

Q8 

Sustainability Report

2020 - 2021

Letter to stakeholders p. 4

WHO WE ARE

Our Story p. 8
Vision, mission and values p. 10
Sectors in which we operate p. 11
Subsidiaries and affiliated companies p. 16

THE SUSTAINABILITY STRATEGY AND SOCIAL GENERATIVITY OF Q8

The sustainability strategy p. 22
The analysis of social generativity p. 26
The social generativity: focus on Naples p. 38

THE PILLARS OF OUR SUSTAINABILITY STRATEGY

NEW WAYS OF DOING BUSINESS

Responsible governance p. 46
Health, safety, environment and quality:
an integrated management system p. 50
Direct economic value generated and distributed p. 52
Innovation and digital transformation p. 54

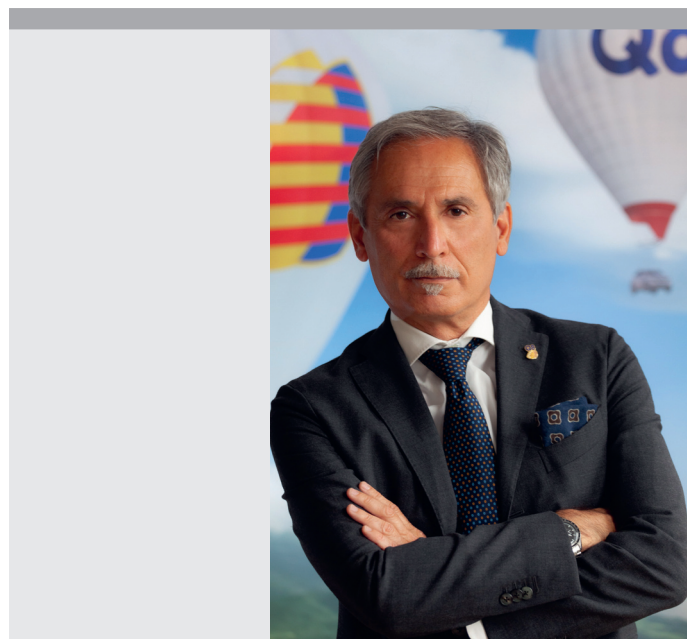
ENABLER FOR THE ENERGY TRANSITION

Sustainable supply chain p. 60
Energy consumption, emissions and
environmental impact mitigation p. 65

PEOPLE ENHANCEMENT

The customer at the center p. 84
The dealers p. 90
People in Q8 p. 92
Attention to development and enhancement p. 97
Health and safety at work p. 104
Q8 and the territory p. 106

Scope of material topics p. 110
GRI content index p. 112
Letter of assurance p. 119



“Even within this complex framework, the company has uninterruptedly managed its business responsibly, integrating the concept of sustainability and ESG (Environmental, Social, Governance) issues within its strategies and promoting a corporate culture of sustainability that respects the values of environmental protection, safety and human dignity.”

The year that just ended has been particularly difficult for the global community due to the ongoing challenges posed by the Covid-19 pandemic and its severe health, economic and social impacts.

Europe, and specifically in Italy, endured nation-wide lockdowns lasting several months as well as subsequent partial closures, varying by region. The health emergency, which continues to affect us at present, has had dramatic consequences on people's lives, on their physical and mental health, as well as in economic terms.

The impact of the closures and the resulting sharp deceleration in the global economy have led to one of the most severe drops in consumption in recent decades, inescapably affecting our sector as well, whilst accompanied by a collapse in raw material prices that resulted in negative refining margins.

At Q8, the ability to intervene and promptly react were decisive in safeguarding work continuity, while guaranteeing full pay and the health and safety of its workers. Crucially, for a strategic sector such as energy, business continuity becomes a matter of national importance. Without interruption, Q8 has continued to supply the energy needed to support the civil protection efforts and the transportation of essential goods to the entire community.

Even within this complex framework, the company has uninterruptedly managed its business responsibly, integrating the concept of sustainability and ESG (Environmental, Social, Governance) issues within its strategies and promoting a corporate culture of sustainability that respects the values of environmental protection, safety and human dignity.

We are aware of the centrality that the energy transition has increasingly gained in society and we want to continue to play a leading role in this path by

increasingly enabling sustainable mobility, and by involving our employees, partners and customers in this ambition.

This year, for the second edition of our Sustainability Report, we sought to broaden our outlook even further, applying, among the first in Italy, an innovative development model: Social Generativity. With the support of the Cattolica University of Milan, we explored the ways in which Q8 generates value not only internally, but also for its stakeholders and for community as a whole, in pursuit of economic well-being, social development, and personal and organisational growth.

This logic of personal and collective action, capable of shaping a new model for "sustainable and contributory" development, assigns a wider role and greater responsibility to companies that become an example for people and community, thereby stimulating future growth.

This has been a year of great responsibility for Q8, one which we have been ready and honoured to undertake thanks to the commitment, sense of responsibility and resilience demonstrated, once again, by all of the Group's employees and collaborators, to whom I extend my warmest thanks, with the conviction that we will be able to brilliantly overcome the numerous and complex challenges that await us in the future.

Giuseppe Zappalà
Managing Director



WHO WE ARE

37 YEARS SINCE
MARKET
ENTRY



35
YEARS
OF Q8
BRAND

2800
SERVICE STATIONS
NATIONWIDE

18
AIRPORTS
SERVED

BUNKER SALES
IN THE MAIN
ITALIAN PORTS

9 SUBSIDIARIES

12 AFFILIATED
COMPANY

OUR STORY

Kuwait Petroleum Italia S.p.A. (Q8) is the Italian subsidiary of Kuwait Petroleum International, an international downstream petroleum company owned by Kuwait Petroleum Corporation, the national oil company of the State of Kuwait.

A story that begins in 1984 when the Company entered the Italian market through the acquisition of the Gulf retail network and, two years later, in 1986, launched its innovative "Q8" brand.

In 1988 Q8 acquired Roloil, a leading company operating in the lubricants segment.

But, it was in 1990 that Q8 made the biggest leap in its history with the acquisition of Mobil Oil Italiana. Thanks to this operation, in 1992 it launched the new large Q8 retail network and completed its range of lubricants with the new Q8Oils product line.

In 1996, three years after optimizing its logistics with the conversion of the Naples refinery into a coastal depot, it regained a strategic role in the Italian refining sector thanks to the important agreement with Agip Petroli (now Eni) to acquire 50 % of the Milazzo Refinery (RAM).

In 1999 it concentrated the production and marketing activities of Roloil and Q8Oils branded lubricants in Conqord Oil (formerly Roloil), establishing Q8 Quaser in 2001, a commercial company operating in the direct sales channels.

Finally, in 2014, it continued its growth with the acquisition of Shell Italia's distribution network and main logistic assets, further strengthening its position among the main players in its market of reference.



A history of successful acquisitions and operations to compete in the market over the long term.

OUR BRAND

The "Q8" brand, presented on the Italian market for the first time in 1986, was immediately highly innovative and original, able to stand out for its recognition and memorability.

All aspects of the brand have a strong connection with the origins of the Parent company. From the captivating and winning idea of summarizing in the "Q8" formulation, the pronunciation of the country of origin of the company and shareholders, to the recall, through the symbol of the two colored sails, to the ancient maritime vocation and the traditional Kuwaiti sailing boats (called Dhows).

A dynamic, innovative and reliable brand



Il marchio è stato rinnovato l'ultima volta nel 2014 nella sua forma e nei colori, ma senza distaccarsi dalle origini, così da non tradire il DNA dell'Azienda.

1984
ENTERS THE ITALIAN MARKET WITH
THE ACQUISITION
OF THE GULF NETWORK

1986
LAUNCHES ITS INNOVATIVE
Q8 BRAND

1988
TAKES OVER ROLOIL, A LEADING
COMPANY IN THE
LUBRICANTS SEGMENT

1990
ACQUIRES ITALIAN
MOBIL OIL

1996
ACQUIRES FROM ENI 50 %
OF THE MILAZZO REFINERY

2014
ACQUIRES SHELL ITALIA'S
DOWNSTREAM ACTIVITIES



1986



1996



2014

VISION, MISSION AND VALUES

What links Q8 to the Parent company, beyond aspects relating to the brand, are certainly the values that distinguish its business conduct: commitment, excellence, attention to the choice of partnerships, integrity, motivation, corporate thinking and operational flexibility.

All Q8 activities are carried out with the intention of being an attractive brand, able to create value through its activities, to stand out as a reliable player within the context of reference by implementing correct and fair processes and behaviors, in line with the highest ethical standards. Another factor that distinguishes Q8's corporate culture is the strong focus on aspects that directly relate to innovation. This is done in order to be sensitive and responsive to change, open to discussion and teamwork enhancement, pro-active to new technologies and in general to innovation.

These values are perfectly consistent with our Vision, also shared with the Parent Company, which include being an international player admired for its performance, the talent of its people, the trust of its partners and customers, and appreciated for its social and environmental responsibility.

The q8 mission takes shape from the vision and is strongly linked to the values of the whole group and the desire to represent a reality that considers all the aspects necessary to ensure:

- commercial sustainability by maintaining excellent operating standards and supporting its competitive position within the reference market;
- a strong focus on investing in people to support the Group's expansion by leveraging its resources and their skills;
- a key player in the energy and mobility sector, with a focus on customers and their needs;
- the continuous search for new alternative fuels, high-quality services for all customers and throughout the value chain, based on the use of the most advanced technologies;
- a future built on respect for ethical values, people, communities, and the environment.

All of these aspects describe the essence of Q8's strategy, which has as an intrinsic factor the sustainability of the business, with a constant attention to the environment, to health and safety, and to the central role of the clients, through the identification of their different needs and the definition of specific initiatives aimed at meeting their expectations.

SECTORS IN WHICH WE OPERATE

Through its activities, the Q8 Group in Italy covers the entire integrated downstream cycle, from refining to the final consumer.

In an ever-changing world, characterised by a growing attention to sustainable mobility, Q8 wants to play a leading role in the energy transition by orienting all of its activities towards sustainability in order to synergistically combine environmental protection, social development and economic growth.

We are present throughout the entire production cycle, ensuring the sustainability of our operations along the supply chain.



RETAIL

It has a network of about 2.800 service stations nationwide



DIRECT

It markets and distributes fuels to industries, retailers, service companies, public authorities and end consumers



REFINING

It operates through the Milazzo refinery (RAM), managed in joint venture with Eni



FUEL CARDS

Offers innovative payment solutions reserved for both companies and consumers



LUBRICANTS

Offers a wide range of lubricants of the highest quality for transport and industrial uses



MARINE

Provides its own products in many Italian ports



AVIATION

It supplies the most important airlines in 18 Italian airports

To ensure its commercial activities, Q8 has an efficient and well-balanced nationwide supply and logistics system able to ensure the availability of products throughout the country.

OUR NETWORK: TECHNOLOGICAL INNOVATION AND MULTI-PRODUCT OFFERING

Q8 has a network of sales outlets that extends throughout the country. With its approximately **2.800 service stations**, the Company provides services and products capable of **satisfying the needs of consumers and of responding concretely to the growing attention to sustainable mobility**. Q8 provides a “**multi-energy**” offer: from multifunctional and performance fuels (Q8 Hi perform Diesel and Q8 Hi perform 100 octanes), to alternative fuels such as LPG, liquefied and compressed natural gas (LNG and CNG) as well as electric vehicle charging.

Q8 network operates with two different formats: **manned sites** and unmanned automated sites, known as **Q8easy**.



In the manned service stations, competent staff, constantly trained and updated, provides a wide range of services accessories, allowing satisfying the needs of consumers who appreciate these services and prefer the comfort of being served in the refueling.

In each Q8easy station, technology is synonymous with convenience, reliability, customer satisfaction, energy savings and, of course, easy and safe refuelling.

A **sustainable network**, thanks to several carefully designed solutions to reduce emissions and consumptions, and the presence of modern **infrastructure for the supply of alternative fuels and for electric charging**. In recent years, Q8 has concentrated many of its investments in this direction, aware of the strategic importance of being part of the change towards a mobility that is increasingly attentive to environmental issues.

A highly digitized technological network with an advanced, state-of-the-art connectivity system for digital payments and virtualized, practical and secure fuel cards.

The offer is completed by a wide range of non-oil products and services (car washes, restaurants, bars and shops), made available also thanks to prestigious partnerships with the most important operators in the relevant sectors.

Service stations
with a wide range of
integrated services and a high
degree of digitalization



WHERE WE ARE

Supplying reliable energy for the whole country, from north to south.

NORD

Retail:

- #1.220 Service stations
- Retail network areas: Milan, Padua, Turin, Bologna

Logistics:

- Storage depots: Visco (UD) and Pregnana Milanese (MI)
- Coastal terminal: Muggia (TS)

Direct:

- Q8 Quaser divisions: Pregnana Milanese (MI), Padua, Lucca, Cesena

Lubricants:

- Conqord Oil: Castellar Guidobono (AL)

Avio:

- Depots: Venice and Pisa



CENTER

Head Office: Rome

Retail:

- #580 Service Stations
- Retail network areas: Florence and Rome

Direct:

- Q8 Quaser Division: Rome and Frosinone



SOUTH AND ISLANDS

Retail:

- #1.000 Service stations
- Retail network area: Naples, Bari, Catania, Cagliari

Logistics:

- Storage depot and coastal terminal: Naples

Refining:

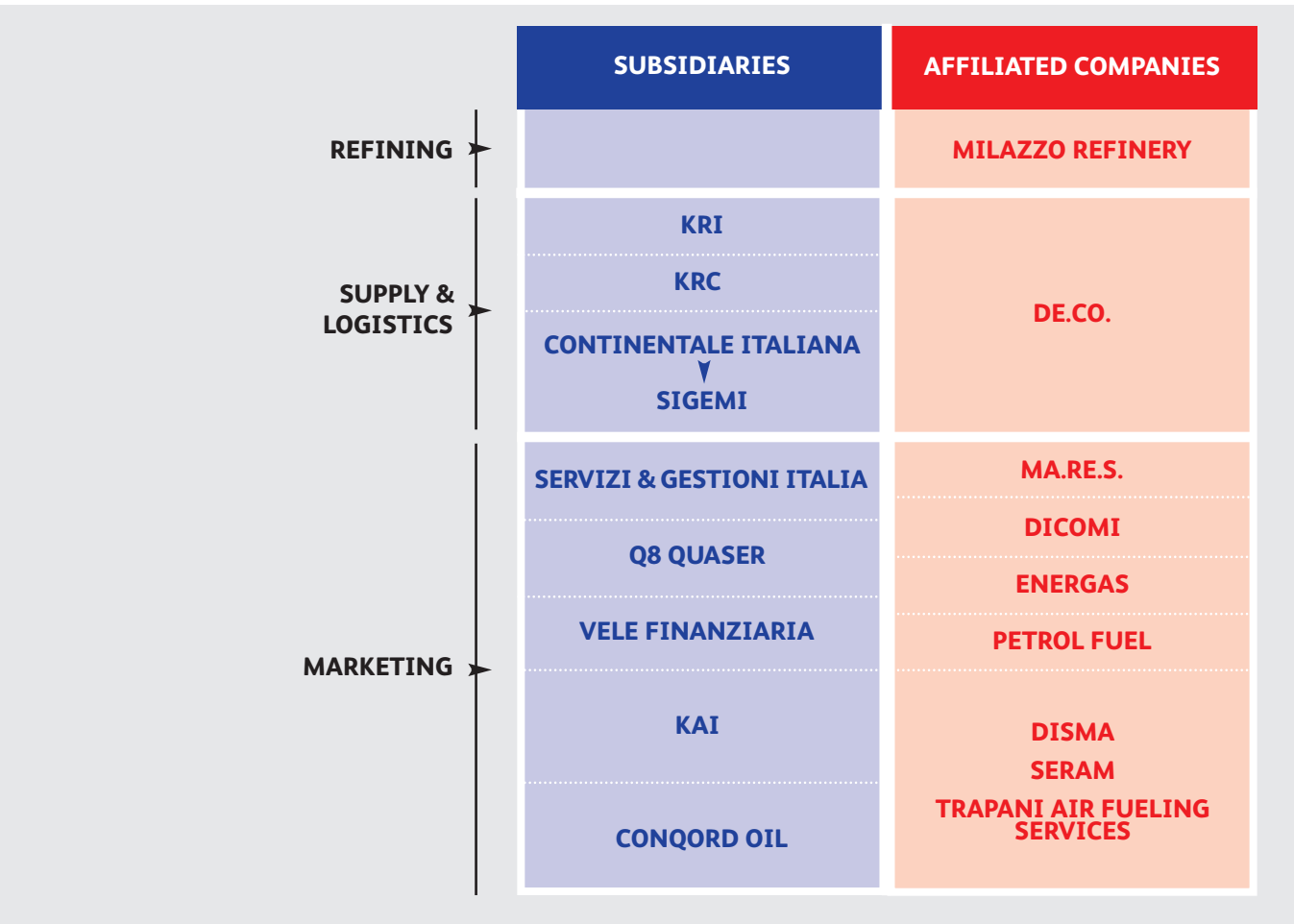
- Milazzo refinery

Direct:

- Q8 Quaser Division: Naples, Bari, Catania



SUBSIDIARIES AND AFFILIATED COMPANIES



Q8'S SUBSIDIARIES

KRC

Kuwait Raffinazione e Chimica S.p.A (below KRC), is the company fully owned by Q8 that, following the acquisition in 1990 of Mobil Raffinazione e Chimica S.p.A., managed the production activities of petroleum products and aromatic compounds in the Naples plant until 1993.

Since 1993, when the Q8 Group decided the stop of the Naples refinery and the conversion of the site into a storage facility for petroleum products, KRC has been involved in the disposal and remediation of the land owned where the decommissioned assets were located.

KRC has voluntarily equipped itself with a Quality, Environment and Safety Management System according to ISO standards, and is strongly committed to responsibly manage its activities by taking all appropriate measures to eliminate and/or minimize potential impacts on the environment while trying to maximize its positive ones.

In addition, KRC has made a clear commitment to adhere to the principles of Sustainable Development, favoring remediation techniques to reduce environmental impacts through the use of particularly innovative technologies.

In fact, where possible, techniques are used that involve "in situ" interventions, i.e. without soil excavation/handling (AS/SVE wells) and "on site", i.e. with treatment of remediation of contaminated soils directly within the site and possible re-use (Landfarming, thermal desorption), in line with the principles of sustainable remediation.

Q8 QUASER

The company Q8 Quaser S.r.l. (acronym for Quality & Service) with Q8 as a single partner has as its main activity the purchase, sale, transport and sale of petroleum products, fuels, lubricants, gases, hydrocarbons and their derivatives in the direct channel. Moreover, under the Termotek brand, it also operates on the market for the installation, maintenance and management of thermal plants in the second, with activities particularly focused in Lombardy. Q8 Quaser is also very active in the bunkers market (products for marine use), where it operates directly with ship-owners or through international brokers, supplying the product to major Italian ports of the southern central region. With particular reference to this product, Q8 Quaser has acted promptly to comply with the new IMO 2020 regulations, the international standard for bunker quality, with the aim of providing its customers with an even more environmentally sustainable product.

The target customers, located throughout the country, can be classified in Resellers, End Consumers, Companies of all sectors of production, Public entities (through Public Tenders in which it participates in) and Bunkers.

Q8 Quaser employs approximately 100 employees, as well as the support of additional employees from the Parent Company. As part of its core activities, it ensures full compliance with environmental regulations in accordance with the requirements of the law, both at the Pregnana Milanese depot that it manages directly (reference certification ISO 9001/2015 and ISO 14001/2015), and at third-party depots.



Q8'S SUBSIDIARIES

KRI

KRI S.p.A. is the subsidiary that manages the North East's logistics system for Q8, consisting of the following facilities and infrastructure:

- a coastal terminal in Muggia (TS)
- a storage depot in Visco (UD)
- 2 pipelines

The Muggia Coastal Terminal is used for the reception of white products, namely gasoline and diesel, by means of tankers that dock directly at the wharf of the depot. Through an articulated system of pipes the products unloaded to the jetty are transferred inside the Coastal Terminal. From here, the fuels are pumped in a pipeline over 58 km long, almost entirely underground, to the Visco depot, where they are stored. Petroleum products are added and blended both to comply with national standards and to ensure maximum quality and efficiency. Secondary distribution then starts from the Visco depot: the products are loaded into tanker trucks to be delivered for sale to the end client and service stations on the network.

CONQORD OIL

Conqord Oil S.r.l. is the company with unique partner Q8 that develops, produces and markets lubricants in Italy and abroad under the Q8Oils and Roloil brands. Confirmed as one of the largest players in the Italian market, Conqord Oil has a long tradition in the design and production of specialised automotive and industrial lubricants, created using state-of-the-art technology. Conqord Oil's advanced laboratories are constantly researching, developing and updating formulations to achieve ever higher standards and respond quickly and efficiently to new market demands. The sales network, unique in the lubricant industry in Italy, is distributed throughout the country in an articulated and widespread way, always ready to respond to customer needs. Customer satisfaction is, in fact, one of the main objectives of Conqord Oil whose Sales Force, Customer Service and Technical Assistance effectively support the needs of its customers.



MILAZZO REFINERY (RAM)

Milazzo Refinery (RAM), a 50/50 Joint Venture with Eni, is one of the most advanced refineries in Europe in terms of constant monitoring, emission reduction and technological innovation and the third largest in Italy for production capacity. Since the establishment of the Joint Venture, shareholders have been committed to making RAM an excellence in the sector and a point of reference for the local economy, a commitment demonstrated by the 98 % of workforce being from the province of Messina. Currently RAM, with more than 600 employees, is a plant of strategic importance for the country in the transformation of oil for the production of high quality fuels and raw materials through the best technologies that allow the significant reduction of environmental impacts. Through a complex and articulated production cycle, a wide range of products are produced, such as LPG (liquefied petroleum gas), propylene, naphtha, gasoline, diesel and jet fuel, through to sulphur and fuel oil. All products, which meet increasingly stringent legal specifications in terms of environmental sustainability, are subsequently transported by sea (90 %) and land (10 %). The refinery is fully energy-independent, being equipped with several power generation units, including a major combined cogenerative cycle plant, powered by natural gas that allows for high-yield electricity generation. The steam used to produce electricity is also used for the plant's technological processes and for heating. RAM has invested over 1 billion euros in plants and process innovation over the past 15 years. This has allowed not only economic performance but above all safety levels to be increased and environmental impacts reduced.

