influenced by the enrolment of a worker in a trade union;
- ✓ MEP supports the rights of workers to freedom of association and collective contracting;
- ✓ MEP supports the actual collaboration with the Workers always with an eye to valid mediation between the parties for joint progress, shared development and mutual well-being.

Discrimination:

- ✓ MEP is committed to guaranteeing equality in the workplace and avoiding all forms of discrimination;
- ✓ Any practice of discrimination in hiring, determination of wages and benefits, promotions, disciplinary measures, termination of the employment terms, ordinary personnel management is explicitly forbidden for any of the hereinafter conditions: age, social class, ethnicity, disability, gender, sexual orientation, state of health, marital status, nationality, migrant worker status, political opinions, religion, trade union membership (this applies to all Workers with any type of contractual relationship);
- ✓ MEP explicitly forbids asking female candidate/worker for information on the state of pregnancy and the conduct of pregnancy tests to determine their recruitment or continuation of the employment relationship.

Disciplinary measures:

- ✓ MEP addresses all staff with dignity and respect and under no circumstance accepts the use or tolerate the use of corporal punishment, physical or mental coercion, servile assignments, and verbal abuse of staff.
- ✓ MEP applies an internal code of conduct for Managers, Supervisors and Workers that forbids verbal and physical abuse and other inhumane disciplinary practices, as well as punitive sanctions and withholdings from wages that differ from the provisions of the law and the applied CCNL;
- ✓ The disciplinary system is a performance improvement process and not a punitive one.
- ✓ MEP is committed in ensuring Workers free report complaints, without fearing incurring sanctions, unjust disciplinary measures, or reprisals of any kind.

Working hours, MEP is committed to:

- ✓ apply a National Collective Agreement to all Workers, signed by recognized social partners;
- ✓ not to exceed the working hours foreseen in the CCNL;
- ✓ guarantee all daily breaks, as well as days of rest and holidays as per the CCNL;
- ✓ respect the limits on overtime, as required by Italian law.
- ✓ ensure that all overtime hours are voluntary and Workers do not incur penalties for refusing overtime (including threats, intimidation and loss of benefits, ...)
- ✓ ensure that all Workers have a regular employment contract;
- ✓ to avoid resort to consecutive forward contracts to replace full-time or part-time contracts;
- ✓ ensure that temporary workers and trainees are granted the employment condition and paid as required by law.

Wages, MEP is fully committed to:

- ✓ Pay to the Workers a wage complying with the minimum wage promoted in the setting of the CCNL;
- ✓ pay for overtime work and days of rest and holidays as per the CCNL;
- ✓ pay for all the social security charges due;
- ✓ guarantee holidays, sick leave, maternity leave and any other leave required by law.

Business Ethics

- ✓ Any possible reports of ethical misconduct is going to be carefully analysed and promptly treated.
- ✓ The company shall cooperate with any corruption investigations conducted by government agencies.
- ✓ Employees commit themselves to a gift exchange of modest nominal value if necessary only with the intention to promote good business relationships with the Interested Parties.
- ✓ The company guarantees ethical business practices through transparent financial reporting.

