

SARAS GROUP  
SUSTAINABILITY POLICY





# SARAS GROUP SUSTAINABILITY POLICY

## THE SUSTAINABILITY MODEL ADOPTED BY SARAS GROUP

The Saras Group is one of the main oil refining operators in the Mediterranean Basin. In addition, it produces and sells electricity to the Sardinian network, using also renewable sources. Along with the global characteristics of its oil business, the Group also has solid local roots in Sardinia, where its activities generate relevant contribution both at social and economic level, according to a long-term sustainability approach.

The Group companies conduct their businesses transparently and sustainably, creating collaborative relationships, based on reciprocal trust, with all their Stakeholders; moreover, they fully comply with all applicable Laws, as well as with the principles and values established in our Code of Conduct and in our Model of Organization, Management & Control ex Legislative Decree 231/01.

“To be innovative, sustainable and a reference point among energy providers” is one of the main daily objectives pursued by Saras employees, coherently with the Group’s Founding Values; this is done always with great determination, sense of responsibility, moral integrity, honesty, transparency, passion, and pride.

The Group’s Sustainability Strategy is coherent and aligned with the United Nations Sustainable Development Goals (SDGs), and with the “Step Higher” Focus adopted by Saras, as a way to produce continuous improvement, create shared value, and increase its operational, economic and social performances.

Saras business objectives are achieved with a solid Governance System, structured according to a proven and effective Administration and Control model. The management and development strategies of the Group’s assets are based on accurate, preliminary risk analysis, concerning both business and sustainability issues. According to the results of such risk analysis, the “Control, Risk & Sustainability Committee” (CRS Committee), within the Saras Board of Administration, ascertains their compliance with the Group’s sustainability programmes, evaluates all interactions between business activities and the instances of the Stakeholders, proposes environmental and social activities, and monitors their implementation over a certain timeframe.

## SCOPE

This Sustainability Policy applies to all Group’s companies, is communicated internally and externally, and it defines the objectives and strategic directions which the Saras Group is committed to follow, with regards to:

- *Promotion of Ethical and Correct behaviours, and Corruption prevention;*
- *People-related topics, protection of Human Rights, Diversity and Inclusion;*
- *Social topics, Focus on local Communities and Dialogue with Stakeholders;*
- *Environmental protection;*
- *Ecological Transition topics;*

- *Relations with suppliers of Goods and Services.*

The Saras Sustainability Policy applies to companies belonging to the Group, and is communicated both inside and outside the organization.

#### - **PROMOTION OF ETHICAL AND CORRECT BEHAVIOURS, AND CORRUPTION PREVENTION**

*IN CARRYING OUT ITS ACTIVITIES, SARAS PAYS THE UTMOST ATTENTION AND IS COMMITTED TO COMPLYING WITH ALL APPLICABLE LAWS, PROMOTING ETHICAL AND CORRECT BEHAVIOUR, AND PREVENTING ALL FORMS OF CORRUPTION.*

The Board of Directors, with the support of the CRS Committee, establishes the guidelines of the Internal Control & Risk Management system, in coherence with Saras strategies; it also verifies their adequacy and effectiveness, on a periodic basis. Moreover, the Board is supported by the Chief Executive Officer, in charge of the governance of the system, and by the Internal Audit department, which verifies its adequacy and implementation.

Saras formalised its values, principles and rules of conducts in its Code of Conduct, to which all the Group's subsidiaries must comply in their business conduct. The values contained in the Code of Conduct are the foundations on which all the Group's business relationship are conducted.

"Code of Conduct", "Model of Organization, Management & Control" ex Legislative Decree 231/01, and "Corporate Bylaws" represent the reference framework within which the company developed and approved all its Governance documents, with regards to the Internal Regulatory system, Organizational System, and Power System.

The Internal Regulatory System includes Politics and Guidelines, which address and describe the correct behaviour and processes to be followed for Fraud and Corruption prevention.

More precisely, the Group defined a reference framework in the field of fighting corruption and preventing frauds, designed and implemented to prevent corruption phenomena in relations with public or private subjects, besides guaranteeing compliance with the anti-corruption laws in force in the individual countries in which the Group's companies operate. It indicates the rules of conduct and the general control principles, it identifies the main risks, sensitive areas and the specific control principles in these areas.

Finally, the Group activated a dedicated channel for the reporting & management of potential irregularities or alleged breaches of the Laws, of the Group's Code of Ethics, of the Organisational Model and, more in general, of what is provided for in the company's Regulatory System; such reports can be filed, in Italy or abroad, against the Group subsidiaries, by suppliers, employees, and/or third parties (so called "Whistleblowing").

The Group guarantees that any report will be treated in the appropriate manner, in order to protect the confidentiality and identity of the whistleblower, in compliance with legal obligations. Indeed, Whistleblowers acting in good faith, will be protected against any form of retaliation, discrimination or penalization for reasons connected, directly or indirectly, to their report.