Thanks to the new technologies adopted, very high environmental quality standards have been achieved with a drastic reduction in air emissions over the last 10 years, which are always well below the limits imposed by current legislation. In order to effectively manage all aspects related to safety, health, environment, energy and quality, the Refinery has collected and formalised the procedures and requirements related to them in an Integrated Management System (IMS), also obtaining certifications 14001:2015 for the Environment; 9001:2015 for Propylene Product Quality, OHSAS 18001:2017 for the Occupational Health and Safety Management System, 50001:2011 for energy efficiency, as well as having a nationally accredited laboratory. RAM is exploring initiatives aimed at increasing environmental sustainability and developing the circular economy, including the use of unconventional raw materials, otherwise disposed of as waste, for the formulation of bio-fuels. Finally, the Refinery's commitment has always been to the territory in which it is located and to the community, as the plant contributes not only to job opportunities, but also to social and cultural growth. For more information, see the "Sustainability" section of the www.raffineriadimilazzo.it website.



SUSTAINABLE DEVELOPMENT

THE SUSTAINABILITY STRATEGY AND SOCIAL GENERATIVITY OF Q8

Sustainability Strategy integrated
with the 17 UN goals

Analysis of Social Generativity in
collaboration with the research group of
the ARC center of the Università
Cattolica del Sacro Cuore of Milan



THE SUSTAINABILITY STRATEGY

To actively contribute to a sustainable future, Q8 has integrated sustainability into its business, its values and all its activities. It is constantly engaged in the search for the best available technologies to protect the environment, the health and safety of employees, contractors and the entire community in which it operates.

Sustainability Strategy integrated with the 17 UN goals Analysis of Social Generativity in collaboration with the research group of the ARC center of the Università Cattolica del Sacro Cuore of Milan

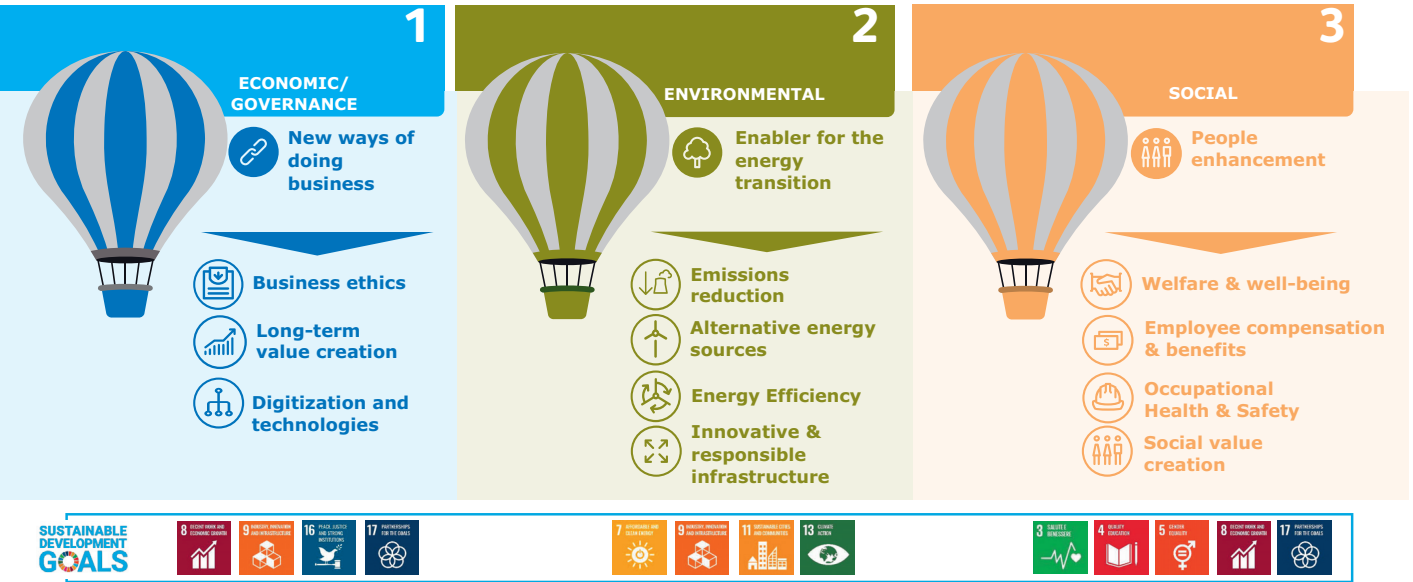
The Company's Sustainability Strategy integrates material sustainability issues (economic, environmental and social) with the strategic pillars of its business. This strategy is consistent with 10 of the 17 Sustainable Development Goals (SDGs).



Sustainable Development Goals

In September 2015, the UN approved the 17 Sustainable Development Goals (SDGs) for the period 2015-2030. The SDGs represent an ambitious agenda and include 17 goals and 169 targets, specific objectives to be achieved by 2030. They include universal issues such as climate change, sustainable consumption and innovation in all fields.

In line with ESG (Environmental, Social and Governance) issues, **three pillars** articulate the Q8 Sustainability Strategy.



1 NEW WAYS OF DOING BUSINESS

The first pillar “New ways of doing business” represents Q8’s idea of business: ethical, capable of creating long-term value and giving ample space to digitalisation and technology.

SDGs ASSOCIATED WITH THE “NEW WAYS OF DOING BUSINESS” PILLAR:

- SDG 8 - DECENT WORK TO ECONOMIC GROWTH**
- SDG 9 - INDUSTRY, INNOVATION AND INFRASTRUCTURE**
- SDG 16 - PEACE, JUSTICE AND STRONG INSTITUTIONS**
- SDG 17 - PARTNERSHIP FOR THE GOALS**

2 ENABLER FOR THE ENERGY TRANSITION

The second pillar "Enabler for the energy transition" represents Q8's commitment to the pursuit of new sustainable and green solutions capable of reducing CO₂ emissions and experimenting with alternative forms of energy, aiming to achieve greater energy efficiency that is then applied to innovative and responsible facilities.

SDGs ASSOCIATED WITH THE "ENABLER FOR THE ENERGY TRANSITION" PILLAR:



SDG 7 - AFFORDABLE AND CLEAN ENERGY



SDG 9 - INDUSTRY, INNOVATION AND INFRASTRUCTURE



SDG 11 - SUSTAINABLE CITIES AND COMMUNITIES



SDG 13 - CLIMATE ACTION

3 PEOPLE ENHANCEMENT

The third pillar "People enhancement" encompasses Q8's commitment to People, whether clients, its employees or members of the community in which the Company operates. Q8 provides the following guarantees to its employees and all the workers involved in the Company's activities: forms of individual and organisational welfare and wellbeing, incentive policies aimed at rewarding merit, a healthy and safe working environment. Q8 views its commitment to the community, carried out for years with multiple initiatives, as the creation of social value that, through its activities, is redistributed on the territory.

SDGs ASSOCIATED WITH THE "PEOPLE ENHANCEMENT" PILLAR:



SDG 3 - GOOD HEALTH AND WELLBEING



SDG 4 - QUALITY EDUCATION



SDG 5 - GENDER EQUALITY



SDG 8 - DECENT WORK TO ECONOMIC GROWTH



SDG 17 - PARTNERSHIP FOR THE GOALS

DIALOGUE WITH STAKEHOLDERS

Q8 deals on a daily basis with numerous stakeholders, both internal and external, who have the ability to influence and shape the Company's activities. Each of these stakeholders plays an important role in the process of creating value for the Company.

The clients, in particular, take on a strategic importance. Numerous channels of interaction are therefore dedicated to this category, from social communication to market research and the careful analysis of indicators aimed at detecting the needs of this crucial stakeholder. Aware of the importance of all its stakeholders, this year Q8 involved them directly through a survey that was provided to over 110 interested parties to further identify their needs with a particular focus on sustainability issues.



We have listened to the needs of our stakeholders with an online survey



- SUPPLIER AND BUSINESS PARTNERS
- INSTITUTIONS
- PROFESSIONAL ASSOCIATIONS
- SCIENTIFIC, RESEARCH AND CO-PROJECT PARTNERS
- LOCAL COMMUNITIES, ASSOCIATIONS AND FOUNDATIONS
- Q8'S PEOPLE, TRADE UNIONS, SUBSIDIARIES
- CREDIT AND FINANCIAL INSTITUTIONS
- SCHOOLS, UNIVERSITIES, TRAINING INSTITUTIONS
- CUSTOMERS AND CLIENTS
- MEDIA

THE ANALYSIS OF SOCIAL GENERATIVITY

Q8 has appointed the research group of the ARC center at the Università Cattolica del Sacro Cuore of Milan, in collaboration with iFEL and On! Srl social enterprise composed of P. Pezzana, P. Cappelletti, M. Fregoni, R. Della Valle, G. Colangelo, P. Rotini and A. Ruggetti, to draw up a evaluation of the company according to the paradigm of Social Generativity by analyzing the contributory sustainability of Q8. The contents presented by the research team have been summarized by editors in this part of the report.

Among the Company's many activities, a sample of 400 specific initiatives were employed in the analysis of business trends from a generative perspective.

WHAT IS SOCIAL GENERATIVITY

“Social Generativity” is a logic of personal and collective action capable of shaping a new model of sustainable and contributory economy and social development. Drawing from psychology, this term describes a form of self-realisation that place by “contributing” to improving the lives of others and the environment, ensuring that all thrive over time. We refer to an anthropological movement which, starting from a desire, i.e. an openness to the world in order to play one’s part in the continuous regeneration of life, transforms into “bringing into the world” and into “taking care” what has been generated, in order to ensure its growth and flourishing; into “letting go” what has been generated, i.e. contributing to the realisation of its liberties. In organisations, Social Generativity refers to the ability to generate shared value for the company and, at the same time, for other stakeholders, combining economic well-being and social development, personal and organisational growth.

THE STAKEHOLDER MAP

The Stakeholder Map identifies the stakeholders of the Company by category and by the Company topics on which their relation converges. These relate to 10 priority topics - identified by the Company - which represent and describe its “materiality tree”.

The stakeholder map	Stakeholder										
		SUPPLIER AND BUSINESS PARTNERS	PROFESSIONAL ASSOCIATIONS	MEDIA	Q8'S PEOPLE, TRADE UNIONS, SUBSIDIARIES	SCIENTIFIC, RESEARCH AND CO-PROJECT PARTNERS	CUSTOMERS AND CLIENTS	INSTITUTIONS	CREDIT AND FINANCIAL INSTITUTIONS	LOCAL COMMUNITIES, ASSOCIATIONS AND FOUNDATIONS	SCHOOLS, UNIVERSITIES, TRAINING INSTITUTIONS
	CREATING AND SHARING ECONOMIC VALUE										
	CLIMATE CHANGE AND SUSTAINABLE PRODUCTIVE PROCESSES										
	LOCAL DEVELOPMENT, CIVIL ECONOMY AND COMMUNITY RELATIONS										
	OCCUPATIONAL SAFETY, HEALTH AND WELL-BEING										
	CUSTOMER SATISFACTION										
	INNOVATION PROCESSES										
	GROWTH OF HUMAN CAPITAL										
	COMPLIANCE WITH LEGAL OBLIGATIONS										
	EQUAL OPPORTUNITIES, DIVERSITY AND NON-DISCRIMINATION										
	PROTECTION OF HUMAN RIGHTS										

The analysis captures the Company's "value constellation", exposing the fundamental role played by suppliers and commercial partners, as well as institutional relations and research, innovation and training.

The value constellation is significantly focused on pursuing its business mandate and therefore on the creation and sharing of economic value. Equally important are the relations with the territory, where the social dimension enters the picture, followed by climate change and the sustainability of production processes, with Q8's commitment expressed, above all, in the search for increasingly sophisticated process and product sustainability (involving alternative production techniques, reduction in the number of production phases, preference for lower energy consumption with less environmental impact, reduction in waste production, etc.).

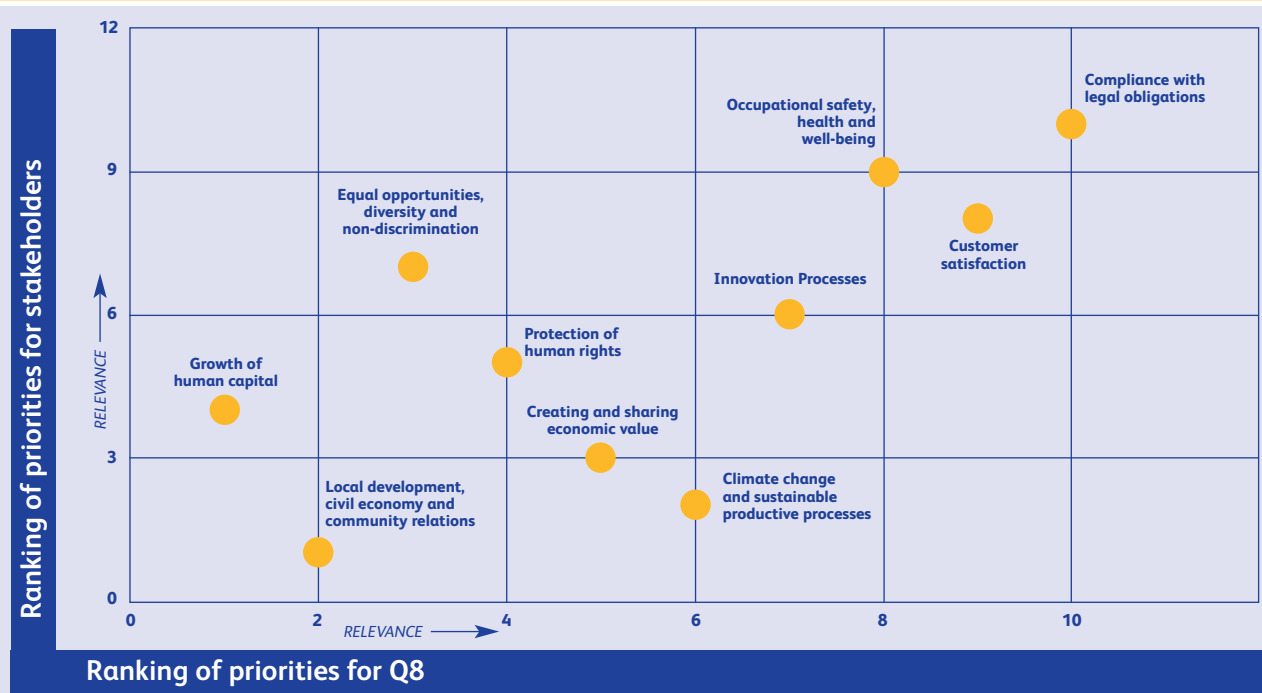
Compliance being of significant importance in the context of corporate materiality, is the topic that involves the least stakeholder relations, followed by issues relating to diversity management and the protection of human rights, which are major topics for the Company but do not transverse relations with all stakeholders.

On the other hand, the attention to the safety and health of workers and communities is a topic that most stakeholders hold in regard, thus resulting in an even distribution across Q8's value constellation.

THE MATERIAL MATRIX

The **materiality matrix** represents a summary of the issues recognised as most relevant by the Company and its stakeholders. The representation provided here makes it possible to interpret materiality both in relation to the sample of approximately 400 actions mapped, and in relation to the opinions obtained through in-depth interviews with top management and by a sample of 110 stakeholders who responded to an online survey, establishing a priority ranking among the ten topics and a relevance score therefor.

Matrice di materialità



The materiality that emerges from the intersection of the most relevant topics for Q8 and the stakeholders responding to the survey is influenced by the nature of our highly structured sector. Regulatory compliance and the safety of people and communities are key priorities. Alongside these is customer satisfaction, as a bearer of value and as a prerequisite for a mature, highly competitive business. The topic of innovation is also addressed, which translates into actions aimed at improving processes and products throughout the industrial chain, especially in terms of the fight against climate change. In this perspective, the inclusion of climate change as topic can be considered as an action in itself.

The topics related to the development of people and communities are in lower positions, but the Company has a significant commitment to them, as the number of actions in these areas demonstrates.

RELATIONSHIP WITH THE SDGs

With respect to the SDGs, the materiality matrix - both in terms of the positioning of the themes and the number of its actions - indicates:

a strong commitment to Goal 7 AFFORDABLE AND CLEAN ENERGY and Goal No. 8 DECENT WORK AND ECONOMIC GROWTH

a sensitive commitment with respect to Goals 4 QUALITY EDUCATION and Objective No 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

support for Goal No 3 HEALTH AND WELLBEING

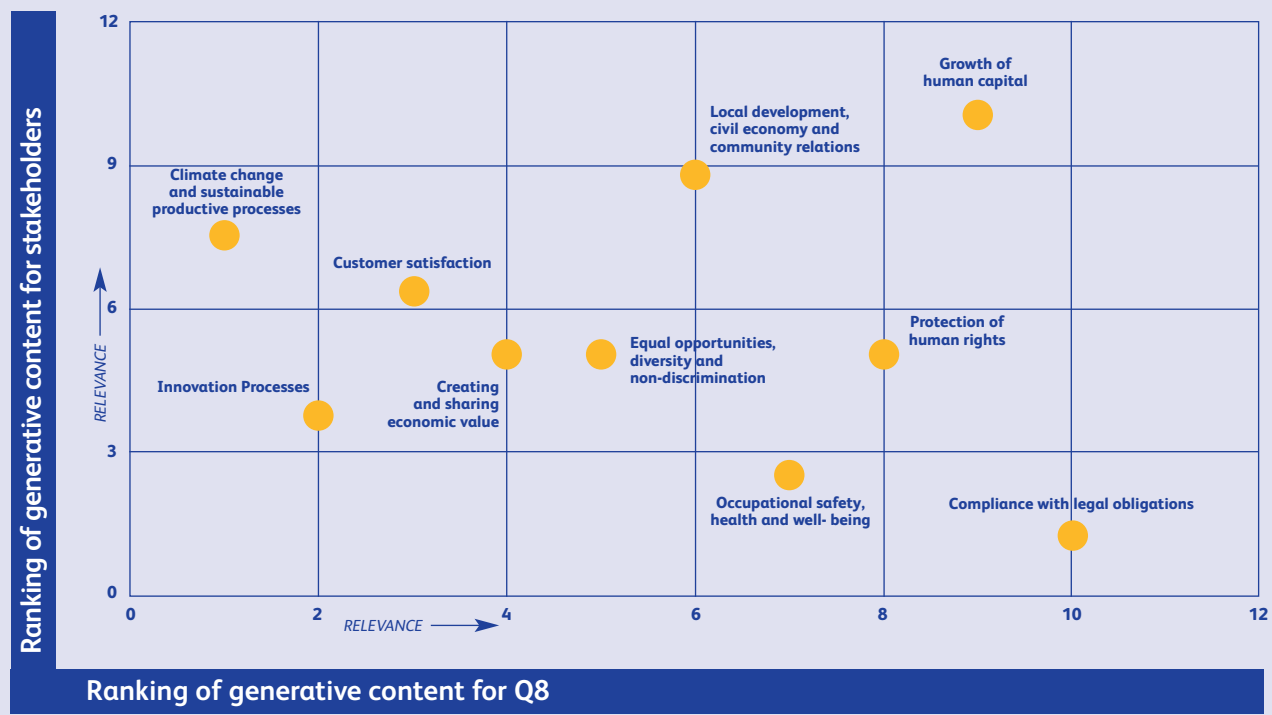


THE GENERATIVE MATERIALITY

The Generative Materiality Matrix is a proprietary tool that reclassifies materiality analysis according to the 3 axes of Social Generativity: Intertemporality, Empowerment, Exemplarity.

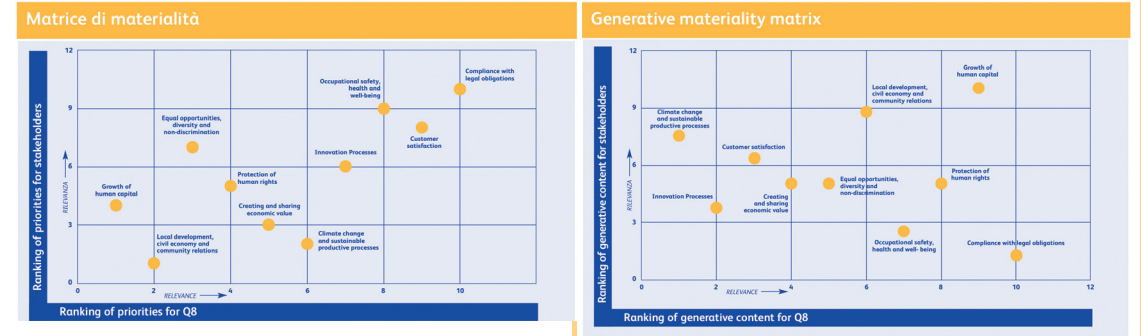
THE THREE AXES OF SOCIAL GENERATIVITY	
INTERTEMPORALITY:	the processes started are sustainable, meaning they do not use more resources than they generate. The focus here is on the different ecosystems, local and global, environmental, economic and social. Intertemporality has to do with the ability to enhance and integrate past, present and future, keeping the horizon of time open. It concerns the “let go,” a movement that allows others to be authorized in the intergenerational perspective.
AUTHORIZATION:	to authorize means to make others - colleagues, suppliers, customers, subjects of the different professional and territorial communities - more and more “authors” of their existence, directly and indirectly increasing their power to act.
EXEMPLARITY:	the processes started combine the functional dimension with that of meanings and are able to inspire others to undertake in turn new initiatives improving the different contexts of action.

Generative materiality matrix



The self-assessment of the actions carried out jointly between Q8 and its stakeholders has been carried out both by the Company and by the stakeholders who have joined the survey based on 6 analytical criteria deriving from the axes of Social Generativity.

THE SIX ANALYTICAL CRITERIA USED FOR THE EVALUATION		
ENHANCEMENT Has the report brought new opportunities for growth and development within your organization?	TRANSITIVITY Has the relationship gone beyond the formal object of collaboration and fosters the exchange of trust, know-how, innovation and mutual support?	HISTORICALITY Does the report value the history and experience of your organisation?
PROXIMITY Is the relationship characterised by closeness and sharing of vision, values, perspectives?	PERSPECTIVE Is the relationship designed to last?	POSITIONING Does the relationship contribute to improving the image and reputation of both?

