



# SYSTEM GROUP

SUSTAINABILITY  
REPORT

**2023**



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# LETTER FROM TOP MANAGEMENT

Dear Stakeholders,  
for the third year running, our Group has undertaken this important process of reporting on its approach to Sustainability, broken down into its three cornerstones: Environment, Social and Governance. We are pleased to announce that the reporting process has included an additional company in our Group, bringing to five those with detailed reporting according to the GRI Standards.

For some years now, the Group Companies have been led by family members of our late lamented Founder Alvaro Boscarini, who passed away at the beginning of 2022, and the various Management Committees include the Co-workers who over the years have contributed to the growth and success of our Group.

In the 2023 Report, we will present initiatives aimed at respecting ESG issues, which have in fact been adopted for several years now and are the foundation of our daily operations.

For the Boscarini Group, 2023 was an extremely important and positive year in terms of growth and financial performance.

We consolidated our position on the domestic market and increased our presence on foreign markets. We have grown in size and are on our way to more than 1,000 direct employees.

The investments made, which are now a constant in our strategy of growth and improvement, have reached significant levels and are always accompanied by evaluations linked to business development, with a priority focus on the criteria of cost-effectiveness, efficiency and reduction of

environmental impact, both in the form of lower consumption, hence emissions, and the reduction of waste.

The pillars for healthy and harmonious growth of the Group can be identified as a series of key concepts that are implemented on a daily basis by our management in running the individual Companies and that involve first and foremost our Employees, but also our Suppliers and Customers.

Our employees have always been placed at the centre of our policies, as has the entire economic, social and cultural context that surrounds us, for which we consider ourselves an engine for development and social growth.

In 2023, we started procedures to extend implementation (which took place in 2024) of the Organisational Model pursuant to Legislative Decree 231/2001 to five more Group Companies, as well as starting projects related to the ISO 45001 and ISO 14001 management systems for additional Companies. We strongly believe in the validity and effectiveness of modern organisational models and management systems for the efficient management of company resources.

Alongside the more obvious interventions on the industrial side, through huge investments in technology and safety, actions on training, at all levels of the organisation, and measures to support welfare are no less important. In our Group, an incentive system has been in place for many years for all employees based on the achievement of performance goals and compliance with various KPIs, depending on the business sector they belong to. It

is our belief that in a context such as the current one, which for years has subjected families to great worries about their future, it is necessary to give concrete support that can reduce the burden, while on the other hand guaranteeing job security in compliance with the ethical and moral principles that are shared by our Group and which are set out in the Code of Ethics.

Returning to environmental issues, we thought we had peaked, but 2023 has been declared as one of the hottest and driest years ever. This situation, of which we can hardly see a turnaround at the moment, leads us to think more and more seriously about the correct attitude towards water management and conservation.

The fact that, with the majority of our companies, we belong to the category of electric and gas fired oven users requires

us to pay constant attention to the issues of energy saving, production efficiency and emission reduction.

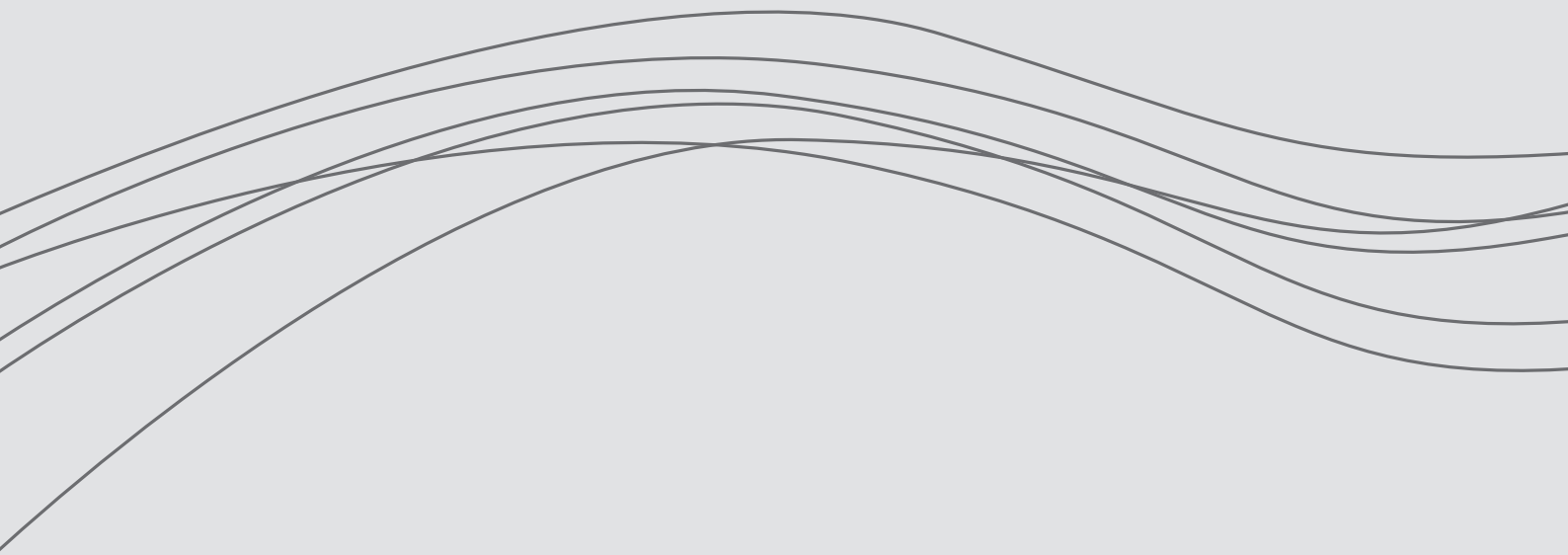
Collaborations with universities are becoming more and more strategic, in order to face new environmental challenges with expert eyes full of curiosity and to search for the best solutions applicable to our business.

In conclusion, all due thanks must be given once again to all our collaborators, both internal and external, for the great and passionate commitment they put every day into management of activities, and which we are sure will give ever greater value to Alvaro's project, whose guidelines will continue to direct us for years to come.

We hope you enjoy reading.

