

Human Rights POLICY

SIT S.p.A.



Approved by the Board of Directors
of SIT S.p.A. on December 16, 2022

CONTENTS

Premise	03
Definitions	04
Purpose and Scope	05
Regulatory Framework	05
Recipients	07
Principles	08
Implementation and Monitoring	13
Training and Communication	14
Review	15



Premise

We, at **SIT S.p.A.**, and all companies within the SIT group (hereinafter also referred to as 'SIT,' 'the group,' or 'the Company'), are committed to ensuring the respect for **human dignity** and the guarantees recognized by national and international regulations and conventions in the conduct of our activities. Our objective is to support and promote, with our internal and external stakeholders, a **culture based on the respect for inviolable human rights and fundamental freedoms.**

In particular, as SIT, we respect and promote the protection of values such as **equality, freedom, and the dignity of all human beings, fair working conditions and union freedoms, health and safety, environmental conservation, and climate protection.** Furthermore, we **strongly oppose and repudiate forced labor, child labor, corruption, and any form of discrimination, as well as any violation of human rights.** In this regard, the group guides its activities by referring to international documents such as the Universal Declaration of Human Rights of the UN in 1948, the fundamental conventions of the International Labour Organization (ILO), and the OECD Guidelines for Multinational Enterprises. Additionally, as SIT, since 2022, **we adhere to the UN Global Compact,** a voluntary initiative of the United Nations aimed at promoting a culture of sustainability and corporate citizenship, encouraging companies worldwide to create a healthy and sustainable global economy: one that respects human rights and labor, environmental conservation, and the fight against corruption. We, at SIT, **strongly believe that companies play a crucial role in society and therefore have the opportunity and duty to generate positive impacts.** Thus, we consider **respect for human rights a fundamental element** to pursue for sustainable development beyond mere compliance with current regulations. In the perspective of sustainable growth, we commit to developing a strong corporate culture, ensuring all individuals at SIT a healthy, safe, stimulating, positive, and discrimination-free working environment, while respecting and valuing the rights, dignity, and diversity of each individual. This policy constitutes the cultural heritage of the SIT group, and as such, we commit to implementing, disseminating, and sharing it with all our stakeholders, including through awareness and training initiatives. This document is adopted by the **Board of Directors of SIT S.p.A. on December 16, 2022,** to affirm the ongoing commitment of all group companies to promote and support international institutions and conventions on human rights, as well as all the principles and values contained therein.

Definitions

Human Rights

Inalienable rights that belong, without any distinction, to every individual by their membership in the human race

Forced Labour

Any work or service demanded from an individual under the threat of punishment, for which the individual does not offer themselves voluntarily

Human Traffic

The recruitment, transportation, transfer, harbouring, or receipt of persons, through the use of force or threats of force or other forms of coercion, abduction, fraud, deception, abuse of power, or a position of vulnerability, giving or receiving payments or benefits to achieve the consent of a person having control over another person, for exploitation

Child Labour

The work performed by a child below the minimum age specified for a particular type of work (as defined by national legislation in accordance with international standards), and which must not interfere with the child's education and full development

Discrimination

Any distinction, exclusion, or preference based on factors such as race, skin color, sex, religion, political opinion, national origin, or social origin that has the effect of nullifying or altering equality of opportunity or treatment in employment or occupation

Value Chain

All activities in the production cycle that are involved in the steps of transforming raw materials into finished products

Purpose and Scope

The purpose of drafting this Policy is to establish rules, principles, and responsibilities regarding human rights that all individuals within the group are required to uphold. Specifically, this policy applies to the personnel of all companies within the SIT group, both foreign and Italian, as well as to all those working on behalf of or in favour of the company, as outlined in the section dedicated to the recipients.

Regulatory Framework

SIT's Human Rights Policy is drafted in compliance and encompasses adherence to current legislative provisions and voluntary codes listed below, in an illustrative and non-exhaustive manner, as well as compliance with corporate procedures and regulations.