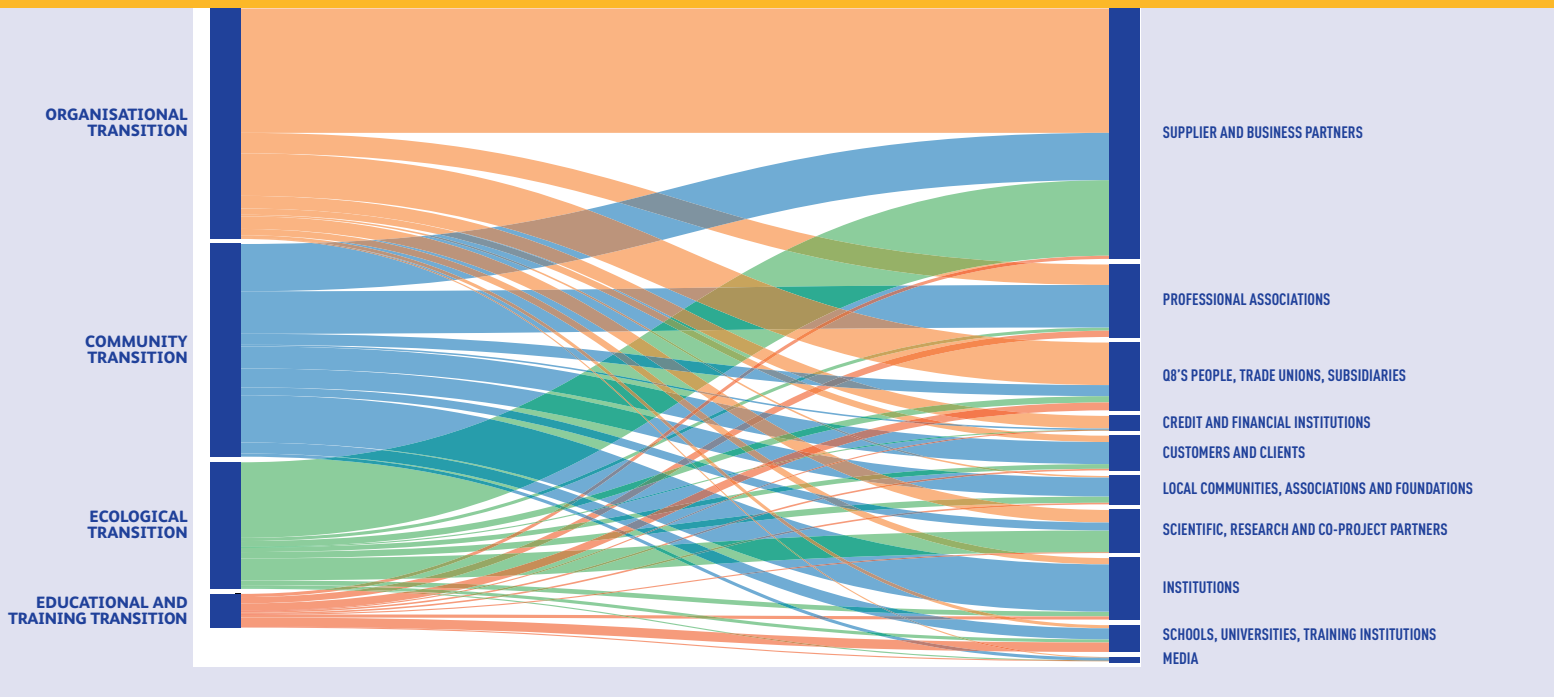


The two maps show two different dimensions of materiality: while the first (left) shows the priority issues in which the Company expresses interest and/or is oriented towards generating and preserving value over time, the generative materiality (right), emerging from the analysis of the activities carried out by the Company, reveals the de facto priorities and the estimated potential in terms of generative impact on the Company, stakeholders and society. The Generative Materiality matrix enables to focus significantly on a different, but equally important, value generation plan. The comparison between the two maps highlights some interesting variations between the "ideal" and "real" dimensions, as well as between the functional mandate and the "direction" emerging from the collaborations. The repositioning of certain themes, such as local development or training, is revealing, as it illustrates an important thrust within the organisation, despite the complexities of the sector and its competitive context.

Q8’S MATERIALITY IN TRANSITIONS

In light of the transitions and paradigm changes taking place in the world, this new analysis of Materiality represents the impact of the Company’s actions classified according to the involvement of stakeholders on the various transitions.

Materiality in transitions



WE ARE AMID 4 MAJOR HISTORICAL TRANSITIONS THAT ARE RESTRUCTURING OUR WAYS OF LIVING, WORKING, PRODUCING AND CONSUMING.

ECOLOGICAL TRANSITION

It concerns energy, the environment and the sustainability of products and processes

EDUCATIONAL AND TRAINING TRANSITION

It concerns education and training of people and organisations

ORGANISATIONAL TRANSITION

It concerns ways of working and producing, digitisation and organisational relations

COMMUNITY TRANSITION

It concerns the health, well-being and development of people, production chains, communities and production chains, communities and territories

Observing the world through the lens of these transitions enables us to take a dynamic rather than static, open rather than closed view of the company and its strategies. In light of the transformations taking place, every company will be required to rethink itself in order to transform new challenges into development opportunities.

Within this evolutionary framework, the chart highlights Q8’s current commitment to the four transitions and the open dialogue with its stakeholders, with whom, through an alliance approach stimulated by this historical transition, further grounds of collaboration and convergence may emerge with respect to new strategic objectives.

Today, Q8 is mainly engaged on the organisational front due to the strong commitment to digitalisation and process innovation, with significant impacts and alliances at a production chain level, particularly in terms of health and safety and in simplifying and improving delivery and customer service.

The commitment to the community transition sees above all an investment in maintaining an open, collaborative and constant dialogue with institutions, trade associations, customers and local civil society, involving all stakeholders transversally.

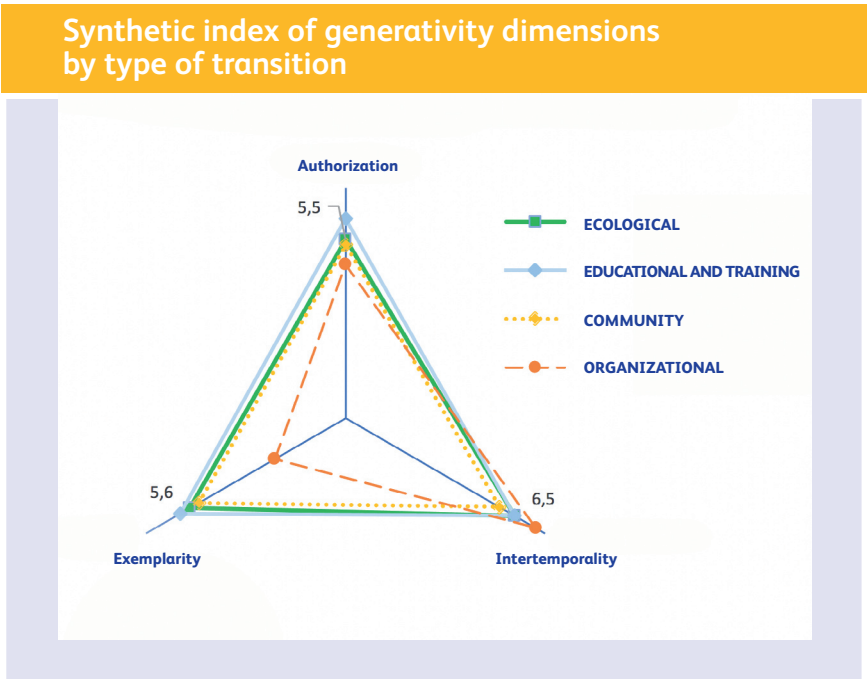
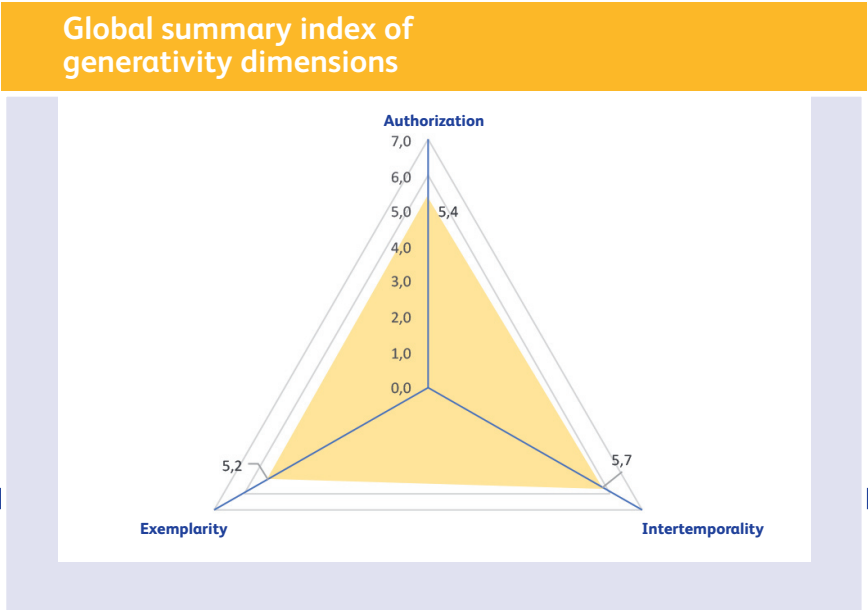
On the ecological transition front, which is certainly the most challenging for Q8, the effort focuses on supply chain innovations, with a strong impact on suppliers and partners, and on further significant potential to be expressed in the near future in energy diversification strategies, for which investments and development plans are already underway.

Also worthy of mention is Q8’s training effort - often in alliance with other institutional and scientific partners - which relate to the company’s to the mission of supporting lifelong learning in terms of the professional qualification of Q8 personnel, as an enabling factor for new generations for both its own workers and those in the supply chain.

Within the framework offered by these four transitions, the SDGs also take on a new perspective, as they represent an indicative milestone for medium- and long-term transformation. They are, in fact, essential points of reference in defining the strategy for generating shared value and thereby multiplying impact.

SYNTHETIC INDICATOR OF SOCIAL GENERATIVITY

The Synthetic Index of Social Generativity is a composite index based on the aggregation of three qualitative indicators devised to monitor the company's performance with respect to the constituting dimensions of social generativity - empowerment, intertemporality, exemplarity. Each of the approximately 400 actions mapped by Q8 was assessed by the research team through a qualitative and comparative analysis according to the three dimensions of Social Generativity. Each action was assigned a score between 0 and 10. These scores were then aggregated into an average value for each dimension in order to afford an overall understanding of the actions. Finally, the three overall scores were further aggregated to arrive at a single synthetic index.

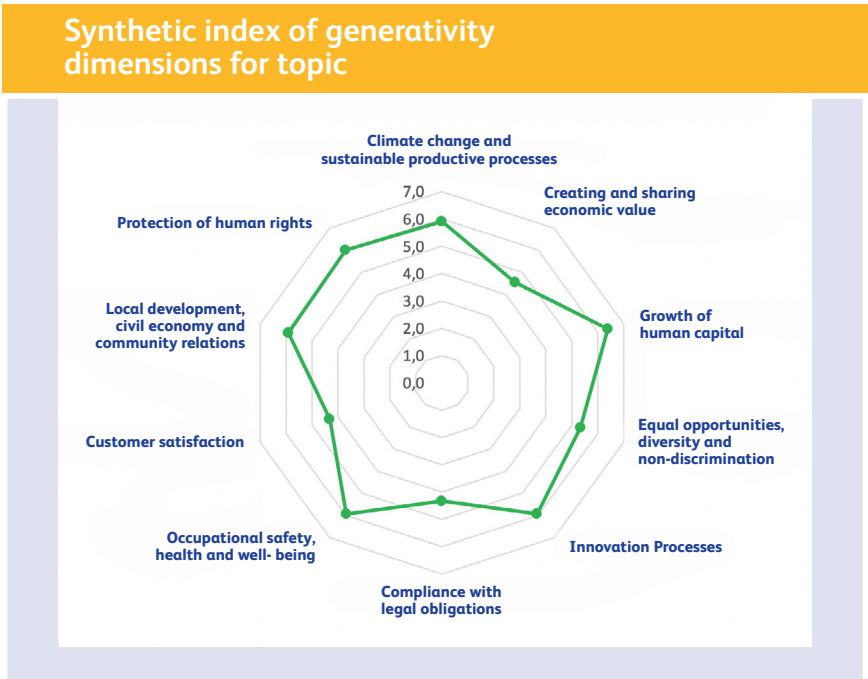


Although Q8 has not previously addressed Social Generativity in its cultural and organisational framework, the Company wanted to introduce this paradigm for the first time in its financial statements, in order to reinterpret its processes in the awareness that today it is necessary to adopt new categories in order to understand the world and imagine new strategies and new alliances in the generation of shared value.

In light of Social Generativity, Q8 presents itself as a dynamic company: value is attributed to a past to which the company owes its identity and prosperity, but it is by looking to the future and seeking its own evolutionary path, within the framework of an ecological transition that it is building new foundations for economic and energy action.

For this reason, the generative action and its dynamism can be found in Q8 especially at the local level in the internal organisational dimension and at intermediate level: in the relations with its professional and geographical communities, in the pursuit of a superior quality of processes and products able to guarantee the safety of people and communities, in the promotion of training.

The generative dimension is currently less evident in its strategic production and commercial choices, due in part to the traditional reference market, characterised by a separation that is perhaps still too clear-cut between the production of economic and social value, between the pursuit of an instrumental performance and a relational one that may lead to new models of co-creation.



The potential for generative growth therefore remains significant, possibly limited until now also by a complex and not very malleable context ceiling - sectorial, institutional, organisational - with which it is necessary to establish dialogue.

The Company, in fact, is part of a mature market that is increasingly being urged to rethink itself due to growing demands for renewal, both in terms of customer choice and in terms of regulations and institutions, driven by changing global sensitivities.

Challenges that lead the entire business world, in general, and those in the energy sector, in particular, to reflect on crucial questions concerning their own sustainability: "What can we learn?", "What can we discover?", "What can we hope for?".

In order to transform current economic policies in light of an unsustainable development, a cultural shift is needed to redefine the terms of a new interdependence between geo-economic systems, through the rediscovery of an 'alliance' based on the recognition that a common good exists, which includes 'a shared development' and consequently, a change in the very paradigm that is presently centred solely on the affirmation of 'business as usual'.

This paradigm has inspired notions of unlimited growth, with no regard for the limited resources of the planet and future generations; it has guided market actions that are responsible for undermining the commercial chains and disrupting the interconnections between people, businesses and institutions which, together, are at a historic crossroads in overcoming the global crisis and redesigning a new development model.

It is in this context that the path taken by Q8 to embrace a more "contributory" and green vision, oriented towards ecological and energy transition, takes on particular importance.

Adopting the generative paradigm within such a challenging framework is not a straightforward matter, yet it may contribute to the emergence of new scenarios, not least through a process of gradual involvement and empowerment of Q8 people to embrace new visions, in order to achieve a broader reinterpretation of its role and business, with the aim of pursuing a new and more lasting prosperity for both itself and its stakeholders, as well as a renewed public image.

KEY POINTS EMERGING FROM THE SYNTHETIC INDICATOR:

1

INTERTEMPORALITY:

There is a marked emphasis on the dimension of inter-temporality, which includes environmental, social and economic sustainability issues, both in terms of partnerships and sustainability.

2

AUTHORIZATION:

There is evidence for the Company taking on responsibility with respect to the training action, both from the point of view of the technical qualification of its collaborators and in the growth of competences in the supply chain and more widely in the communities. The topic may readily develop through new strategies for the acquisition of internal skills. When skills are mainly external, there is a risk of generating a high rate of dependence on the supply chain with respect to strategic elements for the production process, not allowing a further evaluation of transitivity and co-creation of value, for instance in terms of innovation.

3

EXEMPLARITY:

Capacity in terms of exemplarity appears to be a potential that can certainly be to be developed; this would make it possible to appreciate the actions undertaken, of objective value, towards spaces of co-creation of shared value. The narrative competence, both in terms of sensemaking within the company and to external cultural promotion, offers ample room for growth.

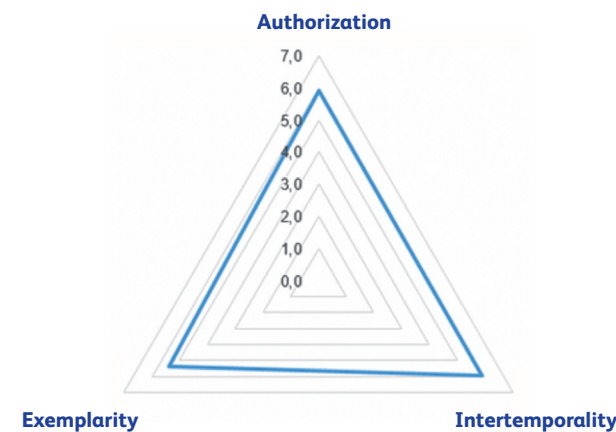
THE SOCIAL GENERATIVITY: FOCUS ON NAPLES

The Generativity model was applied in greater detail to Naples, a crucial junction for the Company's logistics, with the aim of visualising and assessing the convergence and consistency of Q8's numerous actions on the territory with those of the various players present in the area concerned.

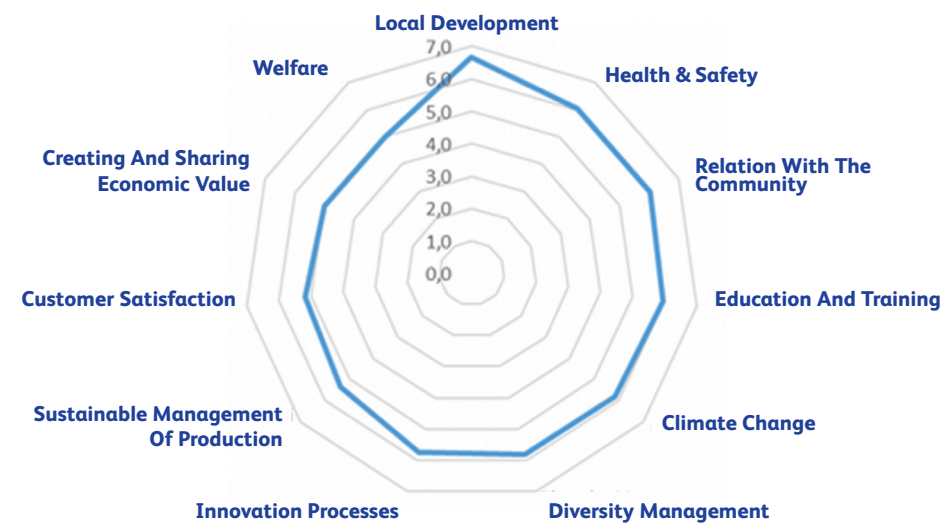
From the data collected and the interviews conducted, it emerges that Q8 is positioned, with respect to the city and the local institutions, as a sensitive partner interested in cooperating for the well-being, growth and local development, while remaining within its own boundary of operations relating to a wide and extensive network of stakeholders, whose involvement is just as important as the direct action of the company.

The undertaking of the new perspective of contributory sustainability for the coming years offers ample potential for growth across the different dimensions, with particular regard to commitments in the strategic areas of sustainable development and participation in the public processes, and Q8's ability to engage with them, both operationally and relationally.

Overall summary index of generativity dimensions (value = 5.7)



Synthetic index of generativity dimensions for topic



Q8 NAPLES' CONTRIBUTION TO THE SDGs

Interviews with civil society, local and sovereign institutional spheres, and the reconstruction of policies in the area have enabled us to reach an interesting understanding of the context from the perspective of the Sustainable Development Goals, essential reference points of any society, public or private, economic and social.

The Q8 Group's commitment to the remediation of the former refinery and petrochemical area in East Naples is particularly distinctive, with a very significant investment in economic resources and the use of advanced technologies suitable for the protection of the health and well-being of the text.

The strong adherence to compliance in the field of security, legality and the emergence of emergencies should also be stressed.

Finally, there is significant promotional support for the territory to contribute to cultural and educational processes aimed at young generations, with a view to investing in the future.



The theme is across many of Q8's actions. In a dialog that touches the employees, the various local and national institutional actors, their own production chain, there is great attention to monitoring compliance with and updating the health and safety regulations, to HSE management, to the continuous revision of the external emergency plan.

The Company, by voluntarily adhering to the program agreement concluded with the Ministry of the Environment, is carrying out the reclamation of the former refinery and the former petrochemical plant, sites that were disused in East Naples.

Moreover, the Company has put in place initiatives in a key improvement both in areas related to local public health, such as the reduction of emissions, and in the area of increasing the organizational well-being and of the pendants through a health care fund.



The training action involves various stakeholders in the Neapolitan context - suppliers, business partners, institutional bodies - and is expressed first and foremost through a commitment aimed at the one hand at updating skills, procedures, and regulatory frameworks related to health and safety, and on the other at process innovation through agreements with local universities on the study of new technologies also aimed at environmental sustainability.

With regard to the local community, Q8's intervention translates into support for a number of schools in the area in support of DAD and the school-to-work dialogue. Among the actions implemented by Q8 during the Covid-19 pandemic, it is worth mentioning the donation of laptops and tablets to some schools in the area to facilitate distance learning.

This initiative represented an important action to facilitate accessibility to education through digital learning tools.



Q8's contribution to this is evident in the continuous attention to the maintenance of the highest standards of health and safety in the workplace, attention that is addressed both to Q8 people and to the network of suppliers and partners, represent a significant armature in the context of reference. From an internal point of view, we point out the interventions to support the training of employees, the organizational well-being and the welfare units.



Q8's constant attention to maintaining high standards of security in the logistics and supply network, which significantly involves the port and East Naples areas through process innovation, is highlighted. The need for community and environmental protection is translated into participation in the various institutional tables and in system actions with other local and national stakeholders aimed at monitoring, coordinating and managing the common areas.



A crucial issue for a multinational company in the energy sector is the continuous search for sustainable models of production and consumption. In this chapter, the Depot's actions are linked to the continuous training of personnel, the constant improvement of production processes, and the coordination and optimisation of shared management with other co-users of the dock and pipeline. The search for process innovations on both the production and consumption sides indicates a present focus with potential for further development in the future. Q8 is particularly attentive to its externalities and committed to containing them. Central to this is the considerable investment of economic resources in the reclamation and redevelopment of the former refinery area. Also important is its contribution to maintaining high standards of plant and supply chain safety, and its active participation in the planning of public processes to improve areas of interference with the city (such as the port area and the places where the oil pipeline crosses). For potential, the photovoltaic park initiative is worth mentioning.



A key global challenge, the theme of sustainable development strongly questions Q8 at the corporate level in the transition – the eco-logic and energy – that has already committed the Company to defining its corporate strategy for the coming decades. Concerning this theme, the Naples Department of Site moves on a punctual plane, with initiatives that go in the direction of the progressive efficiency of the processes of its competence.



Concerning this SDG, the commitment of the Deposito of Naples translates into participation in a constant institutional and multi-stakeholder dialog around the safe and sustainable management of common areas and work, the promotion of the local economic fabric and the continuous qualification of its washers and partners with a view to high compliance and attention to compliance.



THE NEAPOLITAN CONTEXT AND THE CHALLENGE OF TRANSITIONS

The Depot is located in a metropolitan industrial area close to the city centre and the port, namely "East Naples" in Municipality 6, with its three densely populated neighbourhoods, which effectively constitute the Company's first stakeholder community.

At present, the relationship between the East Naples neighbourhoods and the ongoing transitions, and in particular also with the Q8 plants, still requires an effort of consensus and cultural growth, both at community level and in the practices of the Company itself, for the purpose of "contributing" to possible redevelopment options of the whole area, through a new relationship with the context involving all the actors involved: companies, institutions, citizens' associations, cultural centres, schools, universities.

