

SABAF GROUP

Environmental Policy

Introduction

The Sabaf Group (hereinafter also referred to as 'Sabaf' or 'the Group') considers environmental protection, the responsible use of resources and the principle of eco-efficiency to be fundamental elements of its business model. In this perspective, the Group has developed and adopted a governance system that ensures sustainable growth, through constant innovation and the balancing of the legitimate expectations of the various stakeholders. The Sabaf Charter of Values defines the principles of behaviour required of collaborators and stakeholders.

This Environmental Policy ('the Policy') promotes the prevention and mitigation of environmental impacts and risks by defining its commitments in the areas of climate change, pollution, water and circular economy. Sabaf Group companies have company procedures and tools to manage environmental impacts and risks in order to ensure the pursuit of the objectives of this Policy.

Recipients and scope

The recipients of the Policy are the members of the Company's administration and control bodies, the employees and any third party who collaborates or works in the name and on behalf of the Sabaf Group, regardless of the legal classification of the relationship. The recipients are obliged to observe and enforce the provisions contained in this Policy.

The Policy applies to the entire Sabaf Group, without exception and/or exclusion in the conduct of business and professional activities, geographical area, country of reference and/or stakeholder groups involved. In addition, the Group hopes that the entire value chain will share and act in accordance with the principles set out in this Policy.

Reference Documents

The Policy must be read in conjunction with the Charter of Values. For companies that have Health and Safety, Environment and Energy management systems in place that comply with ISO 45001, ISO 14001 and ISO 50001, the Policy is supplemented by the specific provisions of the relevant Manuals.

For Group companies that have adopted an Organisational, Management and Control Model pursuant to Legislative Decree 231/2001, the Policy is supplemented by the specific provisions of the 231 Model.

Regulatory Context

The Policy is based on the values indicated in the Sabaf Group Charter of Values, which refers to:

- The United Nations Charter of Rights, the European Union Charter of Rights, the Italian Constitution;

- the core labour standards contained in the ILO conventions;
- the OECD Guidelines for Multinational Enterprises;
- the United Nations Global Compact, to which Sabaf adheres.

The Sabaf Group ensures compliance with environmental and industry standards relating to pollution control, waste management and disposal, and water resource treatment, by systematically complying with the provisions of current environmental legislation. Recipients are required to comply with the regulations and standards in force in the countries in which they operate. Where local regulations are less stringent than this Policy, the recipients undertake to take the necessary measures to comply with the commitments contained therein.

Climate Change

In the area of climate change, Sabaf is committed to:

- Rationalising and improving efficiency in the use of energy resources;
- Investing in the supply and self-production of energy from renewable energy sources;
- Measuring performance indicators related to greenhouse gas (GHG) emissions, in its own operations and along the value chain, and monitoring their progress;
- Defining GHG emission reduction targets and identifying respective decarbonisation levers, in its own operations and along the value chain;
- Pursuing maximum energy efficiency of its products. Disseminating and implementing cooking solutions to reduce GHG emissions in the product use phase;
- Adapting its activities and decision-making processes to maintain full compliance with current climate change legislation, proactively using it as an element of continuous surveillance;
- Preventively considering climate change aspects in the planning and design of investments, industrial operations and raw material selection;
- Observing climate change adaptation principles when planning investments related to the construction and maintenance of production facilities and sites.

Pollution

In the area of pollution, Sabaf is committed to:

- Continuously monitoring and ensuring compliance of the company's facilities and operations with pollution regulatory requirements;
- Taking preventive measures to reduce air, water and soil pollution by installing water filtration and treatment systems and containment and isolation facilities;
- Ensuring the efficiency of the above systems and facilities through their regular maintenance;
- Ensuring efficient and timely management of emergencies relating to possible soil, water and/or air pollution contamination by adopting appropriate procedures and information flows;

- Ensuring and continuously monitoring compliance of products and raw materials with regulatory requirements regarding substances of concern and substances of very high concern.

Waters

In the area of water, Sabaf is committed to:

- Continuously monitoring and ensuring compliance of the company's facilities and operations with water regulatory requirements;
- Rationalising and improving efficiency in the use of water resources, by adopting industrial water recovery and rainwater harvesting systems for use in business operations;
- Constantly monitoring water risk zones in the geographical areas where the Group operates, ensuring the dissemination of the principles of rationalisation and more efficient use of water resources;
- Ensuring that wastewater treatment activities are carried out in accordance with the principles of transparency and fairness and in compliance with applicable regulations;
- Limiting and preventing the discharge of pollutants, favouring reuse systems;
- Ensuring efficient and timely management of emergencies by defining the actions to be taken in the event of a fault, anomaly or disruption, including actions to restore normal conditions.

Circular economy

In the area of circular economy, Sabaf is committed to:

- Continuously monitoring and ensuring compliance of waste management and disposal activities with current legislation;
- Reducing the amount of waste generated during business operations and improving its quality in terms of hazardousness and recoverability;
- Minimising the amount of waste destined for disposal through proper separation of collection streams and, where applicable, directing suitable industrial waste to recovery and recycling operations;
- Ensuring the responsible handling and disposal of hazardous waste, in accordance with regulatory requirements;
- Adopting principles of optimising the use of resources during business operations;
- Limiting the procurement of virgin raw materials by favouring, where possible, the purchase of secondary raw materials from recycling;
- Adopting principles of sustainable sourcing and use of renewable raw materials used for packaging;
- Disseminating responsible waste management and resource efficiency policies in the value chain.

Training and communication

Sabaf is committed to training its employees and encourages all its collaborators to disseminate the contents of this Policy. The Policy is made available on the company website www.sabafgroup.com.

Reporting Violations

The recipients of this Policy are obliged to promptly report any policy violations to Sabaf.

Recipients are requested to report any conduct contrary to the Policy via the e-mail address internal.audit@sabaf.it. Sabaf guarantees the confidentiality of the identity of the whistleblower.

Implementation, monitoring and corrective actions

The Board of Directors of the Parent Company is responsible for the approval, implementation and regular review of this Policy.

Sabaf reserves the right to conduct audits through Internal Audit to verify the implementation of this Policy.

Any Sabaf Group interlocutor may report, according to the channels provided by the individual Group companies, cases of alleged non-compliance with this Policy by sending a written, non-anonymous description of the alleged non-compliance.

Where no channel is provided, the interlocutor may use the Whistleblowing channel adopted by Sabaf S.p.A. through the dedicated tool available on the corporate website.

The Group shall act in such a way as to guarantee the whistleblowers against any form of retaliation, discrimination or penalisation or any consequence deriving therefrom, assuring the confidentiality of the identity of the whistleblower, of the person involved or of the persons mentioned in the report, as well as of the content of the report and of the relevant documentation, without prejudice, however, to legal obligations and the protection of the rights of the Company or of the persons wrongly accused and/or accused in bad faith.

In the event of a breach of the principles set out in this Policy, the competent functions with disciplinary powers will take the appropriate disciplinary measures.