Internal references

SIT has various internal regulatory tools linked to the principles listed in this Policy, supporting its implementation. In particular:

- Code of Conduct
- Code of Basic Working Conditions
- Non-discrimination and Diversity Code
- Ethical Code for Suppliers and Third-Party Intermediaries
- Organization, Management, and Control Model pursuant to Legislative Decree 231/2001
- Local regulations from the countries where the group has its sites

International and national references

SIT draws inspiration from and promotes the foundational principles of the following international and European conventions and declarations of law:

- Universal Declaration of Human Rights, UDHR, 1948;
- European Convention on Human Rights, ECHR, 1950;
- Conventions of the International Labour Organization (ILO), particularly the eight fundamental conventions:
 - Forced Labour Convention, No. 29, 1930
 - Freedom of Association and Protection of the Right to Organise Convention, No. 87, 1948
 - Right to Organise and Collective Bargaining Convention, No. 98, 1949
 - Equal Remuneration Convention, 1951
 - Abolition of Forced Labour Convention, 1957
 - Discrimination (Employment and Occupation) Convention, 1958
 - Minimum Age Convention, 1973
 - Worst Forms of Child Labour Convention, 1999
- International Covenant on Civil and Political Rights, ICCPR, 1976;
- International Covenant on Economic, Social and Cultural Rights, ICESCR, 1976;
- International Convention on the Elimination of All Forms of Racial Discrimination, ICERD, 1965;
- Convention on the Elimination of All Forms of Discrimination Against Women, CEDAW, 1979;

- Convention against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment, CAT, 1984;
- Convention on the Rights of the Child, CRC, 1989;
- International Convention on the Protection of the Rights of All Migrant Workers and Members of Their Families, ICPMW, 1990;
- Convention on the Rights of Persons with Disabilities, CPDP, 2006;
- Declaration on Fundamental Principles and Rights at Work, International Labour Organization, 1998;
- Modern Slavery Act of the United Kingdom, 2015;
- Resolution of the European Parliament of March 10, 2021, containing recommendations to the Commission on due diligence and corporate responsibility.

Additionally, the Group supports the following initiatives and guidelines:

- Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises, 2011;
- Guiding Principles on Business and Human Rights: Protect, Respect, and Remedy Framework, 2011;
- OECD Guidelines for Multinational Enterprises on combating slavery, 2020;
- CEO Guide to Human Rights, World Business Council for Sustainable Development - WBCSD, 2020;
- UN Global Compact, 1999.

Lastly, SIT respects and promotes compliance with all Italian regulations and the regulations of the countries in which it operates or may operate

Recipients

The recipients of this policy include all individuals whose activities, both internally and externally, are related to the operations conducted by SIT. In particular, by way of example:

- Members of the Board of Directors
- Members of the Oversight Body and Committees (Risk and Sustainability Control Committee, Remuneration Committee, Advisory Board, Related Parties Committee, Board of Statutory Auditors)
- Executives
- Employees
- Collaborators
- Suppliers and business partners

Obligations of the Recipients

All recipients of this policy, in the course of their actions and behaviours related to the Company's activities, are required to adhere to the rules, values, and principles regarding human rights outlined herein. Recipients with management and coordination responsibilities are obligated to oversee compliance with this human rights policy and to implement measures suitable for preventing and identifying any violations. In the event of a suspected violation, all recipients must cooperate and make themselves available to facilitate necessary inspections and investigations by the relevant authorities, in accordance with applicable laws and internal company procedures. Regarding the principles outlined in the following section of this policy, all recipients can rely, where applicable, on the procedures and policies available within the company.

Principles

Rejection of Forced Labor and Human Trafficking

The Company rejects forced labor in all its forms, as well as all forms of exploitation, abuse, and coercion both in the workplace and throughout the supply chain. Under no circumstances will the use of physical and/or psychological violence be tolerated as a disciplinary measure. Additionally, the group opposes any form of human trafficking, as well as any other form of slavery, however understood or termed.

Rejection of Child Labour

SIT promotes the protection of children and adolescents by paying utmost attention to respecting their rights in the conduct of its activities and throughout the supply chain. The group rejects the employment of personnel below the minimum age required for entry into the workforce as stipulated by the legislation in the country where the activities are carried out and, in any case, below the minimum age set by ILO Convention No. 138. The Company will provide minors only with work experiences aimed at vocational training or as an initial work experience, such as school-work alternation, internship activities, and training programs in accordance with applicable national regulations.