In this context, the commitment of the company to innovation and infrastructure appears all the more important. To date, Q8's contribution is based, on the one hand, on constant attention to maintaining the highest standards of plant safety and the logistics and supply network, which significantly involves the port and East Naples areas, and, on the other hand, on the adoption of policies aimed at protecting people's health and the ecosystem, which are promoted by the remediation of the area in question. From this point of view, the evaluation of the company's actions through the interpretative and prospective grid of the SDGs, provides an adequate reference to understand the extent of the responsibilities and commitments undertaken by the company, both in terms of continuous improvement of internal processes and attention to the regenerative potential of the area.

In order to achieve a real impact in terms of sustainability and regeneration, it is essential to reinforce and direct Q8's contribution towards the research and promotion of ways of collaboration and interaction between the Company itself, the Institutions and the Civil Society capable of developing congruent practices between the three different spheres. Such interactions are essential to achieve the this goal.

TRANSITION	SDGs	POSSIBLE FOCUS OF FUTURE CONVERGENCES/ALLIANCES
ECO-ENERGY	<div><div>3GOOD HEALTH AND WELL-BEING</div><div>11SUSTAINABLE CITIES AND COMMUNITIES</div><div>13CLIMATE ACTION</div></div>	<p>The need to guide and encourage the energy transition in urban areas must necessarily be reconciled with the starting points of local contexts. In this context, the initiative must come to terms with socio-economic scenarios that are not only heterogeneous, but also fragmented and diversified within themselves (e.g. centre/neighbourhoods). This is compounded by the significant impacts of the Covid crisis.</p> <p>Therefore, those actions that will not only promote a more conscious ecological sustainability, but also access to new energy sources by the most vulnerable part of the population, are of high value for the economy and the stability of the Naples area.</p>

TRANSITION	SDGs	POSSIBLE FOCUS OF FUTURE CONVERGENCES/ALLIANCES
EDUCATIONAL AND TRAINING	<div><div>4QUALITY EDUCATION</div><div>8DECENT WORK AND ECONOMIC GROWTH</div><div>11SUSTAINABLE CITIES AND COMMUNITIES</div></div>	<p>In the coming years, as a result of the major transformations taking place at global level, educational and training activities will be the decisive element in the trajectories of growth, development and fulfilment of individuals. Changes in private, social and labour market life will require not only new skills to deal effectively with changing contexts, needs and goals, but also an increased awareness of the meaning and direction of these changes. Critical thinking, autonomy, responsibility, interpersonal and collaborative skills, creativity and resilience will therefore be crucial. Life-long learning will constitute the focus of the new generation.</p> <p>Digitalisation, as a key driver, will shape processes and relationships; immediate action is needed to reduce the existing gaps (in/out); hence, those initiatives that are able to accompany and enable children and young adults to reach a new digital maturity will be decisive, within the framework of broad alliances with educational agencies such as schools, local institutions, the third sector and civil society, the latter being the bearers of a contextual culture to be preserved and enhanced as an essential element in the global context.</p>

TRANSITION	SDGs	POSSIBLE FOCUS OF FUTURE CONVERGENCES/ALLIANCES
ORGANIZATIONAL	<div><div>4QUALITY EDUCATION</div><div>8DECENT WORK AND ECONOMIC GROWTH</div><div>11SUSTAINABLE CITIES AND COMMUNITIES</div><div>16PEACE, JUSTICE AND STRONG INSTITUTIONS</div></div>	<p>The focus on compliance, which is an integral part of Q8's culture and is present across the board in the Company's actions, is an important value to be further nurtured and increasingly transformed not only by duly complying with the regulatory framework of reference, but also by establishing a new organisational narrative capable of qualifying Q8's identity, supporting employees' sense of belonging and bonding with stakeholders, and nurturing the company's purpose with respect to the enhancement of the local community. Moreover, this line of conduct can be the benchmark in qualifying the dialogue with local stakeholders and the platform for a trustworthy evolution of relationships, projects, processes that see interventions and investments in the future of the area.</p>

TRANSITION	SDGs	POSSIBLE FOCUS OF FUTURE CONVERGENCES/ALLIANCES
COMMUNITY	<div><div>3GOOD HEALTH AND WELL-BEING</div><div>4QUALITY EDUCATION</div><div>11SUSTAINABLE CITIES AND COMMUNITIES</div></div>	<p>The complexity of the context calls for new dialogue with the local communities and their inhabitants. The vibrancy of civil society and its active commitment indicate that culture is a vector for potential dialogue. A contemporary culture that seeks new forms of expression and connection around which it is also possible to imagine new public/private alliances that aim to generate new inclusion and cohesion, solidarity and co-responsibility and thus a new social bond and new opportunities for mutual recognition.</p>

The pillars of our sustainability strategy

NEW WAYS OF DOING BUSINESS

ETHICAL, EFFECTIVE AND TRANSPARENT GOVERNANCE

NO
CASES OF
CORRUPTION

NO
ANTITRUST
VIOLATIONS

NO
BREACH OF
CUSTOMER
PRIVACY

COOPERATIVE COMPLIANCE
AGREEMENT WITH THE
REVENUE AGENCY

HEALTH, SAFETY, QUALITY AND THE ENVIRONMENT ARE OUR PRIORITIES

OVER **900** SAFETY WALKS PER YEAR

3 INTERNATIONAL STANDARDS



REVENUE **OVER € 8 BILLION**
OVER € 4 BILLION IN EXCISE DUTIES PAID

RESPONSIBLE GOVERNANCE

Q8, which is subject to the direction and control of Kuwait Petroleum Corporation, has adopted a Corporate Governance model that provides for a clear definition and separation of the functions carried out within the Company, thus allowing an immediate identification, also by the stakeholders, of roles and responsibilities. For Q8, an effective organisational structure is an essential condition for the pursuit of corporate objectives.



Our Governance is structured to allow for an effective and transparent Organization

COMPOSITION OF THE BOARD Kuwait Petroleum Italia S.p.A.

BOARD OF DIRECTORS

President
Azzam Al Mutawa

Managing Director
Giuseppe Zappalà

Directors
Raffaele Iollo
Mauro Strassera
Livio Livi
Naser Ben Butain

BOARD OF STATUTORY AUDITORS

Chairman
Giuseppe Taragoni

Effective Statutory Auditors
Giuseppe Sancetta
Paolo Puri

ETHICS AND RESPONSIBLE BEHAVIOR

Q8 considers ethics and compliance to be essential elements from a strategic point of view, as well as those of an economic and/or market nature, for the achievement of the business company's objectives and the conduct of the business in full compliance with the principles of legality and fairness.

For this reason, over the years it has been equipped with a set of rules, organizational structures, procedures and processes that, by interacting with each other, optimize the effectiveness and efficiency of the business goals, combining them with the highest ethical standard.

The adoption of an Organisational, Management and Control Model pursuant to Legislative Decree 231/2001 is significant, as it defines the framework for the rules of conduct and internal organisation aimed at ensuring fairness and transparency in the business conduct and corporate activities, to safeguard the position, image, reputation and expectations of the Company's stakeholders.

To oversee the operation of and compliance with the Model, and to ensure that it is regularly updated, Q8's Board of Directors has appointed a Supervisory Board with autonomous powers of initiative and control, as well as financial resources and a permanently dedicated structure.

CODE OF ETHICS

The Code of Ethics sets precise ethical standards and lines of conduct to be adopted by all Q8 personnel.

THE CODE OF ETHICS SPECIFICALLY REGULATES THE FOLLOWING SCOPES:

1. **Work in Q8** (personal conduct and property protection Q8 assets);
2. **Q8's business conduct** (obligations in relation to business relationship with external individuals and organizations);
3. **Loyalty to the Company and free time** (conflicts of interests and other situations that could involve Q8's interests).

A high ethical standard is our normal

OUR POLICIES

Additional Q8 controls aimed at ensuring ethical business conduct include:

Antitrust Policy

It guarantees an effective and organic diffusion of the antitrust culture, providing recommendations and clear rules to follow in the management of the activities. The entire company population is involved in a continuous training that also takes into account specific needs of the roles held.

The Antitrust Compliance Officer provides support in the analysis of the most important issues.

Anti-Corruption Policy

By defining this Policy, which expressly refers to the Code of Ethics, Q8 intends to emphasize the importance of doing business with loyalty, fairness, transparency, honesty and integrity, as well as in compliance with laws and regulations regarding active and passive corruption. The Policy also defines the correct behaviours to be adopted in term of charity and donations, sponsorship, selection and recruitment.

Whistleblowing: Procedure for reporting violations

A specific procedure has been put in place to enable employees to report any wrongdoing they may encounter in the course of their work. In order to guarantee the highest level of confidentiality of Whistleblower reports, an IT platform has been set up, accessible to all employees and managed by a third-party outsourcer, as well as a set of rules to protect those who make reports.

In 2020/2021, the procedure was further updated in order to protect whistleblowers' confidentiality to an even greater extent.

Anti-Mafia Compliance Policy

It defines the principles and methodological approach of the Q8 Group for carrying out anti-mafia checks on companies entrusted with contracts, subcontracts and other types of contractual agreements and arrangements. Very important aspect of the Anti-Mafia Policy concerns the establishment and implementation of a suppliers register, called the "White List", in which all suppliers that reflect Q8's standards for reputational merit assessment and anti-mafia controls are included. During the year 2020/2021, guidelines were drawn up for the compilation of the Anti-Mafia and Anti-Money Laundering declarations.

GDPR procedure (General Data Protection Regulation)

Ensures compliance with the principles governing the processing of personal data, the procedures for safeguarding the rights of the persons concerned, the policies envisaged in the event of a data breach, the procedures for managing relations with the Supervisory Authority. An ad hoc organisational structure has been set up to manage privacy issues.

It should be noted that none cases of non-compliance with laws and/or regulations in the areas governed by the abovementioned policies have been detected during the reporting period.

Highly responsible
behaviour is our
standard

ORGANIZATIONAL RISKS

Good governance cannot disregard "Risk Management", that is, the set of activities, methodologies and resources aimed at providing oversight of an organisation.

Q8 has its own Enterprise Risk Management (ERM) to carefully monitor various risk factors, which are tracked and classified in a register that is updated periodically. The risks mapped belong to several areas: financial, legal, operational and strategic. This year, close attention was paid to all risks related to the Covid-19 emergency, as well as the impact on the business of environmental changes or possible environmental incidents. In this way, the Company is able to define actions, procedures and processes to deal with the threats identified and, at the same time, to evaluate the effectiveness of the planned operations with the aim to address them.

Through this process, Q8 has developed a "risk-based" culture that allows it to seize opportunities and concurrently to minimize the adverse effects that mapped risks may have on the Company.



An ad hoc
committee for risk
monitoring and
mitigation

COOPERATIVE COMPLIANCE AGREEMENT WITH THE REVENUE AGENCY

Since 2019, Q8 has been admitted to the Collaborative Compliance regime, that is, the Company has been included in the list of "virtuous" companies published on the website of the Italian Fiscal Agency and, therefore, is among the taxpayers who operate in full transparency and cooperation with the Financial Administration.

This is an acknowledgement that rewards the Company's commitment to the correct and careful management and application of tax regulations, and enables it to establish a closer relationship with the Tax Authorities, thereby reducing uncertainty as to the correct treatment of relevant tax issues in full transparency.

HEALTH, SAFETY, ENVIRONMENT AND QUALITY: AN INTEGRATED MANAGEMENT SYSTEM

Q8 regards health and safety as one of the fundamental factors for the sustainable development of its people and its business. Accordingly, it manages its activities responsibly and takes all measures to eliminate, where possible, or minimize risks in terms of health, safety, security and the environment, thereby maximizing positive impacts.

In order to achieve this goal, Q8 has adopted an Integrated Management System known as the **Business Management System** (hereinafter also "BMS"), which defines the way the company conducts its business and integrates the topics of Occupational Health and Safety, Environment, Security and Quality Processes whose principles and core values are included in the **BMS Policy** that is provided to all employees and individuals working with Q8.

The BMS requires the participation of all parties involved, starting with top management, which defines and communicates objectives each year, and which is constantly monitored, meeting periodically to check progress and assess possible new improvement initiatives.

Given how it relates to every aspect of the business, the BMS is continuously monitored through periodic audits carried out by both external auditors and internal auditors: the company's processes and their performance, assessed by appropriate metrics that measure trends against the set objectives, are analysed in an ongoing effort to improve efficiency.



For this reason, in addition to audits, safety walks are carried out at all workplaces, and a system for reporting accidents and near misses is set up, based on the input of employees and contractors, whose investigations make it possible to highlight possible criticalities and opportunities for improvement and to maintain the highest possible health and safety standards.

A further pillar of the BMS consists of training and awareness-raising activities on issues of health and safety, sustainability, the environment and continuous improvement, which should therefore cover everyone. To this end, numerous initiatives have been developed, starting with the creation of the BMS Portal through which all employees can easily access company procedures as well as being kept apprised of the main corporate and international news on these issues. In addition, numerous initiatives, courses and events are carried out with the aim of increasing knowledge and awareness of the importance of the BMS and its optimal use.

Health, safety and the environment have always been our priorities

CERTIFICATION

The BMS Management System has been certified according to the requirements of the international standards ISO 9001:2015, ISO 14001:2015 and ISO 45001:2018 and is audited annually by an external body that confirms its certification.

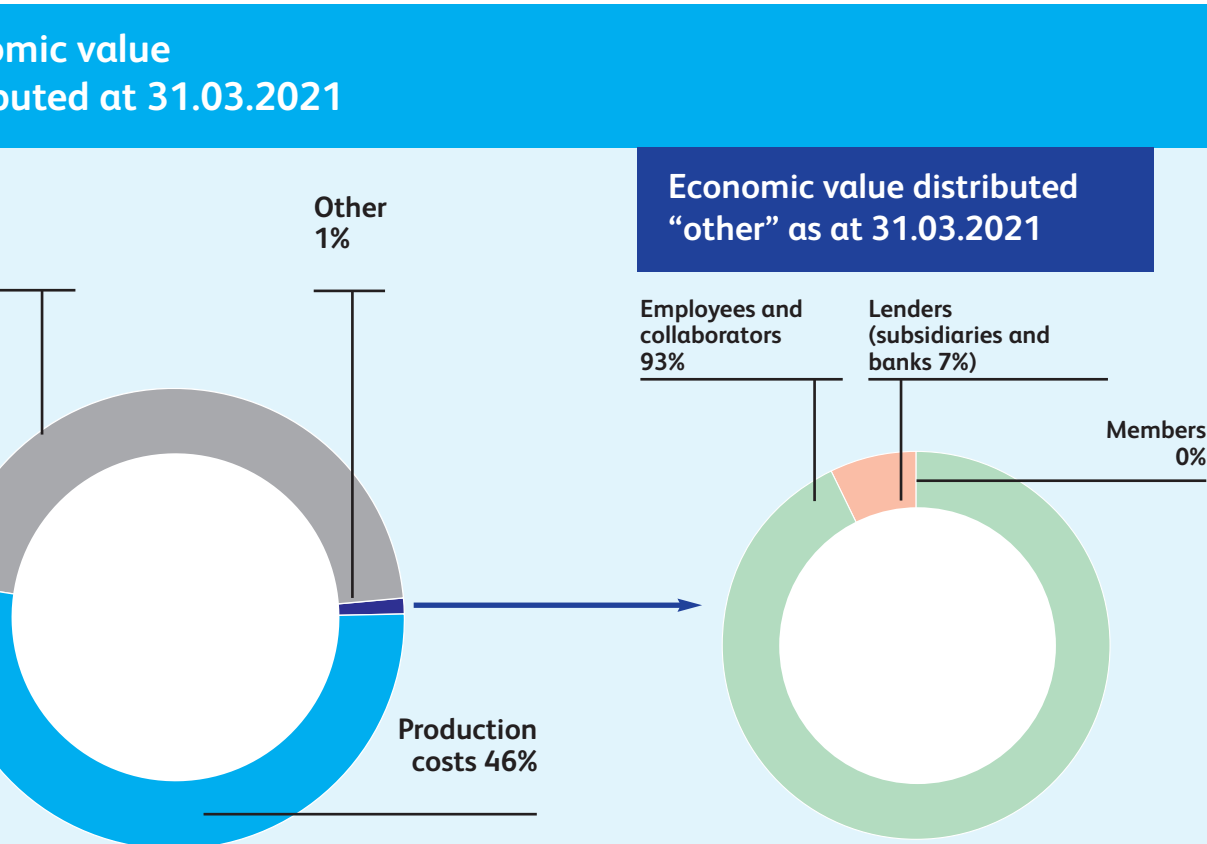


DIRECT ECONOMIC VALUE GENERATED AND DISTRIBUTED

Through the performance of its activities, Q8 contributes to the development of the economic and social fabric of the territory in which it operates. The Organization’s ability to create wealth while ensuring cost-effective management and sharing it with those who contribute to its work can be enhanced through the measurement of economic value that is directly generated and distributed, defined by the GRI Sustainability Reporting Standards. The methodology provides for a reclassification of the Income Statement, highlighting the economic effects produced by business management on the main categories of stakeholders.

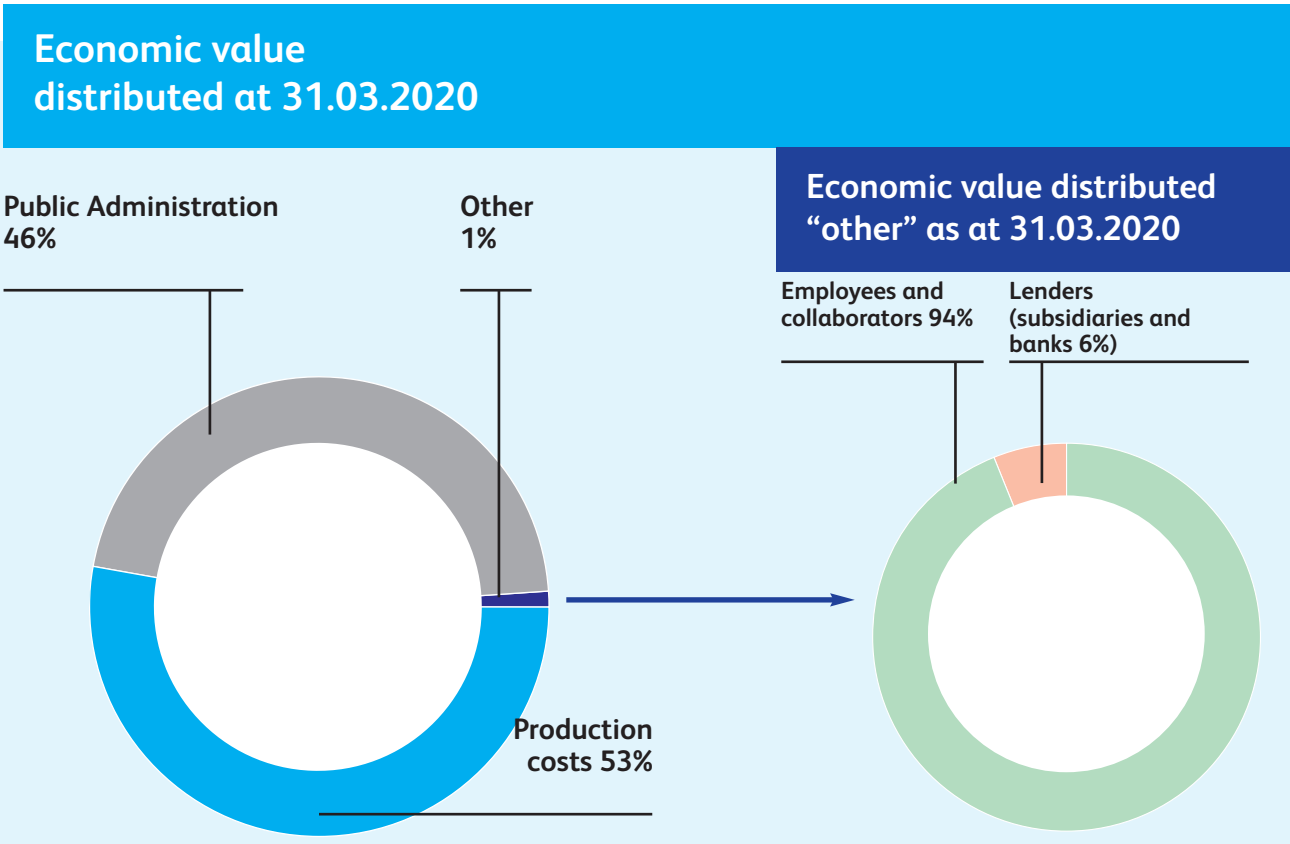
In the 2020/2021 fiscal year, due to the protracted crisis caused by the Covid-19 pandemic, Q8 generated an economic value of €8.1 billion, a significant decrease of 28 % compared to the previous year. The main impacts are attributable to the lower revenues realised throughout the year as a result of the contraction in sales volumes and the negative effect caused by the reduction in the quantities of product in stock. With respect to the economic value distributed in the current year, by virtue of Q8’s constant commitment to the area in which it operates, it is slightly higher than the value generated (+0.4 %) and, consequently, the value retained by the Company is negative.

The following table shows how the economic value was distributed by Q8:



An analysis of the economic value generated and distributed by Q8 during 2021 highlights that:

- **Production costs** account for 46 % of the value generated by the Company in 2021, down 7 % from the previous year. All the items relating to the core business are included in the production costs.
- 53 % of the economic value generated by the company was distributed to the public administration, almost all of which in excise duties.
- Within the heading “Other” item (1 %), the following items are included:
 - value distributed to employees and collaborators, is 93 % in line with last year;
 - the value distributed to subsidiaries and banking institutions is 7 % in line with the previous year;
 - during the year, due to the current circumstances, no share of the economic value generated was distributed to the sole shareholder.



INNOVATION AND DIGITAL TRANSFORMATION

At Q8, innovation and research are essential activities for the development of existing products and services, the creation of new ones and the enhancement of both the efficiency and effectiveness of all company activities.

Innovation has always distinguished Q8 in the Italian market.

The first, among all sector companies, to launch a format of fully automated stations, the Q8easy, which today has reached a widespread availability and a particular appreciation by users. Original in the approach to the loyalty programs and the customer loyalty management, pioneer in investing in the technology for digital payments.

At present, innovation cannot be divorced from entering the world of digital transformation: learning to exploit the full potential offered by digital technologies and making profound changes to activities, processes, skills and the business model itself.

This is why digital transformation is a cornerstone of the Company's market strategy.

In order to pursue this objective, the Company has devised a roadmap aimed at developing a wide range of initiatives linked by the common thread of innovation in an organic and coordinated manner.