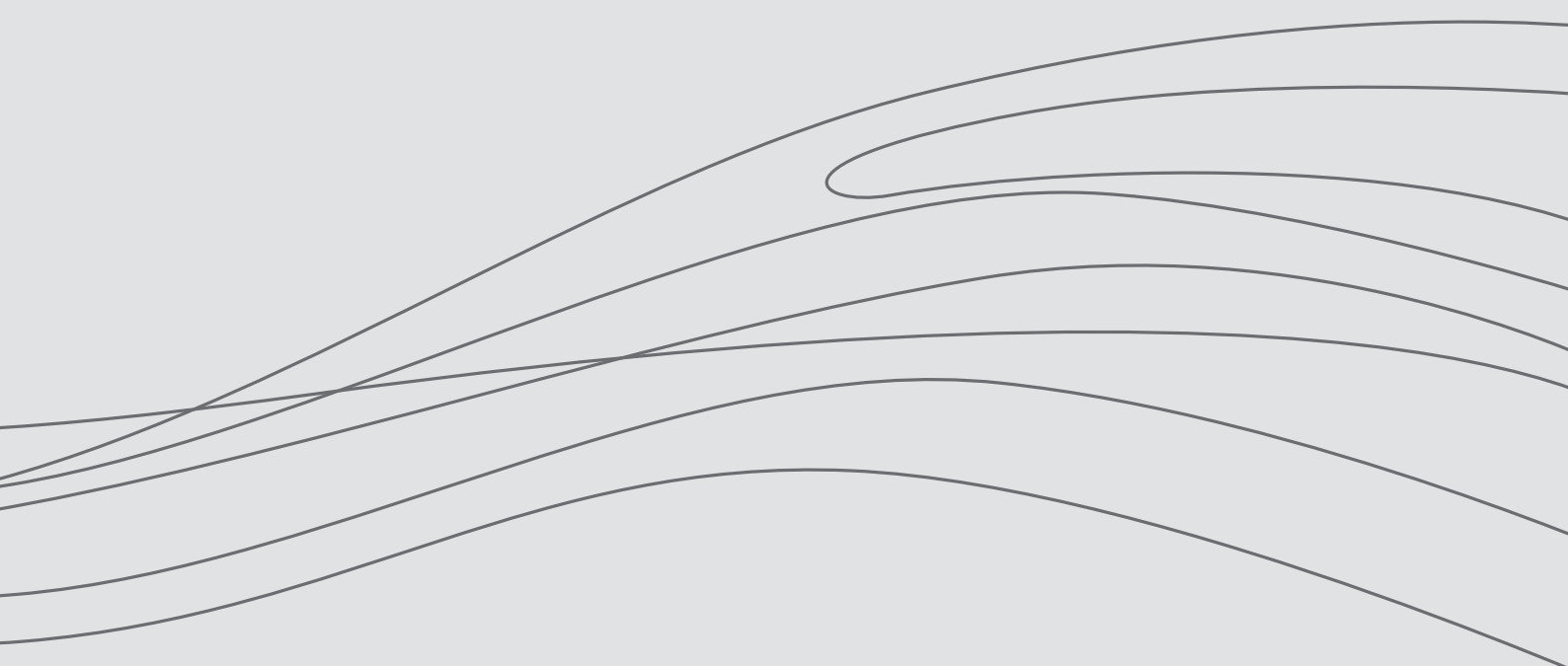
The Board of Directors  
of HB Boscarini S.p.A.