Respect of diversity, inclusion and equal opportunity

SIT promotes the respect and enhancement of principles such as diversity, inclusion, and equal treatment and opportunities for all individuals involved in the company's activities. The Company is committed to ensuring a fair and inclusive work environment, where diversity and uniqueness are valued as strengths and cultural, human, and professional assets, rather than penalized. SIT safeguards the integrity and physical and psychological well-being of each person involved in its activities and strongly opposes any discriminatory, harmful, or hate-inciting behaviour based on gender, age, nationality, ethnicity, sexual orientation, political orientation, religious beliefs, health status, family responsibilities, and/or any other individual characteristic.

Principles

Commitment against harassment and mobbing in the workplace

SIT does not, under any circumstances, tolerate or justify physical, verbal, psychological, discriminatory, or sexual abuse or harassment, or any action that contributes to creating an intimidating, hostile, demeaning, and offensive work environment. Additionally, the Company is committed to and promotes the dissemination of knowledge and awareness on the issue of workplace harassment, to foster a culture of mutual respect and ensure a safe working environment that provides tranquillity for all individuals involved in SIT's activities.

Health, safety and well-being

The Company is committed to ensuring the health, safety, and psychological, relational, and physical well-being of its personnel. For SIT, it is crucial to provide all staff and collaborators involved in the company's activities with a safe, healthy workplace free from risks, in accordance with the requirements set by the highest applicable standards in occupational health and safety. In doing so, SIT aims to promote a strong culture on these issues by encouraging the adoption of responsible and conscious behaviours through awareness tools, training activities, and information.

Employees and collaborators, on their part, are required to contribute to the protection of health and safety, both their own and that of others, by respecting the prescribed norms and standards and promptly informing the designated individuals of any situation that poses a risk or danger to personal or collective health and safety.

Furthermore, SIT is committed to facilitating work-life balance through initiatives aimed at promoting the personal and organizational well-being of its personnel, considering the balance between personal and professional life as an enabling factor for employee engagement and performance.

Principles

Right to work, freedom of association and collective bargaining

SIT group fully respects and guarantees the right to work, freedom of association, and the effective recognition of the right to collective bargaining. All personnel have the right to form or join organizations and to be represented by labor unions or other forms of representation, in compliance with the various regulations in force in the countries where the Company operates.

Fair and favourable working conditions

SIT ensures that all its personnel have the right to dignified working conditions that promote well-being, in accordance with legal provisions and current collective bargaining agreements regarding working hours, daily and weekly rest, paid leave, and fair remuneration suitable for ensuring a free and dignified existence.

In particular, in line with the provisions of ILO Conventions on wage matters, the compensation of personnel cannot be lower than that established by collective agreements and current regulations. Furthermore, it must adhere to the principle of fair compensation for work and gender pay equality for equal work, based on an objective evaluation.

Moreover, SIT considers orientation and professional training as fundamental aspects for the growth and development of the skills of its personnel, both personally and professionally. Therefore, it supports and encourages participation in training and development initiatives in all areas that can be beneficial for the life of the worker."

Principles

Environmental and climate protection

SIT considers environmental protection, natural resource conservation, and the fight against climate change as fundamental values. In its actions, SIT promotes a business strategy mindful of the consequences of its choices and the impact of the company on the environment and the local community. Through continuous innovation of processes and products, SIT aims to contribute to a sustainable economy capable of reducing and mitigating environmental impact. Additionally, SIT pursues development objectives aimed at making technologies enabling energy transition and the gradual decarbonization of the home heating and consumption measurement sector accessible. To support and promote these values, SIT is committed to fostering the spread of an environmental culture oriented towards respect and conscious use of resources among all its employees and collaborators across all group locations.

Integrity and fight against corruption

SIT rejects and prohibits corruption in all its forms as it goes against its values, democracy, ethics, and justice, as well as the business development and personal growth of its individuals. The group, therefore, demands from all recipients of this policy that all relationships, whether on behalf of or for SIT, with both private entities and public administration, be conducted with the utmost transparency and fairness.

Privacy and data confidentiality

We respect the right to privacy of all our stakeholders, both internal and external. Therefore, we commit to using and protecting the personal data and information provided to us in a correct manner, respecting fundamental rights and freedoms, as well as the privacy, dignity, and identity of each individual. As the SIT Group, we ensure the processing of personal data in accordance with the current legislation, guaranteeing a relevant and transparent use of such information.

