



08.

NON-FINANCIAL STATEMENT

Combating active and passive corruption

08. Combating active and passive corruption

Integrity is a fundamental part of the identity of GVS, so much so that it is part of the general principles of the Group.

In carrying out its activities, GVS places integrity at the basis of its economic and social relations, and recognises the phenomenon of corruption as a serious threat to its development. These topics are considered material topics, and GVS promotes the performance of its activities in compliance with the regulations and the fight against corruption at national and international level, both in relations with public officials and with private individuals.

The risk of corruption is present in various areas of business activity, involving all relationships on all levels. The occurrence of wrongdoing could result in penalties and possible repercussions on the conduct of business, as well as serious damage to reputation. Directors and all employees in positions of autonomy or responsibility must report in writing the cases in which there are relationships of an organisational nature (e.g. customer - supplier) with persons, entities or organisations capable of influencing their judgement in the performance of their activities, for reasons of family or other relationships of a personal nature.

GVS is committed to constant compliance with national and international antitrust regulations and the guidelines of the Competition and Market Authority. The Group avoids any kind of agreement or communication aimed at influencing free competition.

In the course of their business activities, all employees and managers of the Group must adhere to professional and commercial integrity. Acts of violence or threats, capable of damaging free competition or misleading third parties into believing that the competitor is not financially capable of meeting the obligations contracted, shall not be tolerated.

Risks, opportunities and how to manage them

As a company operating at international level, GVS Group is exposed to a number of risks in carrying out its ordinary activities, including the commission of crimes of active and passive corruption.

For this reason, the Group declares that any form of favouritism, corruption or collusion with third parties or representatives of public power (public officials, politically exposed persons or persons closely linked to them) is strictly prohibited.

The pursuit of the Group's interest or advantage shall never be justification for unethical

and dishonest conduct. No employee may receive gifts, presents or personal gratuities of any form or value, in relation to the performance of their activities, from persons, entities or organisations with which they have any kind of relationship.

The aforementioned risks associated with corruption, in some cases also entail the administrative liability of the entity in the event of violations of the rules.

The companies GVS S.p.A. and GVS Sud Srl, in order to ensure the correctness and transparency of company operations, consider it appropriate to adopt an Organisation, Management and Control Model in accordance with Legislative Decree 231/2001 (OMC). The purpose of the Model is to constitute a set of procedures and control activities aimed at preventing the commission of the various types of offences provided for in the Decree.

GVS has set up the Supervisory Board in order to supervise the operation of and compliance with the Model, and to propose its updating. A further tool for reporting violations of 231 regulations is the so-called "Whistleblowing", defined as one or more channels that allow all recipients of the Model 231 to report unlawful conduct to the detriment of the entity. The Code of Ethics also incorporates Whistleblowing, thus overcoming the national limitations of the Model 231, since the Code of Ethics has been adopted by all Group companies.

The Code of Ethics aims to ensure transparent and appropriate conduct by all those to whom it is addressed. The occurrence of risky events may lead to the application of sanctions, loss of profit, compromise of business relations and damage to the image, which may be to the detriment of the entire Group. In order to mitigate this risk, in addition to the adoption and distribution of the Code of Ethics, specific training plans are promoted for all employees on anti-corruption principles and general principles of conduct.

All subjects who come into contact with GVS reality, such as managers, employees, suppliers, clients and public administration are required to avoid any situation of corruption or collusion. The relationship with public authorities requires transparency and correctness, the management of public funds (contributions, subsidies or funding) presupposes maximum transparency both in the truthfulness of every related document and in the correct destination of the money, and again, in the event of inspections or investigations carried out by public authorities, GVS personnel must collaborate to protect the integrity and reputation of all.

In addition, on 17 December 2021, the Board of Directors adopted the Global Compliance Programme, a Group-wide programme to prevent perpetration of offences. As part of the Global Compliance Programme, the Anti-Corruption Policy has also been adopted, as an integral part of the system of control of business ethics, aimed at guaranteeing the compliance of GVS with the Anti-Corruption Laws, both national and international, and with the best international standards in the fight against corruption, also to protect the reputation of GVS.