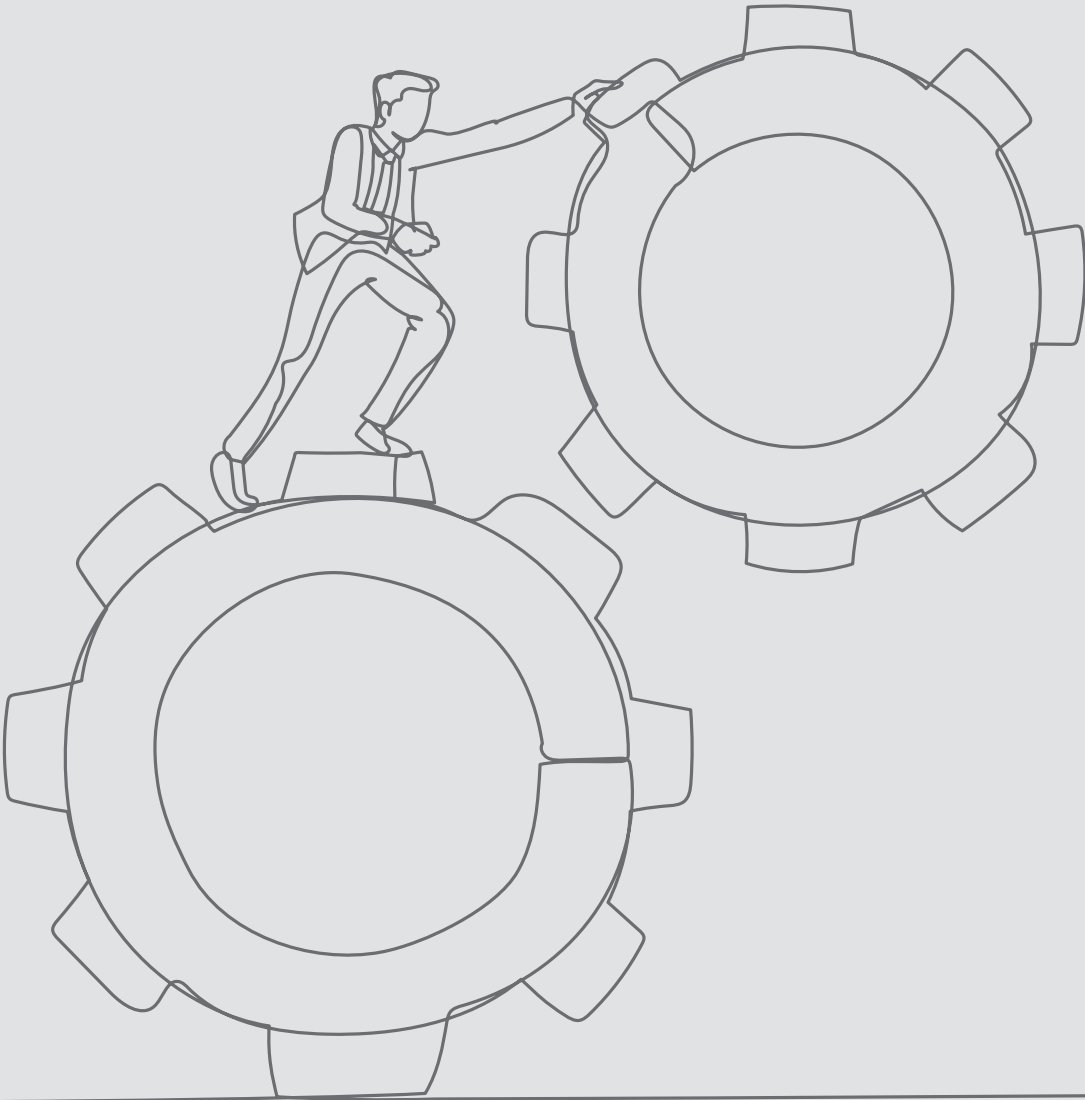






**SYSTEM GROUP**







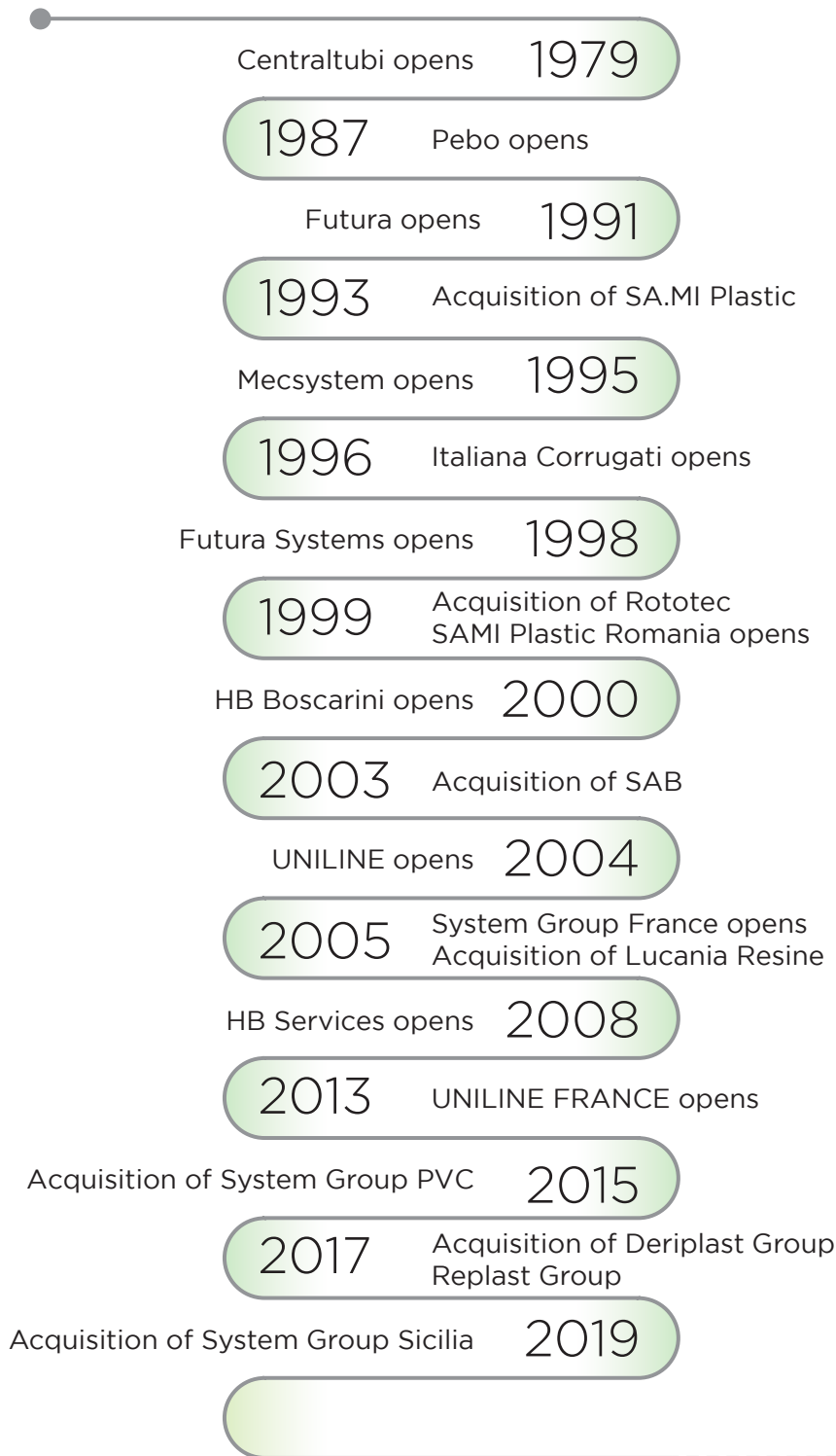
# 1.1. THE GROUP'S IDENTITY AND HISTORY

System Group is the brand name of the Group of Companies whose majority shares are held by the financial holding HB Boscarini S.p.A. or belong to members of the Boscarini family. It originated in a small town in the hinterland of Pesaro from the idea of entrepreneur Alvaro Boscarini, who in 1979 founded Centrotubi where, with a small extrusion line, he began producing the first polyethylene pipes. At the beginning of the 1990s, the idea of forming a group of companies operating in the plastics processing sector began to materialise, and Centrotubi was joined by new companies: PEBO in the field of plastics

regeneration and Futura in the accessories and special fittings market. These were the first stages of a successful journey, which led in the years that followed to the birth; and then acquisition, of the other companies that today make up the Group, which has 16 production plants, three of which are abroad, and sales offices in several countries. The total workforce is over 950 direct employees, who work with the same enthusiasm as in the early years and help to make System Group one of the leading players in the supply of complete and innovative plastic pipeline systems.



# THE HISTORY OF THE GROUP





# GROUP MILESTONES

1982

## **CENTRALTUBI**

first Product Quality Label obtained (IIP 142)

1998

## **FUTURA**

started production of PE chambers

1998

## **FUTURA SYSTEMS**

first international manufacturing experience launched with new unit in Spain

2001

## **ITALIANA CORRUGATI**

scientific research funded c/o Politecnico di Bari for new Slow Flow product

2001

## **ITALIANA CORRUGATI**

new factory

2001

## **ITALIANA CORRUGATI**

introduction of automatic bellling technology for corrugated pipes

2003

## **CENTRALTUBI**

new factory

2003

## **ROTOTEC**

new factory

2005

## **LUCANIA RESINE**

commercial line extended to include PVC pipes through acquisition of Lucania Resine

2007

## **CENTRALTUBI**

purchased new KRAH plant and technology for large diameter spiral pipe production

2007

## **SA.MI PLASTIC**

technology acquired and production of PE-X multilayer pipes started

2007

## **SAB**

new factory

2008

**FUTURA**

designed and built NO FIRE: innovative environmental defence and safety system for road tunnels

2009

**SAB**

new bracket socket anti-rotation system patented

2009

**PEBO**

adoption of high-performance technology for externally sourced PE material recycling

