

INTEGRATED POLICY - INTEGRATED MANAGEMENT SYSTEM

CAP Group's policy, aligning with its vision, mission, value system, and Ethical Commitment, is grounded in principles of legality, sustainability, fairness, professionalism, and transparency. These principles steer the company's strategic actions in delivering the Integrated Water Service - along with complementary services - adhering to the highest quality standards. The primary objective is to meet the needs and expectations of stakeholders.

In its operations, CAP Group actively pursues the Sustainable Development Goals (SDGs) sanctioned by the UN General Assembly. The company advocates for the advancement of the circular economy, measures promoting environmental sustainability, energy transition and efficiency as well as bids towards gender equality, inequality reduction, and innovation through research to achieve these goals.

The culture of sustainability, serving as a catalyst for innovation and a lever for value creation, is supported within CAP Group by three essential pillars. These pillars reflect the company's activities in its operational context and align with its strategic vision

- Being **sensitive** to people's needs, to increase the well-being and trust of increasingly aware and demanding communities;
- being **resilient** in assets, governance and management to protect an essential asset for life;
- Being **innovators** in the market, anticipating the rules and nurturing the ability to network in order to increase competitive value.

The dedication to research and the implementation of virtuous models of the circular economy is precisely manifested within the sustainability framework. CAP Group firmly believes that the circular economy constitutes a pivotal element cutting across the three sustainability pillars. It is deemed fundamental for promoting sustainable development and ensuring competitiveness in a medium- to long-term outlook. In this context, the CAP Group's policy is a point of reference for the development of all projects, with a focus on the circular economy.

To pursue its strategies and sustainable development goals, CAP Group has embraced an Integrated Management System (implemented in accordance with the requirements of ISO 9001, ISO 14001, ISO 45001, ISO 50001, ISO 22000, ISO 17025, SA 8000, ISO 37001, ISO 20400, and AFNOR XP X30-901 for Circular Economy projects, and in accordance with UNI/PDR 125/2022 practice). Additionally, the company has implemented a Management and Control Organisational Model in accordance with Italian Legislative Decree No 231/01. These measures serve as strategic tools, ensuring compliance with principles and the Ethical Commitment, guaranteeing compliance of services and fostering sustainable development in the area.

By implementing the Integrated Management System and the Organisational Model, CAP Group, through its leadership, undertakes to:

- promote, foster and disseminate a collective culture founded on legality, integrity, transparency, sustainability (including financial sustainability) and social responsibility that takes tangible form through the sustainable use of resources, use of waste, the promotion of cross-sectoral policies, pollution prevention, environmental impact monitoring, promotion and use of circular economy projects, in the respect for the protection of workers' health and safety in the workplace and in the prevention of bribery and corruption;
- manage the processes of the Integrated Water Service (Aqueduct, Sewerage, Purification) in accordance with the laws and regulations relevant to the reference context and the commitments made with stakeholders. The company recognises that the ability and speed in responding and adapting to regulatory changes represent a competitive advantage/opportunity;

- ensure its customers high quality standards in the provision of services, guaranteeing accessibility and transparency;
- pursue the competitive and dimensional growth of the company, extending beyond the boundaries of the territory currently served. This will be achieved through the development of a network culture in local public services, the promotion of collaborative employment tools and the use of corporate tools and operations;
- ensure that the company's actions consistently prioritise the maintenance of economic and financial balance across the short, medium and long term. This involves striving for a balanced relationship between returns on long-term investments and exposure to risk, favouring a more stable and enduring long-term performance rather than pursuing short-term results;
- pursue its strategic directions by setting medium- to long-term targets and goals, optimising business processes and developing projects to improve performance;
- design the infrastructure of the Integrated Water Service (aqueducts, sewers, water potabilisation plants and water purification plants) in compliance with the applicable technical standards, seeking innovative design solutions with low environmental impact that support the development of the area, as well as safeguarding the water resource and the well-being of the community;
- oversee the construction, restructuring and maintenance works of the Integrated Water Service infrastructure entrusted to external suppliers, by means of Coordination and Work Supervision activities aimed at guaranteeing the highest standards of health and safety protection for workers and the environment, including through the introduction of technical and organisational measures aimed at mitigating the environmental impact of work sites;
- ensure the safety of water for human consumption distributed through the network, by adopting, developing and implementing Water Safety Plans and performing the necessary operation and maintenance of aqueduct networks and plants;
- ensure the supply of quality drinking water, through 'Water House' (Casa dell'Acqua) distributors, according to strict food safety procedures based on HACCP principles, in compliance with the ISO 22000 standard;
- ensure the return of purified waste water to the environment in accordance with legal parameters, ensuring the efficient planning of operation and maintenance activities of sewerage networks and purification plants;
- ensure compliance with the potability parameters of water intended for human consumption and the conformity of purified waste water with the standard requirements through checks carried out by internal ISO 17025 accredited and technologically advanced analysis laboratories, guaranteeing impartiality and validity of the results;
- experiment and implement technological innovation including in cooperation with Research Institutes, Universities and Industrial Partners;
- ensure safe and healthy working conditions for the prevention of occupational injuries and illnesses, protecting the health and safety of all workers through systematic risk assessment and the identification of relevant prevention and protection measures, including through the adoption of appropriate health protocols;
- raise awareness among workers to report unsafe and near-miss behaviour to contribute to the establishment of healthier and safer working conditions and prevent injuries, accidents, occupational diseases;
- promote, encourage and disseminate a collective culture based on care, respect, appreciation and inclusion of diversity, through a fair working environment that encourages participation, listening and collaboration, and that allows everyone to express their full potential and be a part in the development of our organisation;
- repudiate any form of harassment, bullying, abuse, gender-based violence in the workplace;