The Anti-Corruption Policy enshrines the GVS Group's commitment to a zero tolerance principle in relation to corruption and requires compliance with all national anti-corruption legislation where the GVS Group operates. The commitment to zero tolerance includes a prohibition on offering or receiving money or other benefits to obtain undue advantage or otherwise influence the decisions of others. The prohibition includes those actions that

may even generate the doubt of having corrupt purposes.

The Policy applies to employees, collaborators and all other persons who in various ways have dealings with GVS.

The Policy provides for specific rules and controls in relation to activities identified as potentially "at risk" (e.g. relations with public officials, donations, sponsorships, relations with suppliers) and activities concerning the effective implementation of anti-corruption compliance (e.g. adoption of written procedures, segregation of roles, formalisation of powers, traceability and documentation of decisions, assessment of business partners).

Finally, in order to guarantee the effectiveness of the provisions, the Policy provides for control systems (audits), training and communication activities, disciplinary measures, as well as channels for reporting, including confidential ones ("whistleblowing").

In conclusion, it can be said that the Group is committed to spreading a culture of compliance in the various countries in which it operates, to ensure maximum dissemination and adherence to its ethical principles.

Combating active and passive corruption

The tables below show some numerical information, of a non-financial nature, relating to the fight against active and passive corruption.

GRI 205-3 Confirmed incidents of corruption and actions taken

During the reporting period there were no confirmed incidents of corruption.

GRI 206-1 Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices

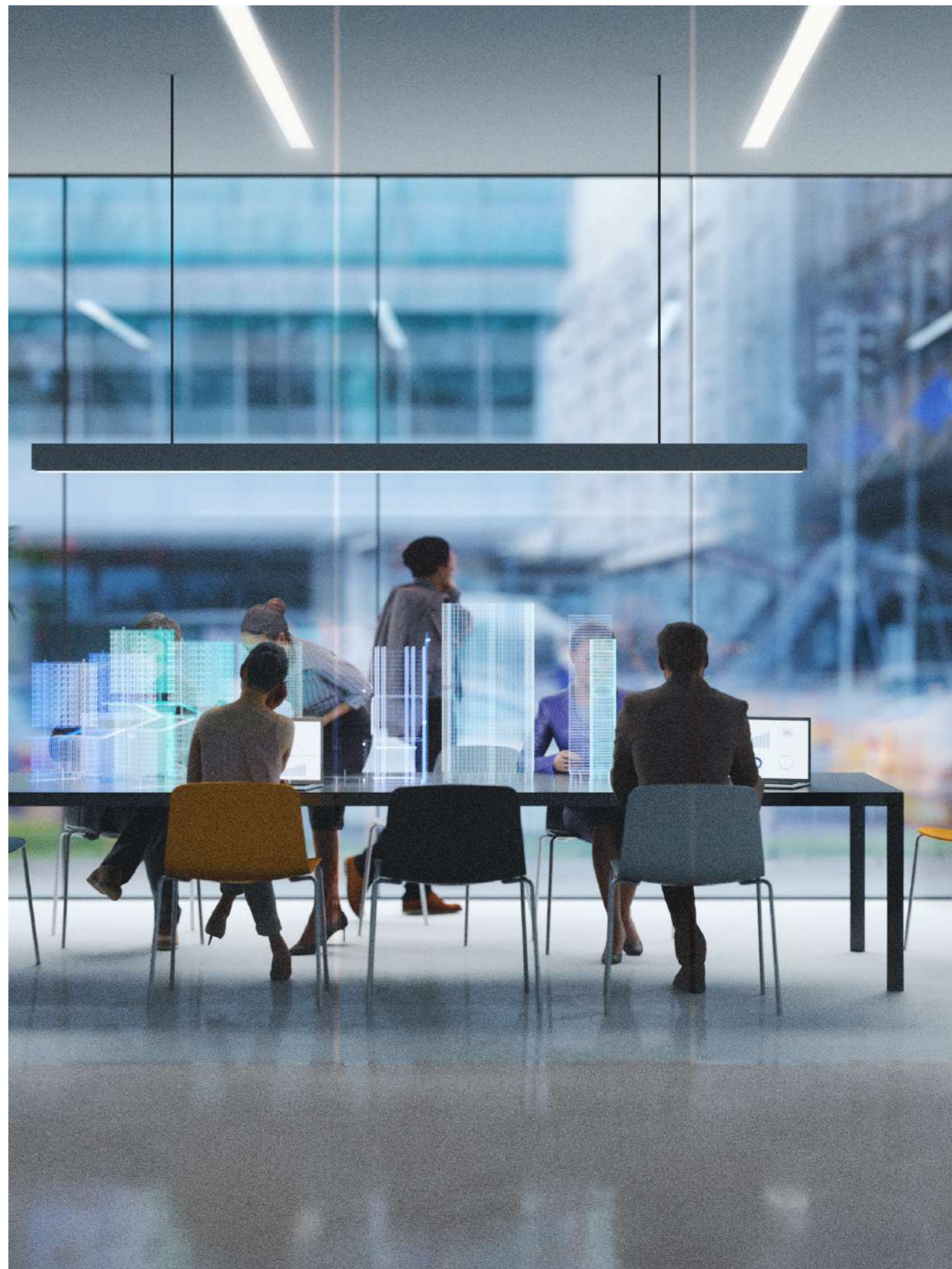
GVS does not propose or accept market-distorting agreements with competitors, such as selective pricing or discounts. Reflecting this, there were no legal actions for anti-competitive behaviour, antitrust or monopolistic practices during the reporting period.

Zola Predosa, 22 marzo 2022

Massimo Scagliarini
Amministratore Delegato

Emanuele Stanco

Dirigente preposto alla redazione
dei documenti contabili societari



Topic of the Legislative Decree 254/2016	Material topic	Risks/management methods	General topic standard/disclosure	Topic specific standard/disclosure		Reporting perimeter
Environmental	Focus on the environmental impact	Refer to chapter 4	102-15 Risks, impacts and opportunities 103 Management approach	301-1	Materials used by weight or volume	The companies of GVS Group as defined in the Note on Methodology
				302-1	Energy consumption within the organisation	The companies of GVS Group as defined in the Note on Methodology
				302-3	Energy intensity	The companies of GVS Group as defined in the Note on Methodology
				303-1	Interactions with water as a shared resource	The companies of GVS Group as defined in the Note on Methodology
				303-2	Management of water discharge-related impacts	The companies of GVS Group as defined in the Note on Methodology
				303-3	Water withdrawal by source	The companies of GVS Group as defined in the Note on Methodology
				305-1	Direct GHG emissions	The companies of GVS Group as defined in the Note on Methodology
				305-2	Indirect GHG emissions	The companies of GVS Group as defined in the Note on Methodology
				305-4	GHG emissions intensity	The companies of GVS Group as defined in the Note on Methodology
				306-1	Waste generation and significant waste-related impacts	The companies of GVS Group as defined in the Note on Methodology
				306-2	Management of significant waste-related impacts	The companies of GVS Group as defined in the Note on Methodology
				306-3	Waste generated	The companies of GVS Group as defined in the Note on Methodology
				306-4	Waste directed to disposal	The companies of GVS Group as defined in the Note on Methodology
				306-5	New suppliers that were screened using environmental criteria	The companies of GVS Group as defined in the Note on Methodology
				Social	Responsibility in the supply chain	Refer to chapter 5
Quality, product safety and customer satisfaction	204-1	Proportion of spending on local suppliers	The companies of GVS Group as defined in the Note on Methodology			
	308-1	New suppliers that were screened using environmental criteria	The companies of GVS Group as defined in the Note on Methodology			
	103-1	Explanation of the material topic and its boundary	The companies of GVS Group as defined in the Note on Methodology			
Socio-economic development	103-2	The management approach and its components	The companies of GVS Group as defined in the Note on Methodology			
	103-3	Evaluation of the management approach	The companies of GVS Group as defined in the Note on Methodology			
	204-1	Proportion of spending on local suppliers	The companies of GVS Group as defined in the Note on Methodology			
	414-1	New suppliers that were screened using social criteria	The companies of GVS Group as defined in the Note on Methodology			
Personnel	Attention to and enhancement of human resources	Refer to chapter 6		102-8	Information on employees and other workers	The companies of GVS Group as defined in the Note on Methodology
				401-1	New employee hires and employee turnover	The companies of GVS Group as defined in the Note on Methodology
				401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	The companies of GVS Group as defined in the Note on Methodology
				404-1	Average hours of training per year per employee	The companies of GVS Group as defined in the Note on Methodology
				404-3	Percentage of employees receiving regular performance and career development reviews	The companies of GVS Group as defined in the Methodological Note with the exception of GVS Filter Technology de Mexico S. de. R.L. de C.V.
				405-1	Diversity of governance bodies and employees	The companies of GVS Group as defined in the Note on Methodology
				406-1	Incidents of discrimination and corrective actions taken	The companies of GVS Group as defined in the Note on Methodology
	Health and safety of employees and partners			403-9	Work-related injuries	The companies of GVS Group as defined in the Note on Methodology
				403-10	Work-related ill health	The companies of GVS Group as defined in the Note on Methodology
				Human Rights	Respect for human rights	Refer to Chapter 7
Fight against corruption	Combating active and passive corruption	Refer to chapter 8		205-3	Confirmed incidents of corruption and actions taken	The companies of GVS Group as defined in the Note on Methodology
				206-1	Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	The companies of GVS Group as defined in the Note on Methodology
				307-1	Non-compliance with environmental laws and regulations	The companies of GVS Group as defined in the Note on Methodology
				419-1	Non-compliance with laws and regulations in the social and economic area	The companies of GVS Group as defined in the Note on Methodology
Transversal topic	Transversal topic	Refer to Chapter 2		207-1	Approach to tax	The companies of GVS Group as defined in the Note on Methodology
				207-2	Tax governance, control and risk management	The companies of GVS Group as defined in the Note on Methodology
				207-3	Stakeholder engagement and management of concerns related to tax	The companies of GVS Group as defined in the Note on Methodology

Report of the Independent auditing firm on the consolidated non-financial statement



GVS SPA

**INDEPENDENT AUDITOR'S REPORT ON THE CONSOLIDATED
NON-FINANCIAL STATEMENT PURSUANT TO ARTICLE 3,
PARAGRAPH 10, OF LEGISLATIVE DECREE NO. 254/2016 AND
ARTICLE 5 OF CONSOB REGULATION NO. 20267 OF JANUARY
2018**

YEAR ENDED 31.12.2021

Independent auditor's report on the consolidated non-financial statement

pursuant to article 3, paragraph 10, of Legislative Decree no. 254/2016 and article 5 of CONSOB regulation no. 20267

To the Board of Directors of GVS S.p.A.

Pursuant to article 3, paragraph 10, of Legislative Decree No. 254 of 30 December 2016 (the "Decree") and article 5 of CONSOB Regulation No. 20267/2018, we have undertaken a limited assurance engagement on the consolidated non-financial statement of GVS S.p.A. and its subsidiaries (the "Group") for the year ended 31.12.2021 prepared in accordance with article 4 of the Decree and approved by the Board of Directors on 22.03.2022 (the "NFS").

Our review does not extend to the information set out in the paragraph "The EU Taxonomy of Eco-Sustainable Activities" of the NFS, required by article 8 of European Regulation 2020/852.

Responsibilities of the Directors and the Board of Statutory Auditors for the NFS

The Directors are responsible for the preparation of the NFS in accordance with article 3 and 4 of the Decree and with the "Global Reporting Initiative Sustainability Reporting Standards" defined in 2016, and subsequent versions, by the GRI - Global Reporting Initiative (the "GRI Standards"), with reference to a selection of GRI Standards, as described in the paragraph "Note on Methodology" of the NFS, identified by them as the reporting standards.

The Directors are also responsible, in the terms prescribed by law, for such internal control as they determine is necessary to enable the preparation of a NFS that is free from material misstatement, whether due to fraud or error.

Moreover, the Directors are responsible for identifying the content of the NFS, within the matters mentioned in article 3, paragraph 1, of the Decree, considering the activities and characteristics of the Group and to the extent necessary to ensure an understanding of the Group's activities, its performance, its results and related impacts.

Finally, the Directors are responsible for defining the business and organisational model of the Group and, with reference to the matters identified and reported in the NFS, for the policies adopted by the Group and for the identification and management of risks generated and/or faced by the Group.

The Board of Statutory Auditors is responsible for overseeing, in the terms prescribed by law, compliance with the Decree.