2009

**ROTOTEC**

new 'Infinitank' product patented

2010

**SA.MI PLASTIC**

technology acquired and production of fibre-optic specific tubes started

2014

**SG INTERNATIONAL**

corrugated pipe production started in South Africa

2016

**SAB**

new 'flat' 100% recyclable PE pipe patented

2017

**FUTURA SYSTEMS**

'CorPress' jointing system for PE and PP corrugated pipes patented

2017

**SAB**

new 'Blue Seal' coupling patented

2022

**SYSTEM GROUP**

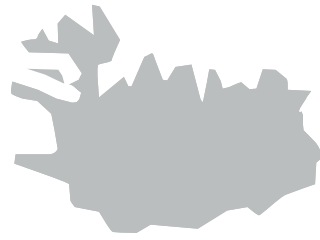
death of the founder Alvaro Boscarini

2023

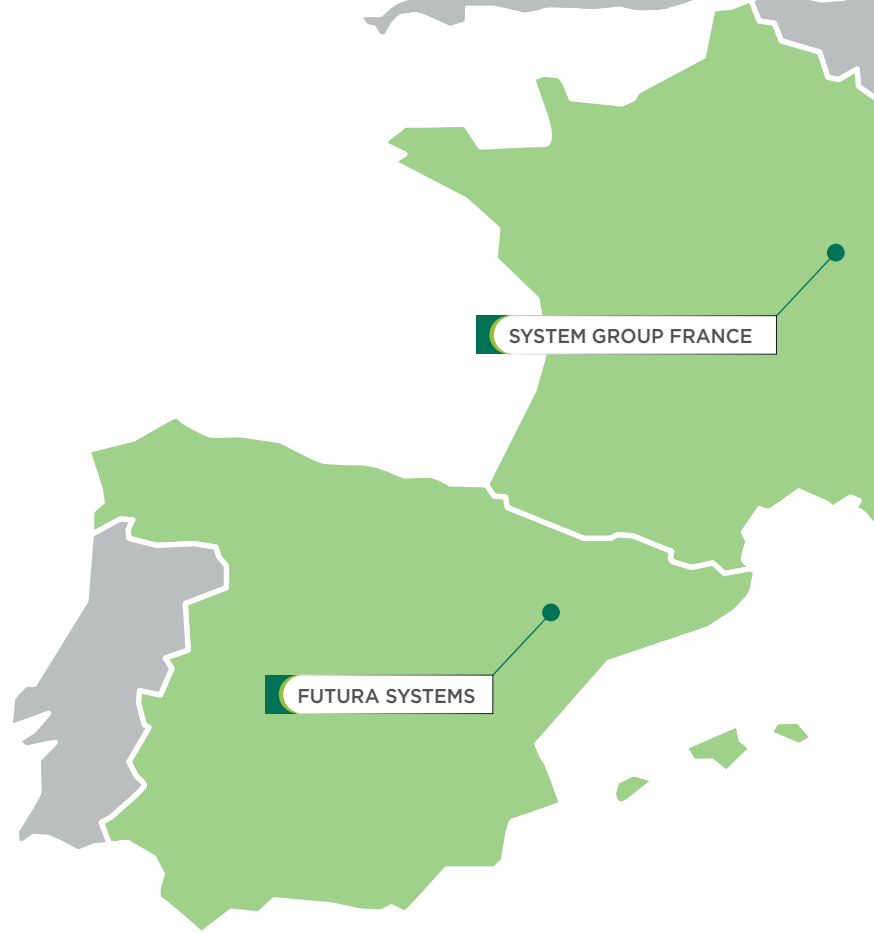
**ROTOTEC**

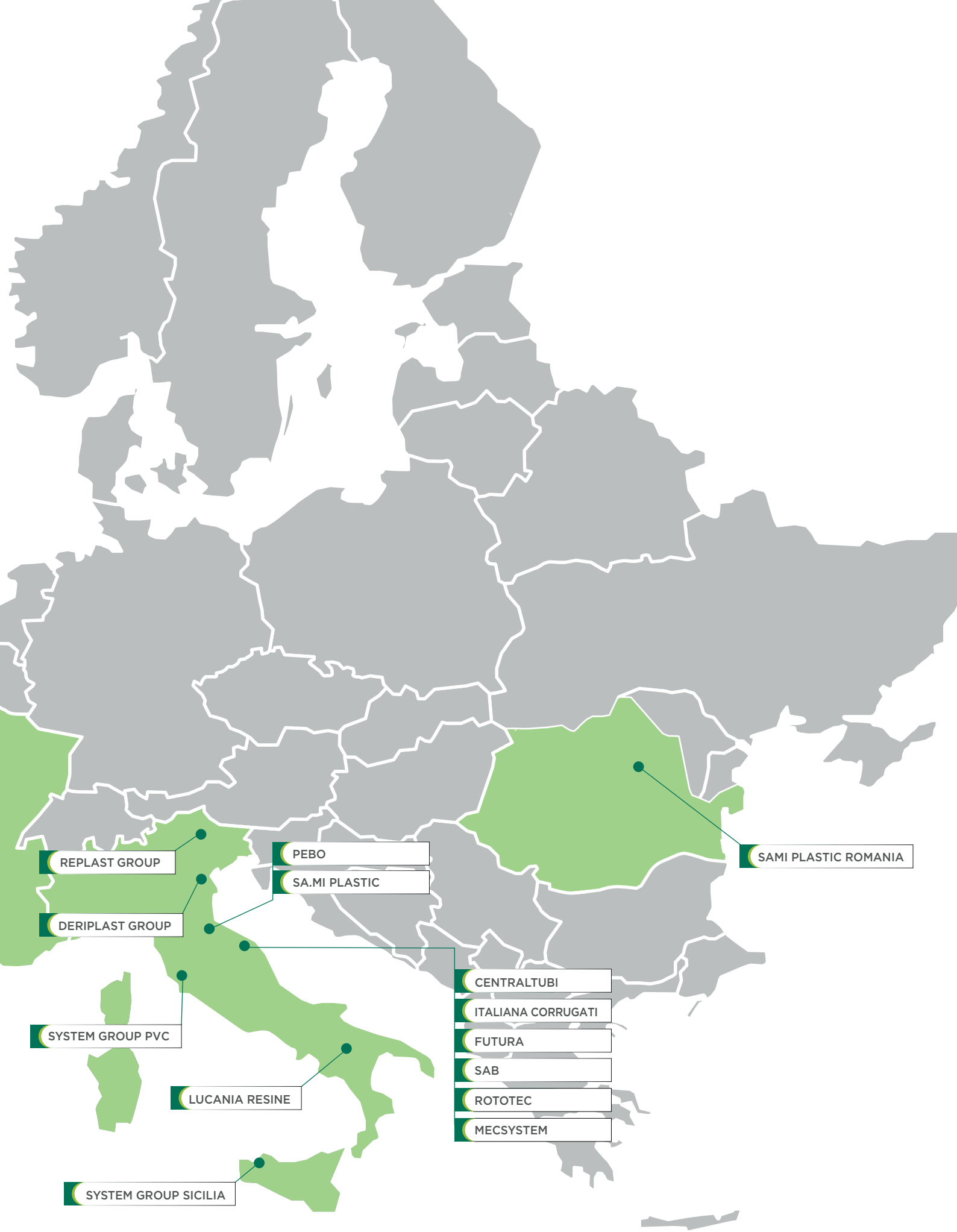
second factory





# SYSTEM GROUP PRODUCTION CENTRES

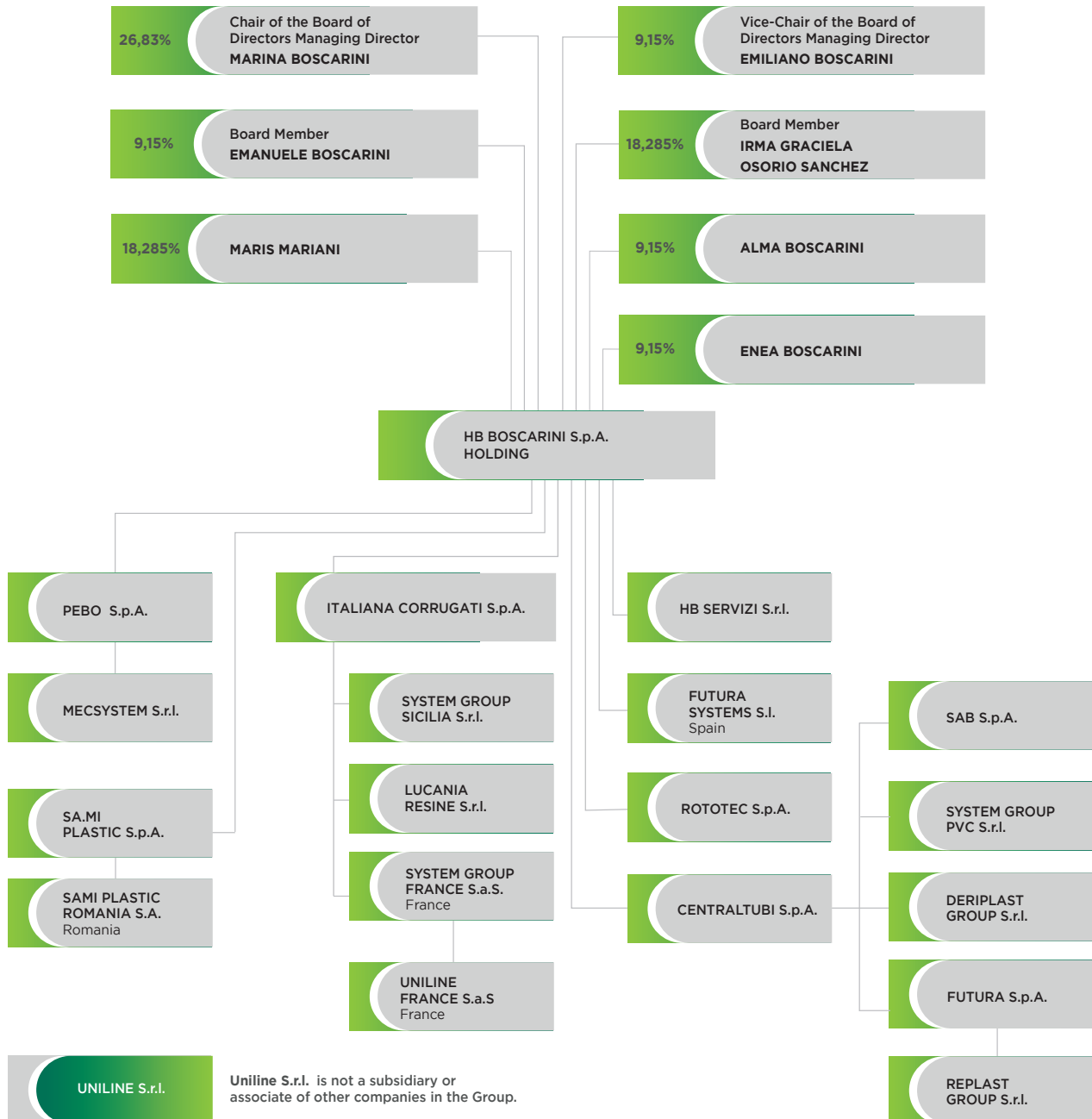




# 1.2. GROUP STRUCTURE AND GOVERNANCE

GRI Standard 2 - 15

GRI Standard 2 - 28



The Group and its member organisations do not belong to association groups that could in any way influence its activities and choices, in general and specifically with regard to sustainability. The Group's Organisation and the presence of members of the management within its member companies means that there are no conflicts of interest.



# 1.3. THE GROUP'S TECHNICAL AND PRODUCTION ORGANISATION

System Group has developed with a precise strategy, conceived from the very beginning by founder Alvaro Boscarini. The main focus of this vision refers to the integration of activities and competencies from both technical and commercial perspectives. Integrating the production and research activities of dedicated organisations specialised in the production of different types of artefacts has allowed the product range to be expanded and made it possible to respond to specific market demands. Today, customers are increasingly asking for integrated solutions, sometimes the design and installation of entire plants. Only those who know how to solve each individual problem from a technical point of view can propose a complete structure that is functional to the needs expressed. This evolution, a real blossoming, has fostered the growth of know-how, all within the Group, both inherent to individual products and related to *custom solutions*. This considerable and consolidated product expertise continues to increase the Group's competitive advantage in the industry scenario, making it an absolutely privileged partner. One of the declinations of the company strategy involved the creation of a centralised

**Technical Department.** This hub is essential to design and create integrated solutions and to facilitate the sharing of R&D objectives concerning the Group's products and services.

The centralised Technical Department also provides support to technicians and customers who request it, through: descriptions of the materials used, technical reports, including comparisons with alternative solutions and products, drafting of technical drawings, structural dimensioning of pipelines, and drafting of the relevant data sheets (now largely available on the Group's portal - [www.tubi.net](http://www.tubi.net)) and, on request, also of **BIM objects**<sup>1</sup>. The experience accumulated also allows us to support both technical and site operators in their assessments, providing suggestions on laying conditions that optimise the work's operational and management results.

In addition to the centralised Technical Department, specific Technical Offices are maintained within the individual companies of the Group, which mainly deal with the design of their own products, as well as direct technical-design assistance.