An "agile" methodology was chosen for the management of the project, characterised by the ability to respond quickly even to unplanned aspects, seizing the opportunities that emerge in the environment in which one operates. Cross-functional work teams with specific objectives have been identified and divided into "agile work rooms" in accordance with the approach.



Digital Transformation Roadmap



ADVANCING A DIGITAL CULTURE AT 360°

Digital transformation involves the entire organisation at all levels, starting with the workforce, whose digital skills were mapped through an online survey covering various areas, including those not strictly related to their role within the company.

The results identified several digital competence profiles. Those who distinguished themselves with excellent results were named "Ambassadors" and are supporting, together with ongoing specific training programmes, the dissemination of digital culture in the Company.

In addition, in March 2021, each employee participated in an online survey in the field of cybersecurity and, depending on the results achieved, a subsequent ad hoc training course was set up.

All company processes have also been assessed from the perspective of digital transformation to increase their effectiveness and performance, but also to improve the quality of work and reduce the environmental impact related to the consumption of paper and, overall, to CO₂. Examples of this are the new Workday portal for the management of all HR processes and Sap Ariba for the appraisal and qualification of suppliers, as well as the management of tenders and subsequent contractualisation.

DIGITAL SKILLS MAPPED

DIGITAL PAYMENTS

BLOCKCHAIN

E-COMMERCE

SOCIAL NETWORKS

APP AND NEW SERVICES

MODERN WORKPLACE TRENDS

OFFICE 365

ADVANCED PRODUCTIVITY TOOLS

CUSTOMER EXPERIENCE



Great success also for the dematerialization of the Company's contractual processes: by digitizing the exchange of documents, there is a significant decrease in paper consumption and a reduction in the number of people traveling during the various stages of negotiation and signing of agreements, with a consequent reduction also in terms of CO₂ emissions.

A prerequisite for digital transformation is the ability to collect and analyse in real time all the information generated by the many devices that surround us. A major upgrade to the company's Data Center has allowed to increase its computing capacity and to reduce energy consumption by more than 20 % per year.

The Q8 network is also modern and always connected: plants equipped with the innovative and equipped "Virtual Host" infrastructure for the complete virtualization and remote management of all the control systems of the proprietary service stations. Monitoring the behaviour of fore-court equipment remotely maintains high quality standards of customer-focused services, to whom multiple touchpoints are dedicated in-store.

It is the customer, in fact, who deserves particular attention in this digital transformation process. A real roadmap to consolidate and make the relationship with the customer more and more interactive and personalized, in order to be able to satisfy and, if possible, anticipate their needs, thanks to the use of state-of-the-art technologies such as advanced analytics and artificial intelligence for predictive data analysis.

ClubQ8 customers are provided with an experience that is unique in the sector: on Q8easy systems, customers use the mobile app to select and unlock the pump they wish to fill up at and proceed to dispense fuel by simply lifting the dispenser. On completion of the transaction they receive an electronic receipt, thus saving paper. Limiting the time spent out of the car and contact with the facilities has been particularly appreciated in this pandemic period.

Innovation
is a
fundamental
part
of our culture



ADVANCED SERVICES FOR DIGITAL PAYMENTS

Q8 has continued to innovate and research solutions aimed at developing product-related customer services from a digital perspective. CartissimaQ8 is an important example of this, as the entirely digital Q8 B2B fuel card is designed to make the monitoring and management of company fleet refuelling simpler and more secure. The "digitally integrated" nature of the service is complemented by the CartissimaQ8 app which, in conjunction with the renewed CartissimaWeb portal, allows access to all the digital services offered by this integrated system, in an autonomous, secure and above all user-friendly manner. Through the website and app, the client can monitor in real time its fleet, change settings, make digital payments, survey vehicles and drivers and enjoy many other related services.



A similar all-digital solution has been developed for Recard, the prepaid fuel card for B2B customers. The card provides online management services ranging from employee/driver registration to credit allocation as well as the ability to use credits by issuing payment codes. A virtualised fuel card allows, among other things, lower consumption of raw materials and higher customer satisfaction.



ENABLER FOR THE ENERGY TRANSITION

WORLD'S FIRST
GRAPHENE-BASED ASPHALT
SERVICE STATION

ITALY'S FIRST MOTORWAY FAST
RECHARGE STATIONS

2.000

SAMPLES/YEAR
OF PRODUCT
ANALYZED

OVER
8.500

ANALYSES/YEAR
IN LABORATORIES

75%

REFINED PRODUCTS
IN EUROPE, OF
WHICH 62% ITALIAN

6,7%

BIOFUELS IN
DIESEL FUEL

OVER
3.000

SUPPLIERS OF GOODS
AND SERVICES, OF
WHICH 97% ITALIAN

200

RETAILS NETWORK
PHOTOVOLTAIC
SYSTEM ON
CANOPIES

215

LPG
STATIONS

32

METHANE
STATIONS

SUSTAINABLE SUPPLY CHAIN

In line with the ethical and legal principles that characterise the conduct of its own business, Q8 requires its suppliers to adopt and respect the highest standards of quality and sustainability throughout the supply chain.

Specifically, Q8's procurement activities involve three macro areas:

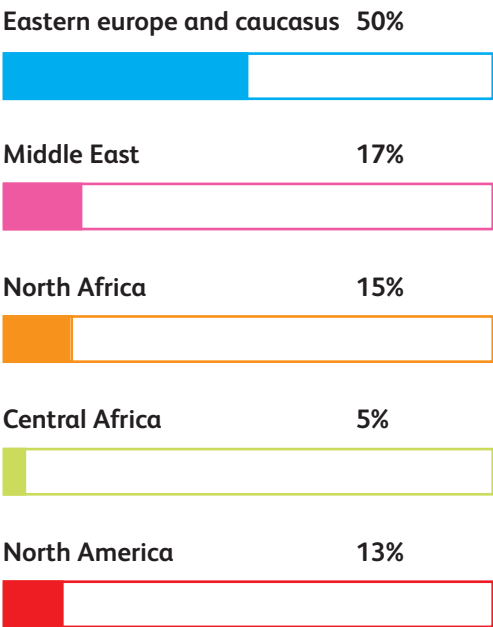
- ▶ CRUDE OIL
- ▶ REFINED PRODUCTS
- ▶ GOODS AND SERVICES

CRUDE OIL

Crude oil is purchased for processing at the Milazzo refinery through the Kuwait Petroleum Corporation, which operates in name and on behalf of Q8 itself. The demand for crude oil (quantity and type) is determined by the operating structures in Italy and traded on the international market in full compliance with the highest standards of supplier selection. Q8 buys crude oil from different geographical areas.

The following table illustrates the origin of the crude oil processed for the year 2020/2021.

Area of the provenance of the crude oil



REFINED PRODUCTS

To meet its own needs, Q8 also purchases refined petrol and diesel from international majors. In particular, in 2020 it purchased 25 % of finished products from non-European suppliers and 75 % from European suppliers, 62 % of which were Italian. .

Origin of refined products (2020/2021)

EXTRA-EUROPEAN SUPPLIERS

25%



EUROPEAN SUPPLIERS

75%



of which 62% are Italian

QUALITY OF PRODUCTS

Q8 rigorously verifies the compliance of its products with national and international technical specifications in order to ensure compliance with regulations and to allow the correct operation of the engines that use them. To this end, the Company consistently deploys its staff and considerable resources in carrying out the following activities:

- participation in national and international technical expert round tables in order to be constantly updated on the latest news in the sector and to timely manage regulatory changes in the short, medium and long term;
- prevention, through ad hoc campaigns, aimed at monitoring the quality of products in depots and owned and third parties service stations;
- effective corrective actions in the case of non-compliance, identifying causes and solutions.

These activities significantly improve product characteristics with respect to the legally required threshold in order to provide "performance" versions of the products, subject to additional controls to guarantee their high performance. Examples include the Q8 Hi Perform Diesel, which allows for less fuel consumption of up to 5 % and Q8 Hi Perform 100 Octans gasoline. For all products marketed by Q8, the relevant safety sheets are available and constantly updated, in accordance with EU Regulations No. 1907/2006 (REACH) and No.1272/2008 (CLP).

In order to ensure the quality of its products, Q8 analyses about 2000 product samples each year and conducts over 8.500 laboratory analyses.

As a producer and seller of biofuels on national and European territory, Q8 is also certified according to the criteria provided by the Italian National Sustainability Certification System and the 2BSvs Voluntary Scheme.



GOODS AND SERVICES

ITALIAN
SUPPLIERS

97%



OTHER

3%



Q8 also adopts a management model for the procurement of goods and services based on the involvement and responsibility of its suppliers. Suppliers, in particular, are invited to enroll in a dedicated Register and to review not only the legally required documentation but also the Company's Code of Ethics.

For Q8, supplier assessments are of strategic importance for the creation and distribution of value throughout the supply chain. In 2020/21 the Company's suppliers were over 3,200, almost all of them local (97 %).

Selecting suppliers who are reliable partners is also crucial to achieving the company's objectives, such as business continuity, maintaining certifications and managing any potential impact, also reputational, deriving from relations with third parties.

In the screening and selection process, sustainability aspects are thoroughly assessed. As part of the sustainability rating, the analysis focuses on the extent to which the supplier complies with the basic principles of social, environmental and economic sustainability.

Together with
our suppliers
for sustainability

SUPPLIER EVALUATION BASED ON ENVIRONMENTAL CRITERIA

The suppliers are evaluated according to any environmental certifications held for the following international standards:

- UNI EN ISO 9001:2015 for the Management System Quality
- UNI EN ISO 14001:2015 for the Management System Environmental
- UNI EN ISO 50001:2018 for the efficiency Management System Energy

In addition to the certification request, part of the evaluation is based on eligibility criteria. In particular, the supplier is evaluated on the basis of the following parameters:

- adoption of organizational guidelines on sustainability issues; monitoring of environmental impacts;
- presence of specific policies aimed at minimizing environmental impact; sustainable purchasing policies for energy services;
- provision of "green procurement" training for the purchasing function; offer of products or services defined as sustainable with their characteristics.

SUPPLIER EVALUATION BASED ON SOCIAL CRITERIA

The assessment of social criteria involves requesting any UNI EN ISO 45001 certification for Occupational Health and Safety Management Systems, UNI EN ISO 27001 for Information Security and SA 8000 for Social Responsibility. In addition, suppliers must explicitly provide information on the following areas:

- adoption of a code of ethics;
- human rights protection policies;
- volunteer campaigns or philanthropic activities that have engaged the company; modalities of involvement of its stakeholders;
- training activities aimed at the development and enhancement of its employees.

The acquisition of information from potential suppliers relating to sustainability and the supply chain is managed through the use of a new procurement tool called SAP Ariba, fully operative from May 2020, which enables an integrated assessment.

EXAMPLES OF SUPPLIERS AND THEIR SUSTAINABILITY

The supplier of tyres for the Aviation depots adheres to the EcoTyre consortium for the collection of end-of-life tyres (ELTs) and their recycling in two ways: the recovery of raw materials (up to 70 % of the weight in rubber, 20 % in steel and 10 % in textile fibres) and the recovery of energy through the use of ELTs as fuel in cement works, waste-to-energy plants or other similar facilities.

The logistics service provider for the promotional campaign uses environmentally friendly means for delivery.

The call center vendor has implemented measures to save and reduce energy consumption in the workplace.

The advertising materials used by Q8 for in-store communication and brand promotion are produced using renewable energy.

The selected supplier for car wash services uses more than 50 % of renewable energy in its production process.

Eliminate paper consumption by choosing subscriptions to exclusively digital magazines and newspapers.

In the office canteen in Rome, the supplier adopts the following measures: management of deliveries using low-emission vehicles and, compatibly with the requirements imposed by Covid-19, elimination of the use of plastic; use of environmentally friendly cleaning products; procurement of meat only from producers certified on animal welfare activities; planning of orders to reduce food waste.

The washing of uniforms in the aviation depots is carried out by a supplier with an ISO 14001 certified process that has adopted responsible water consumption measures.

OUR ENERGY CONSUMPTION

In order to minimise the environmental impact of its operations, Q8 is committed to reducing energy consumption for both its operating sites and retail outlets. As evidence of its commitment to the continuous improvement of its environmental performance, Q8 has adopted an Environmental Management System that complies with the UNI EN ISO 14001 standard, which requires the identification of objectives and targets for energy efficiency and reduction of emissions. With the aim of communicating to stakeholders the greenhouse gas emissions generated by Q8's operations in total transparency, the Company has decided to carry out a Carbon Footprint of its Organisation in compliance with the main reference standards and protocols (UNI EN ISO 14064-1, GHG Protocol) for the fiscal year 2020-2021, in order to calculate the inventory of GHG emissions/removals.

The Carbon Footprint allows to:

- identify and control the emissions of climate-altering gases identified, increasing understanding and consequently management capacity;
- support the development and implementation of projects, initiatives and programs for reducing and reducing climate-altering emissions;
- for emissions that are hard to decarbonise, to progressively start offsetting residual CO₂ emissions.

ENERGY CONSUMPTION OF THE COMPANY (GJ)			
	01.04.2020 31.03.2021	01.04.2019 31.03.2020 ¹	DELTA
Electricity	197.319	220.549	-11%
Of which green electricity	120.180	-	
Of which self-produced and supplied to the grid	6.587	2.490	164%
Diesel (Corporate Cars)	10.573	11.021	-4%
Diesel (Avio provides)	571	-	-
Diesel (Naples Depot)	587	499	18%
Petrol (Avio Corporate Cars)	12	23	-50%
Fuel oil	55.277	57.444	-4%
Gas naturale	324	1.333	-76%
Totale	264.663	290.868	-9%

¹ 1Due to the finalization of the collection and calculation process, the data for 2019/2020 have been restated from those published in the 2019 Report. For previously published data, please refer to the 2019/2020 Report.

In 2020/2021, the Group consumed a total of 264.663 GJ² of energy. The largest share, over 74,6 %, derives from electricity consumption. The remaining part, about 20,9 %, from the consumption of fuel oil used for the production of functional steam to the production processes in the Naples Depot. Approximately 4,2 % of diesel comes from the company fleet and from the avio re-suppliers and finally, about 0,1 % from the natural gas used for heating and hot water and about 0,2 % of diesel used in the Naples Depot.

Notably, solar photovoltaic capacity has been installed at some of the points of sale, which generated and supplied to the grid a total of 6,587 GJ of electricity, a steep increase compared to the 2,490 GJ produced in 2019/2020.

In view of the fact that a very significant part of the emissions comes from the consumption of electricity, Q8 has begun process aimed at supplying premises and depots with green energy. Green energy is energy produced from renewable sources and is supplied to Q8 headquarters and certified with Guarantees of Origin (GO certification was provided for by European Directives on renewables that, since 2001, have been transposed into national law. These are certificates issued in Italy by the GSE-Gestore Servizi Energetici, the national Energy Services Manager, which certifies that the electricity consumed derives from renewable sources).

On the basis of the above mentioned consumptions and of the losses of climate-altering fluids from the refrigeration units present in the buildings, the Company generates emissions for a total³ of 15.469 tCO₂eq, a decrease of 55 % compared to the previous year.

We use
energy
from
renewable
sources



² For the calculation of consumption, the conversion factors used are those reported in the 2018 ABI guidelines and are:

- For natural gas equal to 0.0353 GJ/Sm³ - For electricity equal to 0.0036 GJ/kwh
- For gasoline equal to 42.817 GJ/ton
- For diesel 42.877 GJ/tons - for fuel oil 41.007 GJ/tons

³ For the purpose of the total emissions calculation, Scope 1 and Scope 2 emissions have been taken into account according to the market-based approach.

EMISSIONI [tCO ₂ eq]			
	01.04.2020 31.03.2021	01.04.2019 31.03.2020	DELTA
SCOPE 1			
Diesel fuel (Naples Depot)	44	38	18%
Gas naturale	19	79	-76%
Fuel oil	4.342	4506	-4%
Refrigerating gasses fugitive emission	57	57	0%
Diesel (corporate cars)	978	796	23%
Diesel (avio provides)	43	-	-
Benzina (avio corporate cars)	1	2	-57%
SCOPE 2 ⁴			
Location-based electricity	14.338	19.165	-25%
Market-based electricity	9.985	29.256	-68%

The emissions generated are divided into:

SCOPE 1⁵

Emissions from sources directly controlled by Q8 such as fuels used to power the company's fleet;

SCOPE 2⁶

Emissions from sources not directly controlled by Q8 and associated with power generation. The GRI Sustainability Reporting Standards provide two methodologies for calculating these emissions:

- “Location-based” - based on average emission factors related to energy generation for well-defined geographical boundaries, including local, subnational or national boundaries.
- Market-based - based on CO₂ emissions issued by the energy suppliers from which the Company buys, through a contract, electricity. It can be calculated considering: certificates of Guarantee of Energy Origin and direct contracts with suppliers, supplier-specific emission factors, emission factors related to the “residual mix”, i.e. energy and emissions unmonitored or unclaimed.

⁴ Scope 2 emissions are expressed in tons of CO₂, but it is specified that the percentage of methane and nitrous oxide has a negligible effect on total greenhouse gas (CO₂ equivalent) emissions as inferred from the referenced technical literature.

⁶ For the calculation of Scope 2 emissions, the usable factors are those published by ISPRA referring to the year 2020 for Scope 2 "Location-based" while for Scope 2 "Market-based" those published by AIB (Association of Issuing Bodies) in 2019.

ENERGY CONSUMPTIONS AND EMISSIONS OF DEPOTS AND Q8 HEADQUARTERS

The energy consumption attributable to the head office and the depots, as of 31 March 2021, is mainly comprised of electricity consumption; next is fuel oil and fuel for the company fleet and, lastly, the consumption of natural gas for heating, for a total of 67.344 GJ, a decrease of 8 % compared to the previous year.

Energy consumption generates a total emission quantity of 8.284 tCO₂eq, a decrease of 39 % compared to the previous year.

Scope 1 and scope 2 emissions were taken into account for the total emission calculation according to the Market-based approach.

	01.04.2020 31.03.2021	01.04.2019 31.03.2020	
	[tCO ₂ eq]	[tCO ₂ eq]	DELTA
EMISSIONI SCOPE 1			
Diesel fuel (Naples Depot)	44	38	18%
Natural gas	19	79	-76%
Fuel oil	4.342	4.505	-4%
Refrigerating gasses fugitive emission	57	57	0%
Diesel (Corporate Cars)	978	796	23%
Diesel (Avio suppliers)	43	-	-
Petrol (Avio Corporate Cars)	1	2	-47%
	[tCO ₂ eq]	[tCO ₂ eq]	DELTA
EMISSIONI SCOPE 2			
Location-Based	3.645	5.365	-32%
Market-Based	2.799	8.190	-66%

INITIATIVES TO REDUCE ENVIRONMENTAL IMPACT

DEPOTS AND LOGISTICS

INCREASE IN CARGO SIZE FOR PRODUCT DELIVERIES TO THE NAPLES DEPOT

Starting in 2019, the initiative has increased the cargo size of diesel deliveries to the Naples depot. Thanks to this project, Q8 is able to purchase cargo sizes 2 to 3 times larger than the 30KT size previously used. The initiative has a positive environmental impact in view of the reduction in emissions caused by the lower number of vessel trips and the characteristics of the vessels themselves. In addition to the estimated saving of CO₂ equivalent of 1000t for the period July 2019 to August 2020, savings for the period April 2020 to March 2021 can be estimated at a further 1700t of CO₂ equivalent compared to the 30KT cargo size, based on the nautical miles travelled and the tonnage of the vessels used.



PROJECT FOR THE CONSTRUCTION OF A SOLAR PARK AT THE NAPLES DEPOT

The Company has filed the application for the installation of a solar photovoltaic system at the headquarters of the Business Centre in Naples. An estimation of the emissions avoided shows that this intervention, during its useful life, will yield savings of approximately 18 tons and will avoid releasing 111.3 tons of CO₂ into the atmosphere.

CROSS PURCHASES & SALES

Q8 has set itself the objective of developing the so-called Cross purchases & Sales - that is, the trading relationships with the Oil Companies operating in the Italian market - with the aim of minimizing the distance between the supply site, refinery or oil depots, and the final destination of the product, for example, the service station. This allows the improvement of supply schemes, optimizing the territorial coverage of the supply sites, and, above all, to reduce the consumption linked to the transport of the fuels to the final destination and consequently the CO₂ emissions and the congestion of the road networks. Thanks to this initiative, it is estimated that in 2021 the journeys made by more than 70.000 cars will be reduced, with a predictable positive effect on road and the environment.

OPTIMIZING PRODUCT TRANSFER ON THE MUGGIA-VISCO PIPELINE

The increase in the pipeline's gasoline and diesel transfer rates, implemented as of 2019, results in a reduction in transfer times and consequent savings in electricity, thus generating significant environmental benefits. The savings in terms of electricity per transfer are 460 KWh for diesel and 554 KWh for petrol.

BIOFUELS

By 2021, the mixing of biofuels in the gas at storage depots was significantly increased, from 5,95 % in the 2019/20 period to 6,77 % in the year (the limit imposed by the regulations does not allow to exceed 7 %). A project has been launched to identify investment opportunities in the production chain of sustainable biofuels, i.e. biomethane, bio LNG and other bioliquids. Research and development activities are under way to identify special fuels that will allow better performance and reduction of consumption. In January 2021, the company successfully completed the production of a batch of high-octane gasoline with which to prepare Q8 Hi Perform 100 Octane performance gasoline. The product is characterised by a high proportion of organic components and savings in terms of CO₂ emissions, compared to fully fossil fuel, of around 10 % over the life of the new petrol.



INITIATIVES FOR THE REDUCTION OF CONSUMPTIONS AND EMISSIONS

HEADQUARTERS

The main office building in Rome Eur is involved in a major renovation that will provide the corporate staff with an innovative, state-of-the-art building.

Throughout 2020, to allow the works to proceed, the offices have been relocated to another building also in the Eur area, south of Rome.

The current location, although temporary, has been equipped with all the necessary measures to limit its impact. Solar panels have been installed on the building to generate hot water for the bathrooms.

PLASTIC FREE

Q8, with the aim of obtaining the "Plastic Free" certification, has embarked on a path aimed at replacing disposable plastic with articles made of 100 % vegetable or bio-acceptable materials. Compatible with the current situation and the necessary hygiene precautions for the Covid-19 pandemic, drinks for the free supply of hot, cold, ambient and aerated water have been installed and distributed free of charge to all employees, bottles and cups personalized with company logo.

EMPLOYEES SHUTTLE

The shuttle service improves the efficiency of corporate mobility by providing support to employees for travel in the area that connects Rome's office with the nearest metro station (EUR Magliana). Q8 is aware that the adoption of sustainable mobility solutions not only strengthens corporate welfare, substantially affecting the quality of life of employees, but also generates considerable environmental benefit by disincentivising the use of personal means of transport in favour of collective transport services. The service is provided by comfortable GT buses of no less than Euro 5 class to ensure better environmental performance.