Auditor's Independence and Quality Control

We are independent in accordance with the principles of ethics and independence set out in the Code of Ethics for Professional Accountants published by the International Ethics Standards Board for Accountants, which are based on the fundamental principles of integrity, objectivity, competence and

professional diligence, confidentiality and professional behaviour. Our audit firm adopts International Standard on Quality Control 1 (ISQC Italia 1) and, accordingly, maintains an overall quality control system which includes processes and procedures for compliance with ethical and professional principles and with applicable laws and regulations.

Auditor's responsibilities

We are responsible for expressing a conclusion, on the basis of the work performed, regarding the compliance of the NFS with the Decree and with the GRI Standards. We conducted our work in accordance with International Standard on Assurance Engagements 3000 (Revised) – Assurance Engagements Other than Audits or Reviews of Historical Financial Information ("ISAE 3000 Revised"), issued by the International Auditing and Assurance Standards Board (IAASB) for limited assurance engagements. The standard requires that we plan and apply procedures in order to obtain limited assurance that the NFS is free of material misstatement. The procedures performed in a limited assurance engagement are less in scope than those performed in a reasonable assurance engagement in accordance with ISAE 3000 Revised, and, therefore, do not provide us with a sufficient level of assurance that we have become aware of all significant facts and circumstances that might be identified in a reasonable assurance engagement.

The procedures performed on the NFS were based on our professional judgement and consisted in interviews, primarily of company personnel responsible for the preparation of the information presented in the NFS, analyses of documents, recalculations and other procedures designed to obtain evidence considered useful.

In detail, we performed the following procedures:

1. analysis of the relevant matters reported in the NFS relating to the activities and characteristics of the Group, in order to assess the reasonableness of the selection process used, in accordance with article 3 of the Decree and with the reporting standard adopted;
2. analysis and assessment of the criteria used to identify the consolidation area, in order to assess their compliance with the Decree;
3. comparison of the financial information reported in the NFS with the information reported in the Group's consolidated financial statements;
4. understanding of the following matters:
 - a. business and organisational model of the Group with reference to the management of the matters specified by article 3 of the Decree;
 - b. policies adopted by the Group with reference to the matters specified in article 3 of the Decree, actual results and related key performance indicators;
 - c. key risks generated and/or faced by the Group with reference to the matters specified in article 3 of the Decree.

With reference to those matters, we compared the information obtained with the information presented in the NFS and carried out the procedures described under point 5 a) below;
5. understanding of the processes underlying the preparation, collection and management of the significant qualitative and quantitative information included in the NFS.

In detail, we held meetings and interviews with the management of GVS SpA and with the personnel of GVS FiltrationInc. and we performed limited analyses of documentary evidence, to



gather information about the processes and procedures for the collection, consolidation, processing and submission of the non-financial information to the function responsible for the preparation of the NFS.

Moreover, for material information, considering the activities and characteristics of the Group:

- at a group level
 - a) with reference to the qualitative information included in the NFS, and in particular to the business model, the policies adopted and the main risks, we carried out interviews and acquired supporting documentation to verify its consistency with available evidence;
 - b) with reference to quantitative information, we performed analytical procedures as well as limited tests, in order to assess, on a sample basis, the accuracy of consolidation of the information.
- for the following companies, GVS SpA and GVS Filtration Inc. which were selected on the basis of their activities, their contribution to the performance indicators at a consolidated level and their location, we carried out site visits during which we met local management and gathered supporting documentation regarding the correct application of the procedures and calculation methods used for the key performance indicators.

Conclusion

Based on the work performed, nothing has come to our attention that causes us to believe that the NFS of GVS Group for the year ended 31 December 2021 is not prepared, in all material respects, in accordance with articles 3 and 4 of the Decree and with the GRI Standards, with reference to a selection of GRI Standards, as described in the paragraph “Note on Methodology” of the NFS.

Our conclusions on the NFS of GVS Group do not extend to the information set out in the paragraph “The EU Taxonomy of Eco-Sustainable Activities” of the NSF, required by article 8 of European Regulation 2020/852.

Bologna, 5 April 2022

PricewaterhouseCoopers SpA

This report has been translated from the Italian original solely for the convenience of international readers. We have not performed any controls on the NFS 2021 translation.

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