In order to adequately cater for the wide range of products and services on

---

1. **BIM** (*Building Information Modelling*) is a method that allows engineering and construction professionals to generate a digital model containing all the information on the entire life cycle of a work. At design level this allows all the data from different times and places to be collected, unified and combined, optimising planning, realisation and management of the work until it is decommissioned. This makes it particularly useful and essential to control, check and reduce errors during execution and management. "BIM objects" in digital format are needed to provide all the necessary information for projects, at the various levels of detail chosen. The System Group companies, which have always been attentive to the needs of network infrastructure designers and managers, have produced various BIM objects for some of their products and made them available to the public free of charge via a web portal. System Group can create new BIM objects on demand (BIM on demand).

offer, System Group's production units are equipped with technologies that allow specialisation in the production of manufactured goods for various uses. One example is the production technology for corrugated pipes, manufactured in Italy by Italiana Corrugati, and Replast Group, by System Group France in France and by Futura Systems in Spain, which can be made of PE and PP, intended for network infrastructures for drainage systems (rainwater and sewage), power transmission and distribution cables, public lighting and telecommunications, as well as slotted pipes for underground drainage and as external protection for other types of underground pipes.

The versatility of some of the manufactured products, together with the skills of the Technical Department, have resulted in innovative solutions that have facilitated access to previously untapped product-system markets.

Some of them contribute, in varying degrees, to improving the **sustainability** of specific systems, for example, allowing a more rational use of water, as in the case of controlled-release storage volumes in storm water retention systems to solve problems with hydraulic invariance. The development of storm water run-off treatment systems, both in accumulation and continuous with secondary rainwater, has also helped to improve traditional systems by bringing advantages mainly in terms of installation, durability and fulfilment of **CAM Criteri Ambientali Minimi** (Minimum Environmental Criteria) requirements.

Compared to 'traditional' artefacts, usually made of concrete, steel or fibreglass, the storage and/or treatment volumes made of extruded polyethylene pipes and rotary moulded tanks (made by Rototec and Lucania Resine) offer important design and construction versatility thanks to:

- wide range of modular shapes, both standard and customised

- guarantees of seal between elements
- considerable lightness and, consequently, greater site safety
- use of smaller mechanical devices with lower consumption levels
- works are created more quickly.

The characteristics of high chemical, electrical and biological inertia of polyethylene and polypropylene products, in addition to their physical characteristics of high resilience to impact, bradyseism and/or subsidence, mean there are greater expectations of durability for the work, hence longer periods before technical and economic obsolescence is reached. This results in management advantages, as well as lower risks of unforeseen events and consequent reduction of maintenance costs.

A clear contribution to achieving a circular economy is the proposed partial or total use of recycled and recyclable material to manufacture products whose product quality standards, rather than the specific request of the customer, allow their adoption. This also stimulates the demand triggered by the introduction, some years ago, of the CAM (Minimum Environmental Criteria) foreseen by the Public Contracts Code as a compulsory requirement right from the design phase .

The commercial proposals of the various companies are presented through specialised networks and divided by channels: operators, businesses and retailers in the various sectors (infrastructure, plumbing, agriculture, energy, telecommunications, environment, etc.).

These are coordinated through the delivery of central services for all Group companies. These include promotional activities, which are carried out by local officers, mainly towards technical planners, managers, training institutes and businesses. The local promoters are thus able to propose multiple products, systems and integrated solutions right from the material evaluation and design phases, assisted by all System Group's

technical and sales departments.  
A further boost to promotion and sales is provided by the dissemination of significant information and experiences, which can be enjoyed thanks to the communication activities coordinated by System Group's

'Web Team', dedicated to managing the Group's website, scheduling and drafting editorial plans, as well as publishing and monitoring social media activities (LinkedIn, YouTube, Facebook, Instagram, Flickr) and holding monthly public webinars.

## Glossary

**Hydraulic invariance:** this is the principle according to which the flow rate and volumes of rainwater discharged into the receiving bodies must be kept unchanged even after renovation or new building construction work, in order to preserve the hydraulic balance of the area.

**Storm water and secondary rainwater run-off:** Chapter IV article 113 of Legislative Decree No. 152/2006 assigns regulation of the conveyance and appropriate treatment of storm water run-off and washing water from outdoor areas to the Regional Authorities.

In the Water Protection Plan (D.A.L.R. No. 145 of 26/01/2010) the Marche Regional Authority defines storm water run-off as the rainwater that falls during the first part of a rain event and in Art. 42 it indicates the cases in which that water must be subjected to industrial waste water regulations: conveyed and appropriately treated for the portion that can also remove polluting substances in solution, such as water-soluble, putrescible or partially or totally powdered substances. Secondary rainwater run-off is excluded from industrial waste water regulations.

The Tuscany Regional Authority defines storm water run-off (AMPP) as water corresponding, for each rainfall event, to a precipitation of five millimetres uniformly distributed over the entire draining surface served by the drainage network. To calculate the flow rates, this value is set as occurring in fifteen minutes; the run-off coefficients are assumed to be equal to 1 for covered, paved or waterproofed surfaces and 0.3 for permeable surfaces of any type, excluding cultivated surfaces from the calculation. Rainfall events that occur at a distance of forty-eight hours are considered to be separate. The discharge of storm water is subject to authorisation under the Single Environmental Authorisation (AUA).

**The Public Contracts Code:** also known as the 'Code of Contracts and Concessions', is the legislation that regulates relations between the public administration and companies entrusted with carrying out certain public works.

**Minimum Environmental Criteria (CAM):** these are the environmental requirements defined for the various stages of the purchasing process, aimed at identifying the best design solution, product or service from an environmental point of view throughout its life cycle, taking into account market availability. CAMs are defined within the framework of the Plan for Environmental Sustainability of Consumption in the Public Administration Sector and are adopted by Decree of the Ministry for Ecological Transition. Their systematic and homogeneous application allows the dissemination of environmentally preferable technologies and products and produces a leverage effect on the market, inducing less virtuous economic operators to adapt to the new demands of the public administration

**HDPE - MDPE - LDPE** and **LLDPE** are the acronyms respectively of: **H**igh **D**ensity **P**olyethylene - **M**edium **D**ensity **P**E - **L**ow **D**ensity **P**E and **L**inear **L**ow **D**ensity **P**E. This classification is mainly based on the density values (g/cm<sup>3</sup>) of the source material as well as its respective fluidity, parameters that influence the characteristics and performance of the final products.

**PEX** (*Cross-linked polyethylene*) is the acronym for reticulated polyethylene. PEX offers much higher strength and durability characteristics in transporting water at high temperatures than normal extrusion polyethylenes, which could not operate, especially under pressure, at temperatures of up to 90-110°C.

The acronym **PEX-AL-PEX** indicates that the product consists of a PEX inner tube, which is coated with an adherent layer of aluminium, which is in turn coated with an additional adherent PEX tube. This conformation gives all the advantages of synthetics and metal in a single product.