#### - **PEOPLE-RELATED TOPICS, PROTECTION OF HUMAN RIGHTS, DIVERSITY AND INCLUSION**

*DIGNITY AND RESPECT FOR PEOPLE ARE AT THE CORE OF OUR CORPORATE CULTURE AND ARE ESSENTIAL ELEMENTS OF THE GROUP'S SUSTAINABILITY. RESPECT FOR HUMAN RIGHTS, EQUAL OPPORTUNITIES, DIVERSITY AND INCLUSION, AND THE COMMITMENT AGAINST ALL FORMS OF DISCRIMINATION HAVE ALWAYS CHARACTERISED THE WAY SARAS OPERATES, THAT RECOGNISES AND IMPLEMENTS ALL THE INTERNATIONALLY RECOGNISED PRINCIPLES.*

More specifically, the Group:

- Respects the fundamental rights of the people, and guarantees equal opportunities and inclusion, regardless of any sensory, cognitive and motor disabilities, and without distinction of race, gender, nationality, political opinion, sexual orientation, social status, age and religious beliefs;
- Aims to create a work environment in which each person can express themselves at their best, overcoming stereotypes, prejudices and discrimination;
- Prohibits any form of illegal, child, forced or brutal labour;
- Condemns physical, verbal, sexual and/or psychological harassment and abuse, as well as threats,



- Promotion of scientific & technological innovation, also through the Memorandum of Understanding signed with the University of Cagliari, and through training and development activities, aimed at spreading business culture;
- Donations and sponsorships to amateur and professional sports associations.

#### - ENVIRONMENTAL PROTECTION

*MANAGING OPERATIONS AND SAFEGUARDING THE ENVIRONMENT IS ESSENTIAL FOR LONG-TERM SUSTAINABILITY, AS WELL AS FOR PRODUCTIVITY AND MARKET COMPETITIVENESS. THEREFORE, THE GROUP CARRIES OUT ITS ACTIVITIES BY MINIMISING ITS ENVIRONMENTAL FOOTPRINT AND CONSIDERING, IN THE DEVELOPMENT OF ITS PROJECTS, THE PROTECTION OF ECOSYSTEMS AND BIODIVERSITY.*

Saras development model is harmonised with the Environment and the local communities, and it is inspired to principles of caution, prevention, protection, and constant improvement. Furthermore, over the years, Saras implemented Policies and Management Systems certified in accordance with the best international standards, maintaining them always efficient and adequate to its development. Finally, the Group deployed specific efficiency and technology initiatives, aimed at:

- Responsible use of Natural Resources;
- Optimisation of Energy footprint;
- Reduction of atmospheric emissions of pollutants and greenhouse gases (GHG);
- Increase of power production from renewable sources;
- Minimisation of waste, also through recycle & reuse, according to a circular model;
- Reduction of water usage and discharges;
- Prevention of accidental spills on soil and subsoil.

#### - ECOLOGICAL TRANSITION TOPICS

*TECHNOLOGICAL INNOVATION IS ONE OF THE FUNDAMENTAL LEVERS FOR PURSUING THE OBJECTIVES OF ECOLOGICAL TRANSITION IN A SECTOR THAT PLAYS A STRATEGIC ROLE IN THE NATIONAL, EUROPEAN AND INTERNATIONAL ECONOMIC SYSTEM.*

Saras recognizes the strategic relevance of the oil industry because it can guarantee the continuous and reliable supply of oil products and energy to the Nation, while reducing dangerous dependencies from imports.

Moreover, for its long-term sustainability, Saras considers of paramount importance to preserve its readiness and positive attitude towards change and innovation; in this way, the Group remains prepared to embrace relevant market evolutions, mounting social pressures, and developments of the environmental legislation.

For the above reasons, since 2006 Saras established a wholly owned subsidiary, fully dedicated to energy production from renewable sources. Additionally, the Group prepared a mid-term Roadmap to strengthen its Sarroch industrial assets, and to prepare them for the decarbonisation and energy efficiency targets, established by the European Green Deal and the PNIEC (National Integrated Plan for Energy and Climate).

All relevant details concerning the multi-year projects and initiatives included in the Group's Roadmap for the Ecological Transition are described in Saras Industrial Plan, which is publicly disclosed to all Stakeholders, on a regular basis.

#### - RELATIONS WITH SUPPLIERS OF GOODS AND SERVICES

*SUPPLIERS ARE ESSENTIAL PARTNERS FOR THE ACHIEVEMENT OF THE GROUP'S SUSTAINABILITY TARGETS. SARAS RELATIONSHIP WITH ITS SUPPLIERS IS BASED ON RESPECT, FAIRNESS, IMPARTIALITY AND EQUAL OPPORTUNITIES.*

More precisely, during the evaluation of the current and potential suppliers (including subcontractors), Saras requires:



