

RESPONSIBLE PURCHASING POLICY

Goals, principles and commitments

The mission of NTE Process is to accompany customers in all phases of design, supply and innovation of industrial plants. We want to be a reliable and punctual partner, with an innovative approach. We want the adoption of our solutions to have a positive impact on the planet, helping our customers to produce in a sustainable way.

In the awareness that the ability to achieve its sustainability objectives cannot be separated from the involvement and collaboration of its supply chain and key stakeholders, the Company commits at the same time to disseminating the principles, objectives and rules of conduct stated in the Sustainability Policy and in the Code of Conduct with its suppliers and sub-suppliers, preventing and mitigating the possible negative environmental and social impacts generated by the activities they carry out on behalf of NTE.

NTE Process inspires its purchasing policies on the following general principles:

- search for the highest quality and technical standards in the sector and the best quality / price ratio
- selection of suppliers with high reliability and integrity requirements
- preference, with the same quality / price ratio, for local suppliers, in order to promote the sustainable development of the territories and reduce the environmental impacts related to logistics
- preference, with the same technical performance, for the procurement of raw materials characterized by better environmental performance compared to standard products
- minimization and control of the use of raw materials that are hazardous to people's health and the environment
- prevention of the use of minerals that directly or indirectly finance or support armed groups in areas at high risk of conflict (conflict mineral)
- analysis, prevention and mitigation of possible risks regarding health and safety in the workplace,

human rights and workers' rights

- awareness and support of suppliers, especially small ones, towards a progressive improvement of their environmental and social performances.

Application and verification methods

The principles indicated above are integrated into the company procedures for the qualification and evaluation of suppliers.

Companies wishing to participate in the qualification process are required to sign the Code of Conduct for Suppliers. Suppliers are classified into product categories and risk classes relating to the environment, health and safety at work and human rights, determined on the basis of the product category and the country risk level defined according to international watchlists.

During the qualification phase, suppliers are subject to an initial screening, through the completion of a questionnaire, for the following areas:

- the economic and financial situation
- the ability to meet NTE's technical requirements and specifications
- compliance with the principles of business ethics and integrity and current regulations
- responsible purchasing policies and the qualification and control procedures of sub-suppliers
- the procedures for tracing, storing and checking materials, with particular attention to the ability to document the country of origin of the conflict minerals purchased and the identity of the refiner
- environmental management systems, with particular reference to energy efficiency and waste management and disposal procedures
- product safety, with particular reference to the absence of contamination of materials throughout the production process
- occupational health and safety management systems.
- the risks of non-compliance with the human rights stated in the International Bill of Human

Rights, and with the rights of workers enshrined in the conventions of the International Labour Organization.

The specific requirements examined during the qualification phase may vary according to the product category. The possession of the requirements is verified through audits carried out by the Purchasing Department of NTE or by independent and accredited subjects.

The compilation of the questionnaire and the outcome of the audit originate an evaluation on a scale from 1 to 100. Only suppliers who obtain a minimum evaluation of 60 can be recipients of an offer request.

The audit conducted during the qualification phase is renewed every two years or depending on the outcome of the previous audit or the assessment attributed to the supplier.

During the contracting phase, suppliers are required to sign specific clauses relating to social and environmental responsibility and respect for human and workers' rights. The identification of behaviors contrary to the Code of Conduct or such as to generate significant damage to the environment

and to people during the term of the contract may lead to the interruption of the relationship and the exclusion of the supplier from the register. The overall performance of the supplier in the environmental, social and ethical fields is monitored annually through the analysis of sustainability reports, the administration of questionnaires or the request to the supplier to undergo an assessment conducted by third parties.

In the event that audits or annual monitoring reveal critical areas or significant negative impacts, NTE suggests suppliers that they adopt improvement or repair plans, providing its support for their definition and implementation. The supplier's ability to improve its environmental and social performance over time and to comply with the intervention plans agreed with NTE entails the conferral of a premium in the selection phase for subsequent orders.

In order to facilitate the implementation of the following Policy, the company's management undertakes to communicate and disseminate its content to all parties involved. The Policy is subject to re-evaluation on the occasion of periodic reviews or significant events that may affect its adequacy.

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