## PRODUCTS AND APPLICATIONS

### HIGH-MEDIUM-LOW DENSITY POLYETHYLENE (PE) PIPES (HD-MD-LD)

|                       |  |
|-----------------------|--|
| <b>DIAMETER RANGE</b> | 7 to 1200 mm   |
| <b>APPLICATIONS</b>   | water pipelines + gas + sewers + drainage (slotted pipes) + cable protection + plumbing + irrigation + fire protection + dredging + construction of containers and manholes + hydroelectricity |

### POLYVINYL CHLORIDE (PVC) PIPES

|                       |   |
|-----------------------|---|
| <b>DIAMETER RANGE</b> | 50 to 500 mm  |
| <b>APPLICATIONS</b>   | water pipelines + irrigation + sewers + drains (slotted pipes) + cable protection + wells |

### POLYETHYLENE (PE) AND POLYPROPYLENE (PP) PIPES

|                       |   |
|-----------------------|---|
| <b>DIAMETER RANGE</b> | 40 to 1200 mm   |
| <b>APPLICATIONS</b>   | sewage systems + drains (slotted pipes) + cable protection + controlled mechanical ventilation + construction of containers and inspection chambers |

### CROSS-LINKED POLYETHYLENE (PEX) PIPES, MULTILAYER WITH ALUMINIUM (PEX-AL-PEX)

|                       |  |
|-----------------------|--|
| <b>DIAMETER RANGE</b> | 14 to 63 mm                                    |
| <b>APPLICATIONS</b>   | plumbing systems for heating and cooling + gas |

### HIGH-DENSITY POLYETHYLENE PIPES (HDPE)

|                       |  |
|-----------------------|--|
| <b>DIAMETER RANGE</b> | 800 to 2500 mm   |
| <b>APPLICATIONS</b>   | sewage and storm water drainage systems + low-pressure hydroelectric power + underground forced ventilation systems + construction of inspection chambers + lifting stations + controlled release water storage + storm water run-off treatment + fire-fighting tanks + service tunnels + road-railway embankment crossing systems |

### POLYETHYLENE (PE) HOSES

|                     |                             |
|---------------------|-----------------------------|
| <b>RANGE</b>        | distribution and drip hoses |
| <b>APPLICATIONS</b> | drip irrigation             |

## GRATED CHANNELS

|                     |  |
|---------------------|--|
| <b>RANGE</b>        | min. 100 × 50 to max. 500 × 500 mm                               |
| <b>APPLICATIONS</b> | drainage systems for pedestrian, road, port and airport surfaces |

## FITTINGS AND SPECIAL PARTS

|              |   |
|--------------|---|
| <b>RANGE</b> | Many shapes and formats complement the piping systems produced by the various System Group companies. |
|--------------|---|

## POLYETHYLENE (PE) TANKS

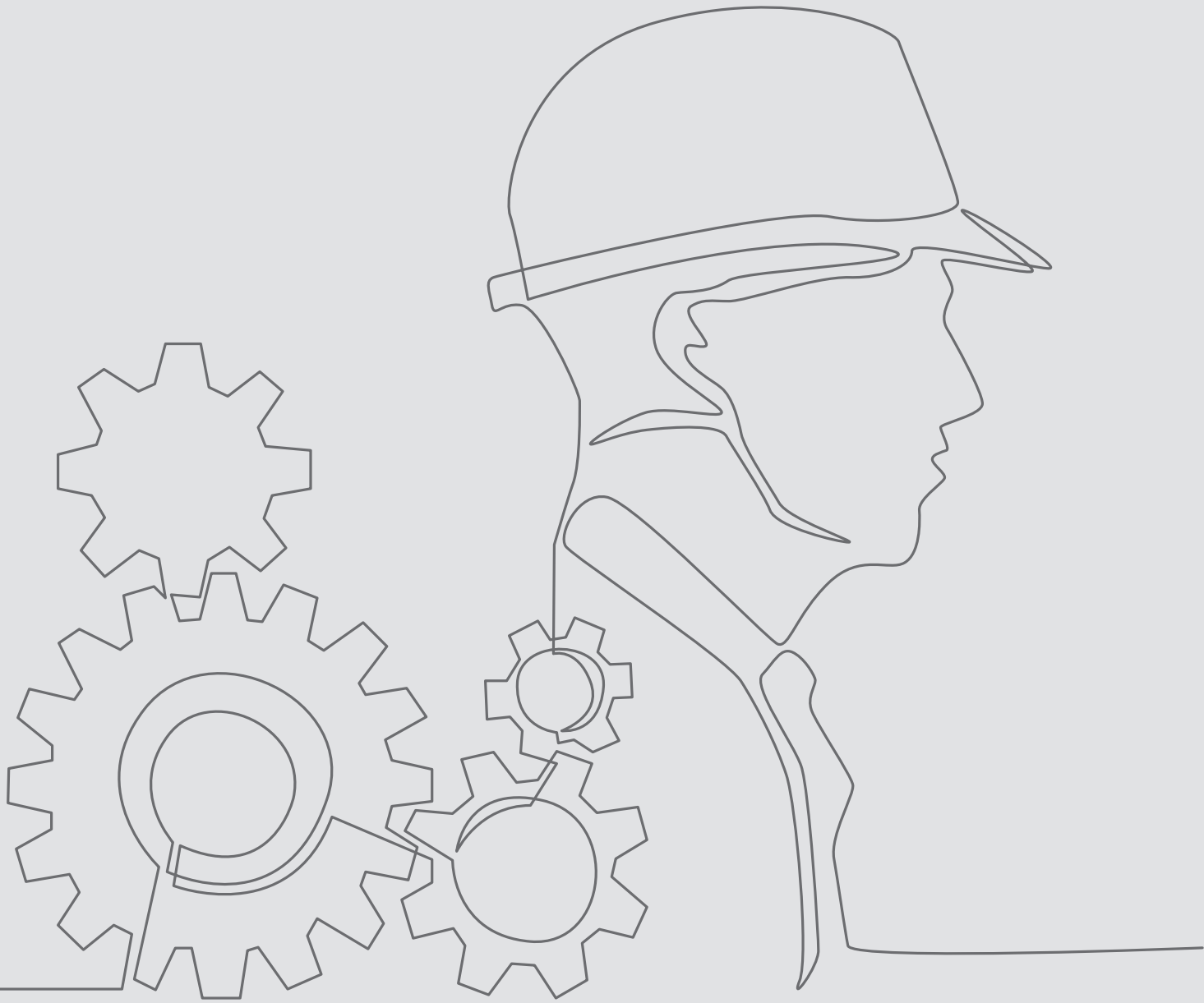
|                     |   |
|---------------------|---|
| <b>RANGE</b>        | from 210 l to > 52,000 l (modular)  |
| <b>APPLICATIONS</b> | domestic sewage systems and fuel delivery stations + lifting stations + controlled release water storage + storm water run-off treatment + fire-fighting tanks + constructed wetlands |