- instil in its personnel a sense of responsibility towards the environment, energy conservation and the health and safety of themselves and their colleagues, by fostering active participation in specialised training and skill development programmes, as well as people empowerment measures. The company aims to enhance professionalism, raise awareness and empower employees to become advocates of a robust workplace health and safety culture.
- ensure commitment to consultation and participation of workers and their representatives;
- select external suppliers by sharing common goals of sustainable development, environmental protection, safety and transparency; monitor their performance with the aim of promoting their development and qualitative growth in accordance with this policy;
- communicate with transparency, inside and outside the company, the policy, the sustainability goals, the performance achieved, the strategic projects of Circular Economy and Sustainability, promoting and ensuring a close dialogue with stakeholders, including through the activation of participatory paths;
- ensure the independence of the Supervisory Board through adequate separation of responsibilities and reporting between supervisory and other activities, as well as the confidential handling of information obtained or produced during the activities carried out.

In order to seek improvement in its energy performance through the implementation of the **Energy Management System in accordance with the ISO 50001 standard**, CAP Group is also committed to:

- promote the efficient use of energy and the reduction of energy consumption by ensuring the improvement of monitoring systems for direct and indirect energy carriers related to significant energy uses;
- seek solutions that facilitate energy savings and the generation of energy from renewable sources. This includes efforts to curb atmospheric emissions and mitigate the impacts of climate change.
- adopt, where economically feasible, the most advanced technologies available in the market to improve energy efficiency. This involves promoting the use of Energy Efficiency Certificates (White Certificates).
- continuously train and empower personnel in the responsible and efficient use of energy;
- make suppliers aware that energy-environmental sustainability parameters will also be taken into account along with qualitative and economic ones when evaluating supplies.

Through the implementation of the **Circular Economy Management System in accordance with the AFNOR XP X30-901 standard**, CAP Group is also committed to:

- assess circular economy projects based on the three dimensions of sustainable development (environmental, economic, social) and the seven action areas of the circular economy (sustainable procurement, eco-design, industrial symbiosis, service economy, responsible consumption, product life extension, efficient end-of-life management of products and materials).
- develop and define continuous improvement objectives for its management system for the circular economy, with the aim of implementing, managing and promoting circular economy projects;
- contribute whenever possible to the promotion and development of industrial synergies in order to improve the efficient use of resources;
- periodically assess its positioning with respect to the principles of the circular economy;
- measure its contribution to the circular economy, employing transparent criteria that are shared to the greatest extent possible;

- adopt preventive maintenance strategies on its plants and equipment in order to extend their useful life;
- adopt sustainable procurement policies for all CAP Group supplies.

Thanks to the implementation of the **Social Responsibility Management System in compliance with the SA8000 standard and for Equal Opportunities according to the UNI/PDR 125/2022 reference practice**, CAP Group is also committed to

- disseminate and develop a culture of fairness, respect, inclusion and equal opportunities by creating and consolidating a stimulating and welcoming work environment that values and encourages each person to express his or her potential without any direct or indirect discrimination and free from any harmful behaviour, whether collective or individual;
- comply with national and supranational labour protection regulations, the relevant national collective labour agreements and the principles of Group's Code of Ethics by guaranteeing:
 - ✓ the non-use and/or support of in-house child labour;
 - ✓ failure to use and/or support '*forced or compulsory labour*' as required by ILO Convention 29 (forced labour) and ILO 105 (abolition of forced labour);
 - ✓ compliance with the principle of 'non-discrimination' on grounds of gender, nationality, ethnicity, religion, political opinion, belief, disability, trade union membership, age, sexual orientation and personal or social condition;
 - ✓ respect for the right to freedom of association and collective contracts;
- select and evaluate its suppliers and subcontractors taking into consideration their commitment to comply with the requirements of the SA8000 standard and to promote and support Equal Opportunities policies in the work environment.

CAP Group's commitment to promoting diversity, fairness, inclusion, equal opportunities and the rejection of all forms of violence is also outlined in specific policies, which should be consulted for further details.

By implementing the **ISO 20400 standard for sustainable procurement**, CAP Group intends to integrate sustainability into its procurement policies, committing itself to

- give value to procurement by adopting a different perspective on sustainable purchasing as a strategic lever to influence the external environment and to intercept new opportunities;
- adopt a structured approach, based on the ISO 20400 standard, to foster consistency, sharing and collaboration in relations with suppliers and stakeholders;
- foster collaboration among corporate structures dedicated to sustainability. This involves integrating processes, aligning purchasing policies and strategies within the organisation, and monitoring performance to achieve continuous improvement.

The Integrated Policy is reviewed periodically to ensure its appropriateness to the context in which the organisation operates.

CAP Group's Executive Management and Personnel are committed to pursuing the objectives of the Policy, promoting the sustainable development of the company in line with its strategic vision.

CAP Group promotes the dissemination of the Integrated Policy to all stakeholders through the main internal and external communication channels.

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