Principles

Respect for local communities

The Company is aware of its direct and indirect impacts on the communities in which it operates, and therefore, commits to respecting their rights and promoting their socio-economic development. In carrying out its activities, the Company undertakes to contribute to the well-being of local communities with the aim of meeting the needs of the territory and its citizens. SIT has consistently supported and continues to support local societies and associations in sports, social assistance, and health research, intending to contribute to the well-being of both present and future generations. SIT encourages initiatives that strengthen ties with local communities in the countries where it operates, assessing both their social impact and economic sustainability. These initiatives are communicated through corporate channels to all employees and collaborators to give value and encourage participation in such activities.

Relationships with business partners and suppliers

We ask our business partners and suppliers to respect the principles outlined in this policy and to conduct their operations in compliance with the laws of the country in which they operate. We encourage our partners and suppliers to behave in line with the principles of integrity, professionalism, respect for human rights, and the dignity of individuals throughout the supply chain. Furthermore, we commit to avoiding and reserve the right to terminate any business relationship and/or collaboration with entities if there are reports of violations of these principles.

Implementation and Monitoring

The implementation of this policy is the responsibility of all the people belonging to the SIT group who, through their behaviour ensure the diffusion of a corporate culture oriented towards respect, ethics and the protection of human rights.

Monitoring of activities along the value chain

We commit to ensuring responsible management of the value chain, cultivating transparent, fair, and law-abiding business relationships inspired by the principles outlined in this policy. We also pledge to adopt criteria for the selection of our suppliers, collaborators, and partners that respect the principles and values stated in this human rights policy, ensuring that minimum requirements are met to guarantee the dignity of work and the individual. In this regard, we commit to monitoring compliance with these principles and the good conduct of our business relationships, and to taking specific measures in the event of violations, including the potential termination of the relationship.

Reporting

Any violation or suspicion of violation of this Human Rights Policy can be reported by all parties involved in the principles outlined here, even anonymously. Reports can be submitted through the channels and methods established by the Company and as outlined in the group's Whistleblowing Policy, which should be referred to for detailed procedures. As SIT, we follow the principle of non-retaliation and ensure, in the case of any reports, the confidentiality of the identity of the whistleblower to prevent any form of retaliation, discrimination, or penalty, as provided by applicable regulations and national and international best practices on whistleblowing. Failure to report a violation of this policy, whether certain or suspected, that has come to one's knowledge may result in the same consequences for individuals at SIT and the recipients of this policy as stipulated in the sanctioning system outlined in the following section.

Sanctions

As SIT group, we commit to preventing and stopping potential violations of our Human Rights Policy and to sanctioning infractions or non-compliance by all parties involved, whether internal or external to the company.

Concerning employees who violate the principles outlined in this policy or fail to report appropriately, we commit to taking suitable measures and actions in line with applicable regulations, whether disciplinary or compensatory in nature, due to the breach of trust between the employee and the company.

Regarding individuals other than employees (business partners, suppliers, consultants, etc.), in the case of behaviours and actions contrary to the content of this policy, SIT will consider appropriate reporting to the relevant authorities. In any case, the confirmation of a violation may lead to the unilateral termination of the collaboration relationship.

Training and communication

We commit to disseminating and making our Human Rights Policy available to all interested parties, encouraging and ensuring a proper understanding of the principles and values it contains. To this end, we commit to using communication channels and appropriate tools to reach the entire audience of involved parties. In particular, the document will be made available in its most updated version through the company's intranet for employees and internal collaborators, and the website www.sitcorporate.it for suppliers, consultants, and business partners. Additionally, we commit to ensuring continuous awareness of the principles and values outlined in this policy, as well as developing a targeted training plan to promote understanding, aiming to ensure correct comprehension by all our personnel.

Review

Recognizing Human Rights as an evolving issue, we commit to regularly update this policy, taking into account advancements in the field, progress in standards and work practices, as well as the internal context of the group. The comprehensive or partial revision of this policy is managed and the responsibility of the HR department in collaboration with relevant company offices and structures. Additionally, any substantial revisions to this policy will require approval from the Board of Directors of SIT S.p.A.

Edition	Date	Description of Changes	Issued on
1.0	09/11/2023	First Version – Approved by the Board of Directors of SIT S.p.A.	09/11/2023
1.1	06/03/2024	Minor modification – Alignment of the Policy to Whistleblowing Reporting Channels	06/03/2024



SIT S.p.A.

www.sitcorporate.com