ELECTRIC CAR SHARING



As a demonstration of Q8's commitment and sensitivity to environmental protection and the development of new models of sustainable mobility, in 2019 the Company introduced "Q8 Electro", the innovative electric car-sharing service available to all employees of the Rome office. An electric car that can be used every day of the week, including weekends, and booked through a dedicated booking service available on the company intranet. Respect for the environment and welfare are the principles behind this initiative.

ENERGY CONSUMPTION AND EMISSIONS OF SECONDARY TRANSPORT

Creating an environmentally conscious supply chain also helps to generate a positive impact on core business activities. To this end, the emissions⁷ generated by tanker trucks transporting fuel to service stations and by the transport of fuel oil by sea working on behalf of Q8 for the secondary transport of product from depots to points of sale are monitored.

The emissions related to following category:

SCOPE 3

Indirect emissions from other sources not directly controlled by Q8. These are the result of the activities of an organisation, but come from sources that are not owned or controlled by the company, such as the transport and distribution of products down the value chain. The emissions generated⁸ were 26.866 tCO₂eq in 2020/2021.

Secondary transport emissions (tCO ₂ eq)			
	01.04.2020 31.03.2021	01.04.2019 31.03.2020	DELTA
Emissions from transport road fuels	12.738	18.581	-31%
Sea vessels shipped to marine terminal	14.148	-	-

⁷ by virtue of the improvement of the collection and calculation process, the figure 20/21 also includes emissions from the transport of fuel by ship, in addition to road transport.

⁸ the coefficients of the UK Government GHG Conversion factors for Company Reporting for 19/20 and 20/21 were used to calculate scope 3 emissions.

INITIATIVES TO REDUCE ENVIRONMENTAL IMPACT

SECONDARY TRANSPORT

MONITORING OF K/K INDEX

Q8 developed the so-called k/k index, an efficiency indicator to monitor the ratio between the km travelled by the trucks and the quantity of product transported. The reduction in the k/k ratio has positive effects on the environment, since the consumption of diesel fuel for the transport of fuels is reduced thereby reducing CO₂ emissions. It should also be noted that, thanks to the reduction in heavy traffic on the roads traveled by the buses, the impact of logistics on the reference territory is reduced, improving the quality of life of the local operation.

DIGITIZING DOCUMENTS

Thanks to the app specifically developed for Q8 and to the equipment to each driver of a tablet, it is possible to receive and digitally complete the documents relating to the journeys of the vehicles for the delivery of the fuels. With this innovation, the company estimates an expected saving of approximately 800.000 A4 sheets of paper per year. Moreover, thanks to the electronic control system of the vehicles installed on each of the means that works for the Company, Q8 is able to receive on its own system the data of unloading of the vehicles directly from the electronic heads of the means. This allows the Company to proceed with the closure of the trips and the consequent invoicing to the managers in a totally automatic and digital way.



ENERGY CONSUMPTIONS AND EMISSIONS OF THE RETAIL NETWORK

The energy consumption for the period 2020/2021 of the services stations directly managed by the Group is mostly comprised of electricity purchased, amounting to 55.513 GJ. Considering the purchase of electricity from renewable sources, whose share is 91.645 GJ, and the electricity produced and supplied on the grid by photovoltaic plants present in some outlets, the total energy consumption is 140.572 GJ.

Retail consumption (GJ)			
	01.04.2020 31.03.2021	01.04.2019 31.03.2020	DELTA
Electricity purchased	55.513	159.509	-65%
Electricity purchased from renewable sources	91.645	-	-
Self-produced electricity and entered into the grid	6.587	2.490	164%
Total electricity consumption	140.572	157.018	-10%

At the service stations, the main emissions generated are scope 2. These are equal to 10.693 tons of CO₂ equivalent according to the Location-based approach, or 7.186 tons of CO₂ while in terms of the Market-based approach.

Retail emissions (tCO ₂ eq)			
EMISSION-SCOPE 2	01.04.2020 31.03.2021	01.04.2019 31.03.2020	DELTA
	[tCO ₂ eq]	[tCO ₂ eq]	
Location-Based	10.693	13.800	-23%
Market-Based	7.186	21.067	-66%

INITIATIVES TO REDUCE ENVIRONMENTAL IMPACT

RETAIL NETWORK

PROJECT CRE8 - CREATING THE STATION OF THE FUTURE

The project is aimed at developing a network for alternative fuels such as methane (both liquid and gaseous) and electricity, and has obtained the important recognition of the European Union through the allocation of funds for the construction of new infrastructures for alternative fuels and electric recharging along the main European roads. The service stations that are part of the CRE8 project represent a model of excellence in terms of sustainable mobility, with a multi-product offer that combines innovation, customer care and environmental protection.



Z.E.R.O. PROJECT

The project “Z.E.R.O.” (Zero Emission Retail Outlet), was founded in 2011 with the aim of fully abating the quantity of CO₂ introduced into the atmosphere of 75 Q8easy service stations, thus eliminating their carbon footprint. This result is achieved through the adoption of energy efficient solutions, the use of the state-of-the-art construction technologies, the installation of photovoltaic panels and the purchase of CO₂ credits to compensate for any residual emissions. To compensate for residual emissions, Q8 has chosen to buy CO₂ credits through reforestation projects carried out in collaboration with the company AzzerOCO₂, contributing to the planting of around 35,000 new trees across Italy. For 46 points of sale, the zero emissions certification is still valid.





PHOTOVOLTAIC SYSTEMS ON CANOPIES

During the year, the number of photovoltaic systems already installed on the canopies of over 200 plants was increased by a further 11 systems. In particular, the largest photovoltaic system in the Q8 network was built at the Paderno Dugnano (MI) point of sale, with an installed power of 70 kW. The sum of the powers of the 11 new plants alone is 257 kW, which will produce approximately 250,000 kWh/year. Of the more than 200 photovoltaic systems installed, 100 (more than 1MW of installed power) are covered by the GSE energy account, which provides an incentive tariff for photovoltaic production for 20 years.

ENERGY EFFICIENCY PROJECT

A relighting project applied to all directly operated facilities with the aim of reducing electricity consumption by more than 30 %. The project includes, among other things, the installation of LED spotlights equipped with presence sensors capable of modifying the luminous flux and, consequently, the electrical power according to the presence of customers in the yard based on the presence of customers in the forecourt. The project has already been implemented on the first 125 systems with a saving of around 2 GWh/year and 600 tonnes of CO₂ avoided and will be extended next year to a further 600 with an expected saving of over 7 GWh/year and over 2,000 tonnes of CO₂ avoided.



**IMQ QUALITY MARK
AND INSPECTION
CHECKS**

Q8 retail outlets are the first to obtain certification by IMQ, a leading Italian body in the field of conformity assessment and certification of products and quality and business management systems. In addition to the checks provided for by the regulations, IMQ also carries out inspections on the correct maintenance of the point of sale, checking the operation of the equipment, vapour recovery and dispenser gauges. This activity is also certified and communicated to customers.

AGREEMENT WITH ENEL X FOR ELECTRIC CHARGING POSTS

The commitment to more sustainable mobility is a strategic objective that Q8 also pursues through successful partnerships with important companies active in the energy transition. An example of this is the agreement signed with Enel X, a leading player in the electricity market. A collaboration that provides for the installation of 30 juice-Pump (Fast charge) 50kW electric charging infrastructures at Q8 service stations located on both ordinary and motorway networks. The result of this agreement is the installation of the first fast motorway loading column in Italy, built at the service area Q8 in Rho Sud. In 2021 the partnership was enriched, involving Porsche Italia and planning the installation of a further 20 High Power Charging (ultrafast) 300kW charging stations, able to recharge the batteries of electric cars in a few minutes. For many of the plants, two columns are installed, each one capable of serving two charging stalls, one of which is served by Porsche customers. An initiative that fully reflects Q8's desire to offer its customers innovative services in order to satisfy their diverse needs relating to sustainable transport.



WORLD'S FIRST ASPHALT PLANT
GRAPHENE ASPHALT

Gipave, an innovative material containing G+ Graphene Plus, a specific type of recycled plastic specially selected and a functional base studied by Iterchimica, was used for the flooring of the Rome plant on Via Ardeatina. Thanks to the use of the Rome plant alone, it has been possible to recover 1 tonne of recycled plastic that would otherwise have been destined for waste-to-energy. Thanks to the lack of incineration, a saving of about 82 kg of CO₂eq has been estimated. The use of graphene also brings further environmental benefits compared to traditional flooring, as it can reduce Co₂eq emissions by up to 70 %.



“SVOLTA”, Q8’S NEW CONCEPT STORE

Digitalisation and sustainability are at the forefront of this new concept store: in addition to a tablet available to customers with useful and innovative services that provide access to the Q8 world and partner offers, the Svolta concept stores use sustainable materials for furnishings such as eco-friendly conclud, ecological poplar chipboard produced in Italy and 100 % recyclable PVC. They also use the latest generation of air conditioning machines with low energy consumption and LED lighting with high quality technological fixtures. The products of the partners and suppliers of the products available in the shop are also sustainable (e.g. certified cellulose, recyclable packaging, coffee pods).



KIOSKS IN BIO-BUILDING

The first test application of this technology was carried out at the Q8 point of sale in Filago (BG) with the aim of extending the application to a large number of plants. A green building, constructed entirely of wood, with a low environmental impact both in terms of energy and CO₂ production. The building's energy performance certificate places it in class A3 with an annual energy consumption of 98 KWh/m² and a 12 % saving compared to a similar building made of metal. In addition, the wood used can be completely recycled, further reducing the kiosk's environmental footprint.



ADBLUE DISTRIBUTORS

In recent years, 35 Adblue dispensers have been installed in the sales network. Adblue is an additive that contributes to the reduction of nitrogen oxide emissions, which has a positive impact on the environment. In addition, the decision to install Adblue dispensers encourages refuelling of the additive in bulk, with a significant reduction in plastic packaging.



PAPERLESS PROJECT

With the aim of reducing paper consumption and optimizing administrative flows, over the last few years Q8 has implemented innovative “paperless” initiatives, not only in its offices, but also in the management of its sales network. By way of example, one of the latest developments in the digitization of communications has resulted in the elimination of around 43.000 paper documents per year.

INNOVATIVE AND ENVIRONMENTALLY FRIENDLY REMEDIATION SYSTEMS

Q8's ethical and social responsibility is also demonstrated by its decision to become a shareholder of Mares, a company that deals with environmental reclamation so that, once sales outlets have been decommissioned or where the need arises, action can be taken quickly to restore the state of the sites. Here, too, the focus on innovation is crucial, with exclusive patents and innovative remediation technologies. Increasingly sustainable technologies, which make it possible to reclaim land directly on site, thus avoiding the need to dump polluted soil. The EKOGRID and MPCD-Di-sgreco patents also minimise the consumption of energy and natural resources, as well as the production of emissions, discharges and waste.

R3 – WASTE RECOVERY NETWORK

For the disposal of land from the construction sites of restructuring and dismantling of its retail network, Q8 has identified 21 disposal plants located throughout the country that are able to treat the soil removed with innovative recovery processes (e.g. soil-washing, landfarming and bio-piling).

In addition, the well spread network of disposal facilities has enabled the average kilometer of heavy goods vehicles to be reduced by 40 % each year to transport land from production sites to destination sites , resulting in a reduction in tCO₂ emissions.



PEOPLE ENHANCEMENT

CUSTOMER AT THE CENTER

MANAGERS AND
PROFESSIONALISM

710
EMPLOYEES

95%
EMPLOYEES
WITH PERMANENT
CONTRACT



+12%
OF WOMEN COMPARED
TO THE SECTOR

ZERO EMPLOYEE
INJURY

PEOPLE CARE
AND WELLBEING
POLICIES FOR
EMPLOYEES

SUPPORT FOR
THE TERRITORY
AND THE
COMMUNITY

THE CUSTOMER AT THE CENTER

Q8 considers the role of the customer to be central and is committed to responding adequately and effectively to its diverse needs and, for this reason, it has implemented mass customization strategies that make it possible to tailor the offer to each type of customer. Starting from an accurate analysis of consumers, Q8 realizes its activities and initiatives while remaining faithful to its values such as transparency and fairness. This results in an improvement in **the customer** value proposition, which is intended as a refinement of the offer, the way of communication and customer service.

The relationship with customers is a two-way relationship, a liaison in which there is mutual learning, and thanks to this reciprocity, it allows to increase knowledge and value. **The key element of the relationship with the customer is the communication of brand messages and values.**

The range of means of communication used by Q8 is very wide, and ranges from traditional newspapers to digital tools (app, newsletter, online survey, direct email marketing and sms). All of these activities are constantly monitored by a dedicated function and are necessary to support Q8 customers in a journey consistent with business strategies and to offer the best possible customer experience.



La customer centricity è
la nostra bussola

The social channels used for communication are mainly **Facebook, Instagram, LinkedIn** and recently **TikTok**.

The ClubQ8 enriches the relationship with the customer.

To meet the customer's multiple needs, the ClubQ8 program has been created, bringing together the offers dedicated to both the served and the Q8easy segments. Within ClubQ8, customers have the opportunity to join the StarQ8 loyalty program, participate in dedicated promotions (e.g. contests), and take advantage of digital payment tools. Ad hoc promotions allow you to receive a digital fuel discount coupon simply by downloading the App. An exclusive loyalty program is the **StarQ8 Catalogue**.

By taking part in the StarQ8 loyalty program, customers collect points that can be used to claim exciting awards. Every year, the most loyal StarQ8 customer receives Privilege status, which brings considerable advantages with Q8 and other partners in the catalogue. Many of the loyalty activities proposed and included in ClubQ8 are characterised by their environmental and social commitment.



THE CUSTOMER CENTRICITY IS OUR COMPASS

CUSTOMER SUPPORT

The relationship with the customer is also consolidated in the customer service activity dedicated to:

CONSUMER-TYPE CUSTOMERS

BUSINESS-TYPE CUSTOMERS

DEALERS AND OPERATORS OF THE SERVICE STATIONS

The main communication channel, in addition to email, is the unique toll-free number that, thanks to an interactive voice response (IVR), guides you to the specialized support group for the specific request. In addition to these activities, the requests for clarification from **the community of the ClubQ8 App**, are handled through comments on the “Apple Store” and “Play Store” stores and on a dedicated email address.

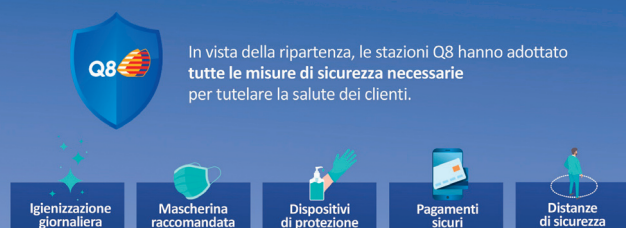
The constant attention to the customer is highlighted by market researches that are continuously conducted to monitor, among other things, **customer satisfaction**. An example of this is the Q8 call center satisfaction survey of customers and dealers who made call in October-December 2020. The satisfaction of the service offered is very high: 94 % of the customers and 96 % of the dealers are satisfied with the Q8 call center service (51 % of the customers and 23 % of the managers are extremely satisfied). The satisfaction of customers and dealers is confirmed by their loyalty and their propensity to recommend the services offered by the Q8 call center: 63 % of Q8 customers are made up of “promoters” (i.e. people who speak extremely well of the Q8 call center and would strongly recommend its use). The “promoter” among dealers are 72 %.

In a period characterized by the pandemic, Q8 has set up the service stations with hygienic columns, gloves and all necessary precautions to refuel in total safety. For the restart, at the end of the 2020 lockdown restrictions, Q8 reserved to all of its enrolled in ClubQ8 customers some specific initiatives:

- The “Restart” campaign: A promotion of discount fuel for customers;
- An initiative to support the COVID-19 hospitals which allowed customers to donate to the Francesca Rava Foundation NPH Italia of which Q8 has committed itself to double its value;
- For customers enrolled in the ClubQ8 program there are two new prizes in the catalog: An insurance policy, with compensation in case of Covid19, free for StarQ8 Privilege customers and a mask “running” to practice physical activities outdoors, in total safety;
- A free sanitizing gel for every 25 liter refill, in served mode.

INITIATIVES FOR CUSTOMERS DURING THE COVID-19 PANDEMIC

SICURI NELLA SOSTA, SICURI DI RIPARTIRE.



Con il servizio Q8 ricevi in omaggio un gel mani igienizzante e puoi attivare una polizza che indennizza in caso di Covid-19.

Star Q8



SOCIAL INITIATIVES INVOLVING CUSTOMERS

“SELF FOR ALL” INITIATIVE

Q8 has joined the Protocol of Understanding between Unem (Unione Energie per la Mobilità), FAIP Onlus (Federazione delle Associazioni Italiane delle Persone con lesione del midollo spinale) and the associations of service providers (Faib, Fegica and Figisc/Anisa). The initiative aims to eliminate obstacles and barriers to services offered on the fuel network. All drivers with disabilities can take advantage, during the opening hours of the participating stations, of the assistance of the operator at the self-service columns, thus being able to benefit from the purchase conditions envisaged for this type of sale. A network that confirms its social role in satisfying the right to sustainable mobility without discrimination.



FAI (FONDO AMBIENTE ITALIANO)

Loyalty activity dedicated to StarQ8 customers who can use star points to become members of the Italian Environment Fund (Fondo Ambiente Italiano or FAI). Q8 has received the recognition of Corporate Golden Donor for this multi-year partnership. Collaborating with FAI contributes to the development, support and enhancement of the Italian territories with positive effects on the local and regional economy. Artistic and territorial assets are recovered and protected so that they are increasingly active as levers in the cultural, social and economic contexts in which they are inserted.



FRANCESCA RAVA NPH FOUNDATION ITALY

StarQ8 customers can support the Francesca Rava Foundation using Star Points. The Foundation helps children in uncomfortable conditions, fragile women in Italy and in the world, acting at the forefront of emergencies. In Italy, it represents the international organization NPH that has been operating since 1954 in 9 countries of Latin America and the Saint Luc Foundation of Haiti. In Italy, the Foundation is at the forefront of the entire region. The main projects carried out include: the reconstruction of eight schools in Central Italy hit by the earthquake of 2016, the support to more than 700 Family Houses and Communities with health and educational programs, the support to 30 Covid hospitals in 11 areas, with equipment, volunteers and the safe birth path in the maternity units.



“SCHOOL FRIENDS” INITIATIVE

Q8 has been partner of Esselunga in the initiative “Friends of the School” in support of the Italian school – from nursery schools, to second-degree secondary schools – providing free teaching materials and digital equipment, to facilitate the return in safety to the classroom of students and teachers. With customers support Q8 has provided equipment and educational materials for schools.



ENVIRONMENTAL INITIATIVES INVOLVING CUSTOMERS



PLANT A TREE WITH TREEDOM

Treedom is the first platform in the world that allows you to plant a tree remotely and follow it online. The loyalty business is aimed at StarQ8 customers who can plant trees using StarQ8 campaign points. The new plantings contribute to the development of the local economy, to the improvement of air quality and to the protection of biodiversity. In order to witness the Company's attitude to the region in which it operates and to the community, Q8 directly supports with Treedom some specific environmental projects in some areas of the South of Italy. In Sicily, in particular, 1.000 pomegranate trees have been planted in the Alcantara River Valley for the recovery of the San Pietro Wood, close to Caltagirone (CT). The wood is featured by the typical vegetation of the Mediterranean brush, but over the years it has seen its biodiversity heritage depleting due to neglect, abandonment and forest fires. The aim of planting tree is to reconstitute the original forest habitats, pursuing the protection of soils from deforestation, desertification, climate change, erosion and runoff. The activity is carried out in collaboration with local associations involved in the protection of the environment and, at the same time, in the socialization and integration of young people.



10 RIVERS 1 OCEAN

StarQ8 customers can use points to get a thermic water bottle or to buy the Travel Mug and support the 10 rivers 1 Ocean project that engage the Explorer Alex Bellini in navigating the 10 most plastic-polluted rivers in the world, fostering a new sense of respect for the most threatened ecosystem: watercourses. Indeed, the rate at which plastic is being released into the oceans will mean that by 2050 it will weigh more than all the animals that inhabit them. Thanks to the bottles **the culture of recycling is promoted, through the use of a product made of 100% recyclable material** and steel, and the use of disposable bottles is contrasted. The project wants to reduce the use of plastic and to promote greater sensitivity to a universally acceptable cause.



TERA VESSEL

Customers can purchase the new Tera® pot through the StarQ8 points collection. The products of the new collection are made with **recycled plastic after consumption and 100% recyclable**. The TERA jar is certified "Plastic Second Life".

THE COMMISSION CONTRACT

The relationship of trust with customers is further enriched thanks to the adoption of a new type of contract, the Commission agency, which is in addition to the traditional free equipment assignment and supply contract for the management of the retail station. The Commission agency contract by its nature allows Q8 to have an even more direct and immediate relationship with the market and its customers, a relationship that includes among other elements the direct management of the price at the pump. In line with the innovative spirit that characterizes it, the Company has developed and launched this new contractual model adopting it first in the sector also thanks to the sharing in a collective agreement with the retail dealers' associations.



THE DEALERS

In direct contact with customers, our dealers and contractors, self-employed and highly qualified entrepreneurs, are responsible for the management of the oil service and/or maintenance activities of facilities and green spaces. In order to respond promptly to the customers' needs, the Company offers them a training program to strengthen their commercial skills. The training takes place in the classroom, with training courses carried out directly on the service station, thus involving the whole "forecourt team", and through an App called **APP della Formazione Q8FA**. The App allows to enjoy training content in "pills" in the most convenient times and places, thus increasing the flexibility of fruition and focuses on the following themes:

- SERVICE MANAGEMENT
- FEATURES AND OFFERINGS OF PERFORMANCE PRODUCTS
- MANAGEMENT OF SECURITY IN OPERATIONS ON THE SQUARE



Performance is supported by an innovative and structured incentive programme with monthly targets.

Specific training is also carried out in the field of health and safety. Naturally, Q8 does not replace the employer in the obligation of training on the risks deriving from the work activity, but focuses the training as an additional training for the specific equipment present on its assets.

In particular, on fuel distribution systems, the Company carries out continuous training activities for dealers, contractors and their employees to ensure the safety management in forecourt operations. Greater attention is given to the training of workers who supply LPG and/or methane, which must be informed with special courses at the end of which a certificate is issued, based on current legislation. The purpose of the courses concern a complete illustration of the structure of

Customer satisfaction

the LPG/methane plant, of the daily operation management methods, with particular focus on any emergencies that may occur at the station service.

Dealers and contractors operating in Q8 service stations use **an innovative digital portal** (Carrier Portal) that guarantees and monitors the entire retail station operations and promotes a quick and nonstop bidirectional communication with the Company and a continuous updating on all the active initiatives.

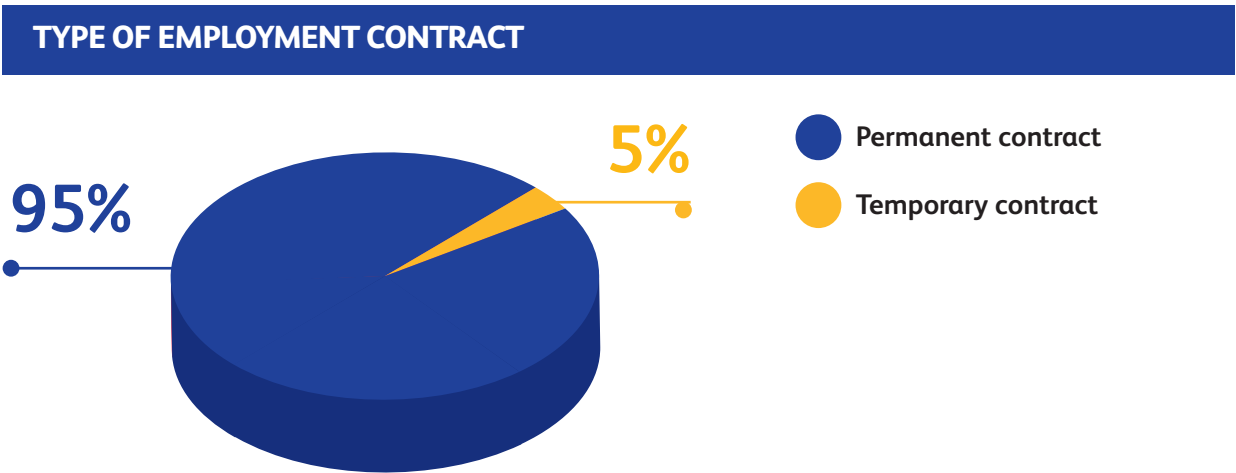


Innovation in the selection phase: on the institutional site www.q8.it is now available the new page "**Become Dealer**" to apply to take on the management of Q8 service stations throughout Italy on a self-employed basis.

The Covid -19 pandemic has led to a significant drop in sales that has unavoidably affected the entire supply chain. To support the operators of its retails network, Q8 has signed **an extraordinary trade union agreement** with the representatives of the trade associations of ordinary and motorway network operators, defining **a package of measures to support the category**. In addition, since the beginning of health emergency, Q8 has worked with the operators until the highest health and safety standards inherent in Covid-19 were met, providing timely guidelines on the behaviours to be adopted in order to avoid the spread of virus.

PEOPLE IN Q8

Q8 believes that its human capital is the driving force and the real competitive advantage. The Code of Ethics, which provides for a healthy, safe and efficient working environment where people's skills are developed and stimulated by offering equal employment opportunities on the basis of specific professional qualifications and performance skills, without any discrimination. Providing a stable working relationship is considered a prerequisite for fostering company growth, as well as an important motivational element. In this sense, Q8's commitment is reflected in the high percentage of employees with permanent contracts, amounting to about 95 %.



People always in the center



Women make up 33 % of the workforce as at 31 March 2021, compared to the Energy and Oil sector, where the male gender is predominant among employees, **the figure for women employed in Q8 is about 12% higher than in national statistics** ¹.

TOTAL NUMBER OF EMPLOYEES BY EMPLOYMENT CONTRACT AND BY GENDER						
EMPLOYMENT CONTRACT	31 ST MARCH 2021			31 ST MARCH 2020		
	♂ MEN	♀ WOMEN	TOTAL	♂ MEN	♀ WOMEN	TOTAL
Permanent	454	222	676	464	226	690
Temporary	19	15	34	12	16	28
TOTAL	473	237	710	476	242	718

Of the total number of employees on permanent contracts, as at 31 March 2021, 20 employees, of which 4 men and 16 women took advantage of part-time contacts.

TOTAL NUMBER OF EMPLOYEES BY FULL-TIME AND PART-TIME						
FULL TIME PART TIME	31 ST MARCH 2021			31 ST MARCH 2020		
	♂ MEN	♀ WOMEN	TOTAL	♂ MEN	♀ WOMEN	TOTAL
Full time	469	221	690	472	223	695
Part time	4	16	20	4	19	23
TOTAL	473	237	710	476	242	718

¹ Source: Confindustria Energia - Statistical survey 2017 Energy and Oil sector. The analysis was carried out on a number of 20 companies in the reference sector, out of a total of about 32.000 employees.

PEOPLE IN Q8

One of the key pillars of human resources management policy is the respect for **equal opportunities and non-discrimination** conditions for employees of both sexes, which results in a substantial wage equality between the two genders.

Q8 also promotes concrete initiatives to ensure professional growth, facilitating **the work-life balance**, confirming particular focus on the protection of the right to parenthood, as demonstrated by the introduction in the corporate integrative agreement of additional **parental leave** in addition to those provided for by the relevant legislation. As at 31 March 2021, 32 employees, of whom 27 women and 5 men, were given parental leave.

In addition, the Company has excellent values from the point of view of the “return to work rate”: In 2021 no one has resigned on returning from parental leave. This figure can be considered a testimony and a confirmation **of the inclusive working environment** that the Company is committed to creating and that is positively perceived by the company’s employee population.

Moreover, in accordance with the current legislation², Q8 is committed to respect and to enhancement of resources belonging to the protected categories.

In addition to the protection of its employees, Q8 considers **the development of diversity and new talents to be paramount**. For this reason during this last year, the Company has been very attentive and sensitive to hiring staff under the age of 30.

Inclusive environment:
100 % rate of return
from parental leave

² Law 68/99 “Rules for the Law of Labor of the disabled”

It is also noted that about 50 % of terminations in 2020 are attributable to voluntary resignations and retirements; the others relate to the end of the contract.

In spite of the crisis period due to the Covid-19, Q8 proceeded with its policy of enhancement of human capital, not only in terms of employees’ development and training through reskilling/upskilling plans, but also in terms of continuous oversight of functional positions to business continuity and to the Company’s innovation and digital transformation strategies.



RECRUITMENT

Q8 is committed to attracting talents that can help the Company continue to grow and has developed a strategy of diversification of research channels using the company website, the job placement of the main Italian universities and some selection and recruitment companies.

Among the resources to be included in its staff, a very high percentage is represented by junior profiles (under 30): **Q8, in fact, strongly believes in young people and in the valuable contribution they can provide to the Company.** Not only technical and linguistic skills but also soft skills characterize the talented and brilliant young people that have the opportunity to express their potential in the best way.

SELECTION PROCESS

3RD STEP

Interview with Managers of different Directorates

2ND STEP

interview for the position you are looking for

1ST STEP

English test
+
Digital skills
Assessment



Entra in
My DevelopMENT Portal
e scopri il tuo **Piano di Sviluppo**

START YOUR JOURNEY



ATTENTION TO DEVELOPMENT AND ENHANCEMENT

UniQ PROJECT

The **UniQ project** was born during this time of big changes and transition that we are still experiencing. Redesign and digitalization of all human resources processes focusing **on the importance and uniqueness of the person and on his ever greater active involvement**. Digital processes and increasingly transparent also thanks to the recent adoption of a software of Human Capital Management that support a higher degree of awareness and, consequently, motivation.

People play a central role, for example, in assessing their performance. The evaluation process, in fact, begins with a self-assessment of the employee, which becomes an active part of the process. A crucial role can still be played by the person during the year by integrating and revising, in agreement with the manager, the objectives on which his performance will be measured.



TRAINING

Also in training, the person is at the center and plays an active role in the development of skills.

The new e-learning platform, "MyDevelopment", was launched in June 2020 and it is available to the entire business population. Downstream of a first access through an individual assessment of business skills, the platform is able to generate, through an algorithm, a customized development plan: in this way, each employee will have access to a catalog of training courses offered with the support of the main Italian and internal business schools.

The platform also allows constant monitoring of company training, useful for taking possible improvement actions.

Courses available within the "MyDevelopment" platform:

MANDATORY: introduction to SHEMS issues, security in the use of video terminals, criminal law, privacy, antitrust, legislative decree 231/2001, information exchange;

OPEN RESOURCES: seminars, Ted talks, available digital pills;

ON DEMAND: a catalog of closed-number courses in line with each employee's development plan staff;

TECHNICAL COURSES: specialized courses (such as, for example, those of the applicant) or closely related to the work carried out by the applicant.

COMPANY WELFARE AND WELL-BEING

Company welfare and wellbeing are a fundamental pillar of Q8 corporate culture and are a significant element in the Company-employee relationship. Q8 is aware that the involvement of employees and their satisfaction and well-being are crucial to the success of the Company's strategic plans.

Welfare and wellbeing in Q8 have thus become **an integral part of a new pact between the Company and the employees**, no longer based exclusively on monetary rewards, but also on services and other kinds of support that help employees to increase the individual and family well-being, and in general the well-being of the whole organization. In fact, this individual happiness positively reflects on the whole organization helping not only productivity an operations but as a primary condition to better manage the organizational changes needed competitiveness. The theme "welfare and wellbeing" for Q8 is articulated through the implementation of initiatives that mainly concern health and work-life balance topics.

HEALTH

Devoting attention to employees' health means valuing them as individuals, developing relationships and trust with the Company. To prevent occupational diseases and with the aim of safeguarding the health and well-being of its employees, Q8 provides:

- **Free medical check-ups** for the entire company population on a periodic basis, diversified according to the age group;
- **Health fund** that guarantees employees and their close family members extensive coverage for medical expenses and reimbursements;
- **Company nurse unit** with qualified staff to carry out nursing activities and equipped with any certifications specifically required to ensure, in addition to the support to the occupational doctor, first aid and assistance interventions in case of the onset of health-related issues during working hours;
- **Extension of the insurance cover** of employees and their families to **Covid-19 risk**. This benefit aimed at better addressing and mitigating the risks related to the pandemic, provides employees with additional coverage, specifically aimed at the risk of contracting Covid-19.



The well-being
of the individual
and of the
Organization

WORK-LIFE BALANCE

Work-life balance is fundamental to achieving a state of general well-being in which an individual's physical and psychological well-being is combined with social, financial and occupational well-being, enabling him or her to develop and make the most of his or her cognitive and emotional capacities in every area of life. Q8 has defined its own **"People Care Strategy"** that aims at the well-being of the person in a holistic sense and is articulated in the whole of activities aimed at implementing a proper work-life balance of employees through the care of **the individual employee and his family**.

Q8, in some cases also thanks to a fruitful comparison and sharing with the company's trade union representatives, has put in place to enhance the needs of the individual within the Organization and among the most significant and appreciated we can list:


- Company cafeteria
- Corporate shuttle service
- Insurance policies to cover accidents and disability
- Integrative/supplementary pension with company contribution
- Study prizes for employee children and webinars orientation
- Tax assistance service
- Cartissima privilege with special discounts
- Corporate CRAL
- Internal Solidarity Fund
- Flexible time
- Personal loans
- Christmas gifts
- Amazon locker
- Welcome baby kit

Thanks to the partnership with **Lifed**, special digital training courses have been made available for **parents and caregivers**, through which they can transform their personal experiences of life and caring for their families into an irreplaceable training ground for soft relational, organisational and innovation skills to be introduced into the working environment, thus creating added value for the growth of the individual and the organisation as a whole.

With a view to supporting the needs of employee caregivers, an ad hoc portal was also introduced (**Portale della Fragilità**), where it is possible to retrieve information, tools and operative indications to organize the best assistance of a family in every situation of daily life outside and inside home.

However, with specific reference to the situation due to the Covid-19, specific training and sharing paths have been activated via webinars, aimed, also through the intervention of professional experts, at providing support and assistance useful to face the difficulties and the contingent discomfort connected to the health emergency.


Oltre al tuo lavoro, ogni giorno ti occupi di un familiare che ha bisogno di te senza tutto il supporto di cui hai bisogno.



DA OGGI PER TE C'È IL PORTALE FRAGIBILITÀ'

Clicca qui per accedere al Portale




A set of policies and best practices that have enabled the Company to receive the prestigious **TOP EMPLOYER 2021 certification**, following a careful audit carried out by an independent institute that has analysed over 400 processes in the area of human resources.





The introduction of Smart Working already during 2018, testifies to Q8's attention to work-life balance, even before the health emergency, allowing people greater flexibility and autonomy in the choice of spaces, times and tools to be used for a greater accountability on results, to the satisfaction of both supervisors and resources engaged in Smart Working. A new way of conceiving work, therefore, that at the end of 2019 was extended to all remotely available organizational roles (equal to about 400 positions) and that in the period of emergency health, it has been extended to the entire company population with the only exclusion of roles and tasks that cannot be managed remotely.

A high level of reconciliation of employees' working time and needs with benefit for the environment, resulting from **the reduction of CO₂ emissions** due to the movement of employees to and from the workplace.

In order to ensure that the work is carried out correctly, thus ensuring the same quality and safety offered in the workplace, Q8 has made available to employees all the necessary tools (laptop, headset and enhanced remote technical assistance) in full compliance with applicable regulation.

MOVING ENERGIES

In September 2020, through the Moving Energies program, in order to allow a deep and innovative renovation, the Rome office was temporarily relocated to another building in the EUR area. With a detailed and effective communication plan, about 600 people were involved and supported by "Ambassador" colleagues who helped to act as leaders. The moving took place in the middle of the pandemic and was carried out without delays or accidents but with the greatest satisfaction of the company's population. The Moving Energies program is part of the digital evolution, space of working and ways of working of the Company and of the market and created an important network of energies that, not only inspired the name of the program, but in various ways, it has been activated to facilitate the engagement and the perception of each employee to be an active part of this effort towards the future.

COMPANY SUPPLEMENTARY UNION AGREEMENT

The Company's focus on family and personal issues was also fully reflected in the constructive and periodic discussions with the Q8 trade union representatives. The supplementary company agreement in force provides for tangible measures to support the reconciliation of personal and family life, such as, for example, the introduction of increases in the Company's contribution to supplementary pension schemes for employees. As confirmation of the sensitivity and attention paid to families with children, a paid leave for the illness of the child up to three years of age and paternity leave were introduced in addition to the legal provisions on the subject. In addition, it was agreed to increase the maximum amounts of the supplementary treatment borne by the Company in the event of an employee's illness resulting in permanent disability.



HEALTH AND SAFETY AT WORK

Q8 health and safety issues at work are managed in accordance with the Legislative Decree no. 81/08 and in line with the highest standards of excellence. Q8 has put the health and care of its employees at the top of its priorities not only as employees but as people. For this reason, training is not limited to the sphere of professional risks but also to those encountered in everyday life outside the office.

Training activities are carried out, whenever possible, using original and interactive solutions to reach the ambitious goal of a widespread cultural maturation that teaches how attention to safety must always be kept high.

Another important aspect is the analysis and investigation of all incidents, near misses and non-conformities that employees have learned to report and whose importance they know whether they involve Q8 personnel or firms working with the Company. This activity, together with safety walks and audits, allows not only a continuous monitoring of the safety conditions of the working environments but also their continuous improvement.

This safety management system allowed us to end the fiscal year April 2020/March 2021 with no injuries among employees and a significant reduction in injuries among external workers.

INJURIES AT WORK		
NUMBER OF INJURIES	FROM APRIL 1, 2020 TO MARCH 31, 2021	FROM APRIL 1, 2019 TO MARCH 31, 2020
Total number of fatalities as a result of work-related injuries	0	0
Total number of high-consequence work-related injuries (excluding fatalities)	0	0
Total number of recordable work-related injuries	0	3

MAIN TYPES OF INJURIES AT WORK		
TYPE OF INJURY	FROM APRIL 1, 2020 TO MARCH 31, 2021	FROM APRIL 1, 2019 TO MARCH 31, 2020
Falling and slipping	0	2
Road accident	0	1

THE WORKPLACE DURING COVID PANDEMIC

The Company reacted promptly to the Covid-19 pandemic, extending Smart Working to the entire company population during lockdown phases on all days of the week, with the sole exception of tasks and roles that cannot be managed remotely and for which specific safety and safeguard measures were adopted in compliance with emergency anti-Covid regulations. All the measures and regulations required by law were implemented, with prevention essentially structured around three key points:

Clean and constantly sanitized work place (intensified cleaning and multiple-daily sanitization of the whole building, with particular attention to handles, switches, etc.);

Implementation of **social distance measures** (maintenance of smart working days, predilection of online meeting, attendance restrictions in lifts, canteen and meeting rooms);

Supply of protective systems such as masks, sanitizing gel, gloves.



The Company monitors the progress of the pandemic both internally and externally within its crisis committee meetings on a weekly basis in order to be prepared to respond to any changes in the environment.

Moreover, since the beginning of the pandemic, a Covid Committee has been established pursuant to the "Protocollo Governo Parti Sociali" on measures to prevent and contain the spread of the Covid-19 virus in the workplace, in which Trade Union Representatives, Workers' Safety Representatives and the Employer periodically discuss the management system for anti-Covid initiatives, constantly adapting it to the evolution of the epidemiological situation.



High standards
of protection
of health
and security

Q8 AND THE TERRITORY

THE ROLE IN ASSOCIATIONS

Q8 believes it is essential to make its own contribution to the debate on the development of our country in terms of environmental, economic and social sustainability. To this end, it recognises that associations are the most suitable and effective vehicle for representing its legitimate interests, and for this reason it is a member of various bodies, in which it actively participates both by holding key positions and through the competent support of its staff.

Q8 adheres to the following associations:



RELATIONS WITH UNIVERSITIES AND INSTITUTIONS

Q8 supports training and has partnered with prestigious Italian universities. In this regard, a partnership is underway with LUISS – Free International University of Social Studies Guido Carli of Rome, thanks to which advanced training courses are planned for Q8 employees and developed forms of collaboration and synergies in areas of common interest, consistent with the institutional aims followed by both parties.

The agreement also extends to the prestigious collaboration with QTEM (Quantitative Techniques for Economics and Management Network), a global network that brings together international companies, academic institutions and extremely bright students who have distinguished themselves in their university careers. Thanks to this fruitful partnership, young talents, through top-notch programs, will receive all the necessary tools to develop analytical and quantitative skills that will make them the decision-makers of tomorrow.

In addition to the numerous lectures held by qualified Q8 personnel in various Master's courses at leading Italian universities, as well as in conferences and workshops, we also highlight the participation in the drafting of policy documents for the G20 on the fight against international corruption, as well as the confirmation for the second consecutive year in the B20 Italy "Integrity and Compliance" task force dedicated to the topic of anti-corruption, as a member of the coordination team.

Young people are the energy
of the future

PARTNERSHIP PROJECTS TOWARDS CULTURAL AND SOCIAL VALUE

Q8 is convinced that the company also has a social role and cultural stimulus and for this reason, among other things, it adheres to the Associazione Civita, a non-profit organization of companies and research institutions involved in the field of cultural promotion.



In this context, there is also the prestigious collaboration with the Archaeological Park of the Colosseum, on the occasion of the 300th anniversary of the birth of Giambattista Piranesi, architect, engraver, archaeologist, Venetian by birth and Roman by adoption. A free application has been created for smartphones and tablets - "Il PARCo di Piranesi" - which allows the virtual exploration of a wide selection of views dedicated to the monuments of the PARCo, highlighting their graphic and historical peculiarities with in-depth texts.

Moreover, thanks to the alliance with other important stakeholders, including those from the third sector, Q8 has contributed to the opening of a family home for homeless women in the city of Milan, named the Alba project, which has enabled the creation of a safe and welcoming place for this particularly fragile group.

Paderno Dugnano (still in the province of Milan) headquarter of one of Q8's iconic plants, received the company's support for the supply of a vehicle dedicated to the transportation of the disabled, as well as the planting of new trees in the Grugno Torto Park.

A collaboration with the Banco Alimentare and the Community of Sant'Egidio in Rome has allowed Q8 to support people who are in a particular moment of difficulty, further aggravated by the economic crisis related to the pandemic.



We are an
active part
of the
company

Q8 AND THE TERRITORY

TERRITORY OF NAPLES



ENERGIE
PER
NAPOLI

An attention to the needs of the communities in which it operates is a key aspect of Q8's culture. In fact, the Company is involved in the development of activities, initiatives and collaborations aimed at promoting development and the growth of the well-being of the community.

Particular attention is paid to Naples, a city to which Q8 is historically linked due to the presence of important logistics assets in the area.

With the aim of identifying and carrying out activities that are useful to the social, cultural and economic growth of the Neapolitan territory, Q8, in 2019, launched and developed the “**energie per Napoli**” (“**energies for Naples**”) project to involve all those who live the territory and want to contribute to its growth.

In this context and in continuity with the attention paid to the relationship with the university world, **partnerships with the main Neapolitan universities have been established** with the aim of involving the young Neapolitans in projects and initiatives for the development of the territory.

Q8 has partnership with **the Digita Academy**, the Digital Transformation and Industry Innovation Academy of University of Naples Federico II. The student involved tried their hand at designing and using emerging technologies such as block chain, artificial intelligence, tests analytics, natural language processing and machine learning and big data applied to the universe Q8.

Another initiative that speaks to the attention of Q8 for young people in the territory is the work orientation project “**Studiare l'impresa, l'impresa di studiare**” (“**studying the enterprise, the enterprise of studying**”), realized in collaboration with the Industrial Union of Naples, the Department of the School, the Province of Naples and the Regional School Office for Campania.



The project is dedicated at high school students in the technical institutes of the Province of Naples and aims, through the realization of experiences of partnership between school and Company, to create an orientation model aimed at making the connection between educational offer and work demand timelier. As part of this project Q8 introduced the students to the operation of the energy supply chain and hosted them directly at its depot in Naples where student had the opportunity to also appreciate the high degree of technology used by the Company.

As part of the “Energie per Napoli” project, Q8 has promoted other important initiatives with the aim of providing a contribution to the cultural and touristic development of the territory.

To complete the framework of initiatives in favor of the territory, **the supply of tablets and pcs** to primary and secondary schools in the Neapolitan district of San Giovanni in Tediuccio near its depot, tools that are as indispensable as ever given the repeated closures of schools during the school year due to Covid-19 and the need for students to take classes in distance learning.

Further innovation at the service of culture and territory: Q8 was awarded the special mention Digital Innovation in Arts for the Multimedia Guide of **the Museum of the Treasury of San Gennaro** in the 7th edition of THE CULTURE+ENTERPRISE Award. The award has been conferred in the section Cultural Production of Enterprise for the realization of an app that takes the visitor on a fascinating virtual journey, between images and stories of one of the most prestigious treasures in the world.

As further evidence of the company's attention to the territory of Campania, Q8 supports an initiative for the planting of 250 fruit trees and forests in Scafati in Campania through **Treedom**. In particular, the environmental requalification project allows the recovery of an area of 115,000 square meters located in a border area between the provinces of Naples and Salerno, consisting of particularly fertile land and known worldwide for quality products. Part of the land is cultivated organically, while another part is used to create a social centre of educational and productive nature.

Development and well-being for the community

In accordance with the "GRI Sustainability Reporting Standards" defined by the Global Reporting Initiative (GRI). Leading the way through the new Social Generativity model.

This document represents the second issue of Kuwait Petroleum Italia S.p.A.'s (below also "KUPIT" or "Q8") Sustainability Report (below also "Report"). The Report was prepared in order to describe the results achieved by Q8 in the environmental, social and environmental fields, describing the Company's commitment to creating value not only for itself, but also for its stakeholders. The Report has been written in accordance with the "GRI Sustainability Reporting Standards" defined by the Global Reporting Initiative (GRI) according to the "GRI referenced" approach. A selection of the "GRI Sustainability Reporting Standards" has been made, as indicated in the table "Index of GRI Contents" which is included in the appendix. The report is drawn up on a voluntary basis since Q8 does not fall within the scope of the D. Lgs 254/2016.

The perimeter of the economic, environmental and social data and information reported refers to Q8. Any specifications and exceptions to the reporting perimeter are thoroughly indicated in the relative sections. This document also contains additional data and information on Kuwait Raffinazione e Chimica S.p.A. (also "KRC" below), Q8 Quaser S.r.l. (also "Quaser" below), KRI S.p.A., Milazzo S.C.P.A refinery (also "RAM" below) and Conqord Oil S.r.l., allowing a better understanding of KUPIT's activities.

The report is updated on an annual basis. The content of this document refers to the financial year 2021, from April 1st, 2020 to March 31st, 2021 and it reflects the principle of matter or relevance. The Materiality analysis and the relevant topics for Q8 are described in the section "the Sustainability Strategy and Social Generativity". This year, with the support of the ARC Centre's Research Group of the "Catholic University of the Sacro Cuore" of Milan, in collaboration with iFEL and on! SRL, a social enterprise, an in-

novative development concept has been adopted: the Social Generativity, an analysis of the Company that explores Q8's contribution to sustainability. We are talking about an anthropological movement, within organisations, which refers to the capacity to generate shared value for the company and, together, for other stakeholders, combining economic well-being and social development, personal and organisational growth.

Where available, data and information from previous years are reported for comparative purposes, enabling an assessment of the performance of the company's activities over a longer period of time.

In order to provide a correct representation of the reported activities and to ensure the reliability of the data, estimates have been limited as much as possible and, where present, these are based on the best methodologies available and are appropriately reported.

This document has been subjected to a compliance review ("limited assurance engagement" according to the criteria of standard ISAE 3000 revised) by Deloitte & Touche S.p.A., which is expressed in a separate report. The review has been carried out in accordance with the procedures indicated in the "Report of the Independent Auditor", included in the document. This document has been approved by the Board of Directors on 22/07/2021.

CONTACTS

For more information about the Sustainability Report you can email Q8's HR and External Relations Departments at:

relazioniesterne@q8.it

The Sustainability Report is also available on www.q8.it within the section "Company".



SCOPE OF MATERIAL TOPICS

MATERIAL TOPICS	IMPACT BOUNDARY	TYPE OF IMPACT	RECONCILIATION WITH TOPIC-SPECIFIC STANDARD
Compliance with legal obligations	Q8	Caused by Q8	Anti-corruption Anti-competitive behavior Socio-economic compliance Customer privacy
Innovation Processes	Q8	Caused by Q8	N/A
Creating and sharing economic value	Q8 and its stakeholder	Caused by Q8 and directly linked through its activities	Economic performance
Equal opportunities, diversity and non-discrimination	Q8	Caused by Q8	Diversity and equal opportunities
Climate change and sustainable productive processes	Q8 and its suppliers	Caused by Q8 and directly linked through its activities	Energy Emissions Environmental compliance Procurement practices
Occupational safety, health and well-being	Q8, employees and external workers	Caused by Q8 and directly linked through its activities	Occupational health and safety (2018)
Customer satisfaction	Q8	Caused by Q8	Marketing and labeling
Protection of human rights	Q8	Caused by Q8	Non-discrimination
Local development, civil economy and community relations	Q8	Caused by Q8	N/A
Growth of human capital	Q8	Caused by Q8	Employment Education and training Diversity and equal opportunities

GRI Standards	Disclosure	Notes and sections	Omissions
GRI 101: FOUNDATION (2016)			
GRI 102: GENERAL DISCLOSURES (2016)			
ORGANIZATIONAL PROFILE			
102-1	Name of the organization	Methodological note	
102-2	Activities, brands, products and services	Who we are	
102-3	Location of headquarters	Sectors in which we operate	
102-4	Location of operations	Sectors in which we operate	
102-5	Ownership and legal form	Our story	
102-6	Markets served	Sectors in which we operate	
102-7	Scale of the organization	Who we are The people in Q8	
102-8	Information on employees and other workers	The people in Q8	
102-9	Supply chain	Sustainable supply chain	
102-10	Significant changes to the organization and its supply chain	Sustainable supply chain	
102-13	External initiatives	Q8 and the territories in which it operates	
STRATEGY			
102-14	Statement from senior decision-maker	Letter to stakeholders	
ETHICS AND INTEGRITY			
102-16	Values, principles, standards and norms of behavior	Vision, Mission and values	
GOVERNANCE			
102-18	Governance structure	Responsible governance	
STAKEHOLDER ENGAGEMENT			
102-40	List of stakeholder groups	Dialogue with Stakeholders	
102-42	Collective bargaining stakeholders	Dialogue with Stakeholders	
102-43	Identifying and selecting stakeholders	Dialogue with Stakeholders	
102-44	Approach to stakeholder engagement	Q8's generativity and materiality matrix	
REPORTING PRACTICE			
102-45	Entities included in the consolidated financial statements	Methodological note	
102-46	Defining report content and topic boundaries	Scope of material themes	
102-47	List of material topics	Q8's generativity and materiality matrix	
102-48	Restatements of information	Methodological note	
102-49	Changes in reporting	Methodological note	
102-50	Reporting period	Methodological note	
102-51	Date of the most recent report	Methodological note	
102-52	Reporting cycle	Methodological note	
102-53	Contact point for questions regarding the report	Methodological note	
102-54	Claims of reporting in accordance with the GRI Standards	Methodological note	

GRI Standards	Disclosure	Notes and sections	Omissions
102-55	GRI content index	Attachments	
TOPIC SPECIFIC STANDARDS			
GRI 200: ECONOMIC SERIES			
ECONOMIC PERFORMANCE			
GRI 103: Management approach (2016)			
103-1	Explanation of the material topic and its boundary	Q8's generativity and materiality matrix Scope of material topics	
103-2	The management approach and its components	Directly generated and redistributed economic value	
103-3	Evaluation of the management approach	Directly generated and redistributed economic value	
GRI 201: Economic performance (2016)			
201-1	Direct economic value generated and distributed	Directly generated and redistributed economic value	
PPROCUREMENT PRACTICES			
GRI 103: Management approach (2016)			
103-1	Explanation of the material topic and its boundary	Q8's generativity and materiality matrix; Scope of material topics	
103-2	The management approach and its components	Sustainable supply chain	
103-3	Evaluation of the management approach	Sustainable supply chain	
GRI 204: Procurement practice (2016)			
204-1	Proportion of spending on local suppliers	Sustainable supply chain	
ANTI-CORRUPTION			
GRI 103: Management approach (2016)			
103-1	Explanation of the material topic and its boundary	Q8's generativity and materiality matrix; Scope of material topics	
103-2	The management approach and its components	Ethics and responsible behavior	
103-3	Evaluation of the management approach	Ethics and responsible behavior	
GRI 205: Anti-corruption (2016)			
205-3	Confirmed incidents of corruption and actions taken	Ethics and responsible behavior <i>During 2020, there weren't any reported corrupting case</i>	
ANTI-COMPETITIVE BEHAVIOR			
GRI 103: Management approach (2016)			
103-1	Explanation of the material topic and its boundary	Q8's generativity and materiality matrix; Scope of material topics	
103-2	The management approach and its components	Ethics and responsible behavior	
103-3	Evaluation of the management approach	Ethics and responsible behavior	
GRI 206: Anti-competitive behavior (2016)			
206-1	Legal action for anti-competitive, antitrust and monopolistic practices	Ethics and responsible behavior <i>During 2020, there were no legal action for anti-competitive, antitrust and monopolistic practices</i>	
GRI 300: ENVIRONMENTAL SERIES			
ENERGY			
GRI 103: Management approach (2016)			
103-1	Explanation of the material topic and its boundary	Q8's generativity and materiality matrix; Scope of material topics	

GRI Standards	Disclosure	Notes and sections	Omissions
103-2	The management approach and its components	Our energy consumptions	
103-3	Evaluation of the management approach	Our energy consumptions	
GRI 302: Energy			
302-1	Energy consumption within the organization	Our energy consumptions	
EMISSIONS			
GRI 103: Management approach (2016)			
103-1	Explanation of the material topic and its boundary	Q8's generativity and materiality matrix; Scope of material topics	
103-2	The management approach and its components	Our energy consumptions	
103-3	Evaluation of the management approach	Our energy consumptions	
GRI 305: Emissions			
305-1	Direct (Scope 1) GHG emissions	Our energy consumptions	
305-2	Energy indirect (Scope 2) GHG emissions	Our energy consumptions	
305-3	Other indirect (Scope 3) GHG emissions	Our energy consumptions	
ENVIRONMENTAL COMPLIANCE			
GRI 103: Management approach (2016)			
103-1	Explanation of the material topic and its boundary	Q8's generativity and materiality matrix; Scope of material topics	
103-2	The management approach and its components	Ethics and responsible behavior Enabler for the energy transition	
103-3	Evaluation of the management approach	Ethics and responsible behavior Enabler for the energy transition	
GRI 307: Compliance ambientale (2016)			
307-1	Non-compliance with environmental laws and regulations	<i>During 2020, there weren't confirmed environmental procedures</i>	
GRI 400: SOCIAL SERIES			
EMPLOYMENT			
GRI 103: Management approach (2016)			
103-1	Explanation of the material topic and its boundary	Q8's generativity and materiality matrix; Scope of material topics	
103-2	The management approach and its components	The people in Q8	
103-3	Evaluation of the management approach	The people in Q8	
GRI 401: Employment (2016)			
401-1	New employees hires and employees turnover	2020/2021 ➤ With regard of the breakdown of new hires and terminations of employees by age group: - New hires <30: 13 men and 7 women; 30-50: 6 men and 4 women. (30 employees in total). - Terminations <30: 3 men and 7 women; 30-50: 9 men and 5 women; >50: 9 men and 5 women. (38 employees in total).	

GRI Standards	Disclosure	Notes and sections	Omissions
		2019/2020 ➤ With regard of the breakdown of new hires and terminations of employees by age group: - New hires <30: 9 men and 12 women; 30-50: 4 men and 7 women. (32 employees in total). - Terminations <30: 5 men and 3 women; 30-50: 13 men and 9 women; >50: 20 men and 5 women. (55 employees in total).	
401-3	Parental leave	2020/2021 ➤ Employees who have taken parental leave: 5 men 27 women, ○ Of which still on leave: 8 women; ○ Of which returned and still employed: 5 men 19 women; ○ Of which resigned: 1 woman 1 man; ○ Returned to work rate: 100% men 100% women. 2019/20 ➤ Employees who have taken parental leave: 4 men 30 women; ○ Of which still on leave: 8 women; ○ Of which returned and still employed: 4 men 21 women; ○ Of which resigned: 1 woman; ○ Returned to work rate: 100% men 95% women.	
OCCUPATIONAL HEALTH AND SAFETY			
GRI 103: Management approach (2016)			
103-1	Explanation of the material topic and its boundary	Q8's generativity and materiality matrix; Scope of material topics	
103-2	The management approach and its components	Workplace health and safety	
103-3	Evaluation of the management approach	Workplace health and safety	
GRI 403: Occupational health and safety – Management approach (2018)			
403-1	Occupational health and safety management system	Workplace health and safety	
403-2	Hazard identification, risk assessment, and incident investigation	Workplace health and safety	
403-3	Occupational health services	Workplace health and safety	
403-4	Worker participation, consultation, and communication on occupational health and safety	Workplace health and safety	
403-5	Worker training on occupational health and safety	Workplace health and safety	
403-6	Promotion of worker health	Workplace health and safety	
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Workplace health and safety	
403: Occupational health and safety – Topic-specific disclosures (2018)			
403-8	Workers covered by an occupational health and safety management System	Workplace health and safety <i>100% of employees are covered by the Health and Safety</i>	

GRI Standards	Disclosure	Notes and sections	Omissions
		<i>Management System.</i>	
403-9	Work-related injuries	Workplace health and safety	
403-10	Work-related ill health	Workplace health and safety <i>During 2020, there were no cases of occupational diseases</i>	
EDUCATION AND TRAINING			
GRI 103: Management approach (2016)			
103-1	Explanation of the material topic and its boundary	Q8's generativity and materiality matrix; Scope of material topics	
103-2	The management approach and its components	Focus on development and valorization	
103-3	Evaluation of the management approach	Focus on development and valorization	
NON-DISCRIMINATION			
GRI 103: Management approach (2016)			
103-1	Explanation of the material topic and its boundary	Q8's generativity and materiality matrix; Scope of material topics	
103-2	The management approach and its components	Ethics and responsible behavior People enhancement	
103-3	Evaluation of the management approach	Ethics and responsible behavior People enhancement	
GRI 406: Non-discrimination (2016)			
406-1	Incidents of discrimination and corrective actions taken	<i>During 2020, there were no incidents of discrimination</i>	
DIVERSITY AND EQUAL OPPORTUNITIES			
GRI 103: Management approach (2016)			
103-1	Explanation of the material topic and its boundary	Q8's generativity and materiality matrix; Scope of material topics	
103-2	The management approach and its components	Ethics and responsible behavior People enhancement	
103-3	Evaluation of the management approach	Ethics and responsible behavior People enhancement	
GRI 405: Diversity and equal opportunities (2016)			
405-1	Diversity of governance bodies and employees	<p>The people in Q8</p> <p>Composition of the Board of Directors 2020/21</p> <ul style="list-style-type: none"> ➤ 1 man in the 30-50 age group ➤ 5 men in the age group >50 <p>2019/20</p> <ul style="list-style-type: none"> ➤ 1 man in the 30-50 age group ➤ 5 men in the age group >50 <p>Employees by professional category and age group 2020/21</p> <ul style="list-style-type: none"> ➤ Executives: 1 in the age of 30- 50; 11 in the >50 age group; ➤ Managers: 18 in the age of 30 - 50; 21 in the >50 age group; ➤ Middle managers: 89 in the age of 30 - 50; 72 in the >50 age group; ➤ White collars: 30 in the <30 age group; 317 in the age of 30 - 50; and 126 in the >50 age group; Blue collars: 7 in the age group <30; 15 in the age of 30 - 50; 3 in the > 50 age group; <p>Employees by professional category and age group</p>	

GRI Standards	Disclosure	Notes and sections	Omissions
		2019/20	
		<ul style="list-style-type: none"> ➤ Executives: 3 in the 30-50 age group; 9 in the >50 age group; ➤ Managers: 21 in the 30 - 50 age group; 18 in the >50 age group; ➤ Middle managers 101 in the 30 - 50 age group; 70 in the >50 age group; ➤ White collars: 38 in the <30 age group, 320 in the 30-50 age group, 117 in the >50 age group; ➤ Blue collars: 5 in the <30 age group, 14 in the 30-50 age group, 2 in the >50 age group. 	
MARKETING AND LABELING			
GRI 103: Management approach (2016)			
103-1	Explanation of the material topic and its boundary	Q8's generativity and materiality matrix; Scope of material topics	
103-2	The management approach and its components	The customer at the center	
103-3	Evaluation of the management approach	The customer at the center	
GRI 417: Marketing and labeling (2016)			
417-2	Incidents of non-compliance concerning product and service information and labeling	<i>During 2020, there were no cases of non-compliance with information and labelling of products and services</i>	
417-3	Incidents of non-compliance concerning marketing communications	<i>During 2020, there were no cases of non-compliance with marketing communications</i>	
CUSTOMER PRIVACY			
GRI 103: Management approach (2016)			
103-1	Explanation of the material topic and its boundary	Q8's generativity and materiality matrix; Scope of material topics	
103-2	The management approach and its components	Ethics and responsible behavior The customer at the center	
103-3	Evaluation of the management approach	Ethics and responsible behavior The customer at the center	
GRI 418: Customer privacy (2016)			
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	<i>During 2020, there have been no cases of violation of customers' privacy</i>	
SOCIOECONOMIC COMPLIANCE			
GRI 103: Management approach (2016)			
103-1	Explanation of the material topic and its boundary	Q8's generativity and materiality matrix; Scope of material topics	
103-2	The management approach and its components	Ethics and responsible behavior	
103-3	Evaluation of the management approach	Ethics and responsible behavior	

GRI Standards	Disclosure	Notes and sections	Omissions
GRI 419: Socioeconomic compliance (2016)			
419-1	Non-compliance with laws and regulations in the social and economic area	During 2020, there were no cases of non-compliance with social and economic laws and regulations	
INNOVATION PROCESSES			
GRI 103: Management approach (2016)			
103-1	Explanation of the material topic and its boundary	Q8's generativity and materiality matrix; Scope of material topics	
103-2	The management approach and its components	Who we are Innovation and digital transformation	
103-3	Evaluation of the management approach	Who we are Innovation and digital transformation	
LOCAL DEVELOPMENT, CIVIL ECONOMY AND COMMUNITY RELATIONS			
GRI 103: Management approach (2016)			
103-1	Explanation of the material topic and its boundary	Q8's generativity and materiality matrix; Scope of material topics	
103-2	The management approach and its components	Q8 and the territories in which it operates	
103-3	Evaluation of the management approach	Q8 and the territories in which it operates	

INDEPENDENT AUDITOR’S REPORT ON SUSTAINABILITY REPORT

To the Board of Directors of Kuwait Petroleum Italia S.p.A.

We have carried out a limited assurance engagement on the Sustainability Report of Kuwait Petroleum Italia S.p.A. (the “Company”) as of March 31, 2021.

Responsibility of the Directors for the Sustainability Report

The Directors of Kuwait Petroleum Italia S.p.A. are responsible for the preparation of the Sustainability Report in accordance with “Global Reporting Initiative Sustainability Reporting Standards” established by GRI – *Global Reporting Initiative* (hereinafter also “GRI Standards”), as stated in the paragraph “Methodological note” of the Sustainability Report.

The Directors are also responsible for such internal control as they determine is necessary to enable the preparation of Sustainability Report that is free from material misstatement, whether due to fraud or error.

The Directors are responsible for the definition of the Kuwait Petroleum Italia S.p.A.'s objectives in relation to the sustainability performance, for the identification of the stakeholders and significant aspects to report.

Auditor’s Independence and quality control

We have complied with the independence and other ethical requirements of the *Code of Ethics for Professional Accountants* issued by the *International Ethics Standards Board for Accountants*, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our firm applies *International Standard on Quality Control 1 (ISQC Italia 1)* and, accordingly, maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Auditor's responsibility

Our responsibility is to express our conclusion based on the procedures performed about the compliance of the Sustainability Report with the GRI Standards. We conducted our work in accordance with the criteria established in the *"International Standard on Assurance Engagements ISAE 3000 (Revised) – Assurance Engagements Other than Audits or Reviews of Historical Financial Information"* (hereinafter also *"ISAE 3000 Revised"*), issued by the *International Auditing and Assurance Standards Board* (IAASB) for limited assurance engagements. The standard requires that we plan and perform the engagement to obtain limited assurance whether the Sustainability Report is free from material misstatement. Therefore, the procedures performed in a limited assurance engagement are less than those performed in a reasonable assurance engagement in accordance with *ISAE 3000 Revised*, and, therefore, do not enable us to obtain assurance that we would become aware of all significant matters and events that might be identified in a reasonable assurance engagement.

The procedures performed on Sustainability Report are based on our professional judgement and included inquiries, primarily with company personnel responsible for the preparation of information included in the Sustainability Report, analysis of documents, recalculations and other procedures aimed to obtain evidence as appropriate.

Specifically we carried out the following procedures:

- analysis of the process relating to the definition of material aspects disclosed in the Sustainability Report, with reference to the methods used for the identification and prioritization of material aspects for stakeholders and the internal validation of the results of the process;
- comparison between the economic-financial data and information reported in the section "Directly generated and redistributed economic value" of the Sustainability Report and the data and information included in the Company's financial statements;
- understanding of the processes underlying the origination, recording and management of qualitative and quantitative information included in the Sustainability Report.

In particular, we carried out interviews and discussions with the management of Kuwait Petroleum Italia S.p.A. and we carried out limited documentary verifications, in order to gather information about the processes and procedures, which support the collection, aggregation, elaboration and transmittal of non-financial data, and information to the department responsible for the preparation of the Sustainability Report.

In addition, for material information, taking into consideration the Company's activities and characteristics:

- at the Company's level:
 - with regards to qualitative information included in the Sustainability Report, we carried out interviews and gathered supporting documentation in order to verify its consistency with the available evidence;
 - with regards to quantitative information, we carried out both analytical procedures and limited verifications in order to ensure, on a sample basis, the correct aggregation of data.
- for the following departments: Human Resources, Health and Safety, Training, Legal, Risk Management and Environment, which we selected based on their activities, their contribution to the performance indicators and their location, we carried out remote meetings, during which we have met their management and have gathered supporting documentation with reference to the correct application of procedures and calculation methods used for the indicators.

Conclusion

Based on the work performed, nothing has come to our attention that causes us to believe that the Sustainability Report of Kuwait Petroleum Italia S.p.A. as of March 31, 2021 is not prepared, in all material aspects, in accordance with GRI Standards, as stated in the paragraph "Methodological note" of the Sustainability Report.

Other aspects

The data for the year ended March 31, 2020 presented for comparative purposes in the Sustainability Report have not been subject to a limited or to a reasonable assurance engagement.

DELOITTE & TOUCHE S.p.A.

Signed by
Franco Amelio
Partner

Rome, Italy
July 26, 2021

This report has been translated into the English language solely for the convenience of international readers.



Kuwait Petroleum Italia S.p.A.
Viale dell'Oceano Indiano, 13 - 00144 Roma
Tel +39 (06)5208.81
www.Q8.it

Capitale Sociale € 130.000.000 interamente versato
R.E.A. di Roma n. 73832
Uff. Reg. Imprese di Roma e C.F. 00435970587 - Partita IVA 00891951006

Thanks to all colleagues who have contributed to this document.

Graphic project: Studio Grafico Daniela Boccadoro (Rome)

Printed on 100% recycled paper



