

## WATER POLICY

CLN Group Management, being aware of the crucial importance of water for manufacturing activities and being mindful of the scarcity of this precious resource, is committed to assuring a responsible use of water and a minimal impact on the environment. CLN also recognizes the right to safe and clean drinking water and proper sanitation in the all the countries in which it operates. In order to achieve these values, the following related Principles and Commitments have been established and apply to all the companies of the Group:

PRINCIPLES	COMMITMENTS
<ul style="list-style-type: none"> <li>- Minimise the use of water in operations.</li> </ul>	<ul style="list-style-type: none"> <li>- Perform regular preventative maintenance activities to avoid/repair leaks to water pipes; Establish continuous improvement and water awareness campaigns on a regular basis;</li> </ul>
<ul style="list-style-type: none"> <li>- Actively support local and national water saving initiatives</li> </ul>	<ul style="list-style-type: none"> <li>- Engage with water suppliers, local authorities and the local community and support their water saving initiatives; Share and promote water stewardship practices with other CLN plants and enterprises in the same geographical locality</li> </ul>
<ul style="list-style-type: none"> <li>- Assess future water availability and monitor local risk levels.</li> </ul>	<ul style="list-style-type: none"> <li>- Check the risk to local water supplies regularly with local water suppliers, local authorities and other organisations such as the World Resource Institute (<a href="http://www.wri.org">www.wri.org</a>) to fully understand the future risks regarding availability of water; Set water use reduction goals based on the assessed risks, including the use of new technologies as they become available.</li> </ul>
<ul style="list-style-type: none"> <li>- Support transparency on the water impacts of our activities.</li> </ul>	<ul style="list-style-type: none"> <li>- Provide information about the organisation's impacts related to water and how they are managed; Monitor the application of actions taken and their effectiveness, establishing specific responsibilities; Report to CLN head office on the Total volume of water withdrawn by the plant in accordance with GRI 303-1 and the Total volume of water recycled and reused by the plant in accordance with GRI 303-3.</li> </ul>
<ul style="list-style-type: none"> <li>- Ensure wastewater is fully treated in accordance with local legal requirements.</li> </ul>	<ul style="list-style-type: none"> <li>- <b>It is obligatory for CLN Companies to meet all applicable legislative and regulatory requirements with respect to water quality, consumption and treatment.</b> Regularly review local and national laws regarding wastewater treatment and disposal and fully respect the national and local requirements; Continually improve operations in order to preserve the quality of water in the communities in which we operate.</li> </ul>
<ul style="list-style-type: none"> <li>- Avoid adverse impacts from the discharge of water from operations.</li> </ul>	<ul style="list-style-type: none"> <li>- Carefully monitor the discharge of effluents, especially those with a high chemical or nutrient load, which can affect aquatic habitats, the quality of water supply and the organisation's relationship with communities and other water users.</li> </ul>

CLN Group Management is committed to reviewing this Policy on an annual basis, and to communicate it to all interested parties. The Chief Executive Officer is responsible for its implementation.

Rivoli, 3 August 2018

Gabriele Perris Magnetto  
Chief Executive Officer