## PE INSPECTION CHAMBERS

|                     |  |
|---------------------|--|
| <b>RANGE</b>        | standard and customised designs for all types, materials and diameters of plastic pipes  |
| <b>APPLICATIONS</b> | creation of access points for inspection and maintenance work on the underground network |

## PRODUCTION WASTE REGENERATION

|                     |   |
|---------------------|---|
| <b>RANGE</b>        | all types of PE waste, from in-house production or recovered from separate waste collection |
| <b>APPLICATIONS</b> | production of PE articles from second-life materials (pipes, various moulded objects, etc.) |



## 1.4. GROUP COMPANIES

System Group is made up of several companies, which carry out different and often integrated activities. All these actors are coordinated to achieve management, technical, production and commercial synergies. The following are the main companies with

cross-Group utility. Five of them: Centraletubi, Italiana Corrugati, PEBO, Rototec and Futura are not included in the list below but presented in subsequent sections as their reporting has been prepared in greater detail as they comply with GRI 2021 Standards.

|  |   |
|--|---|
|   |   |
|   |   |
| <br><small>plastic materials • since 1987</small>     |                                        |
|   | <br><small>cherish your water</small> |
|   |                                       |
|   |                                       |
|   |                                       |
|   |                                       |
| <br><small>INGEGNERIA • ASSISTENZA • MACCHINE</small> |                                       |
| <br><small>SERVIZI LOGISTICI INTEGRATI</small>        |                                       |

# Sa.Miplastic



## SA.MI Plastic S.p.A.

The company produces polyethylene pipes, and Pex-Al-Pex multilayer pipes for the following applications:

- PE pipes for water pipelines,
- PE pipes for gas transport,
- PE pipes for cable ducts,
- Multilayer pipes for water and gas,
- pre-insulated Multilayer pipes for hot and cold water.

SA.MI Plastic operates with an ISO 9001-compliant management system; it also complies with other standards for product certification (certification bodies: IIP, KIWA Bureau Veritas, RINA).

Its favourable logistical position allows it to acquire '0 km' recycled raw material from

## Administrative Body

### Marina Boscarini

Chair of the Board of Directors and Chief Executive Officer

### Emiliano Boscarini

Vice Chair of the Board of Directors

### Emanuele Boscarini

Board Member

PEBO, another System Group company, thus eliminating the costs and emissions for the transport of regenerated materials.

|                        |   |
|------------------------|---|
| Location               | <i>registered office:</i> Via Garibaldi, 1, 61049 Urbania (PU);<br><i>operational and administrative headquarters:</i> Piego (hamlet of Monterone), 52038 Sestino (AR). |
| Tel                    | (+39) 0575 71711  |
| Website                | <a href="http://www.tubi.net/aziende/sa-mi-plastic/">www.tubi.net/aziende/sa-mi-plastic/</a>  |
| E-mail                 | <a href="mailto:samiplastic@tubi.net">samiplastic@tubi.net</a>  |
| PEC (certified e-mail) | <a href="mailto:samiplastic@legal-pec.it">samiplastic@legal-pec.it</a>  |





### Mecsystem S.r.l.

The company performs routine and extraordinary maintenance of the Group's production facilities, engineering of production sites, design of special machinery and technical and economic evaluation of purchases of machinery and equipment from external suppliers. Mecsystem provides energy management

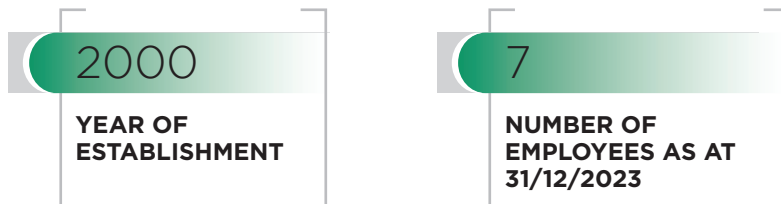
### Administrative Body

**Marina Boscarini**  
Sole Administrator

services to the Group's companies, including consumption analysis, cost control and implementation of energy saving systems.

|                               |   |
|-------------------------------|---|
| <b>Location</b>               | <i>registered office</i> Via Garibaldi, 1, 61049 Urbania (PU);<br><i>operational and administrative headquarters</i> Via G. di Vittorio, 5, 61026 Piandimeleto (PU) |
| <b>Contact details</b>        | Via G. Di Vittorio, 5 - 61026 Piandimeleto (PU)   |
| <b>Tel</b>                    | (+39) 0575 772838   |
| <b>Website</b>                | <a href="https://tubi.net/aziende/mec-system/">https://tubi.net/aziende/mec-system/</a>   |
| <b>E-mail</b>                 | centralino@mecsystemitalia.it   |
| <b>PEC (certified e-mail)</b> | mecsystem@legal-pec.it  |

# HB BOSCARINI



## **HB Boscarini S.p.A.**

This is the Group's holding company that carries out activities in the areas of finance, management control, HR, legal, corporate and management.

## **Administrative Body**

### **Marina Boscarini**

Chair of the Board of Directors and Chief Executive Officer

### **Emiliano Boscarini**

Vice Chair of the Board of Directors

### **Emanuele Boscarini**

Board Member

### **Irma Osorio**

Board Member

### **Antonio Mazza**

Board Member

|                               |   |
|-------------------------------|---|
| <b>Location</b>               | <i>legal and administrative headquarters in via Foglia 11, 61026, Lunano (PU)</i> |
| <b>Tel</b>                    | (+39) 0722 70011  |
| <b>PEC (certified e-mail)</b> | hboscarini@legalmail.it   |

# HB SERVIZI



## HB Servizi S.r.l.

Provides centralised services for all Group companies, optimising and coordinating their management. The main services are in the areas of administration and finance, sales, marketing and purchasing.

### Administrative Body

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#### Marina Boscarini

Chair of the Board of Directors and Chief Executive Officer

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#### Emanuele Boscarini

Deputy Chair of the Board of Directors and Chief Executive Officer

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#### Emiliano Boscarini

Board Member

---

|          |   |
|----------|---|
| Location | <i>legal and administrative headquarters</i> in via Foglia 11, 61026, Lunano (PU) |
|----------|---|

|     |                  |
|-----|------------------|
| Tel | (+39) 0722 70011 |
|-----|------------------|

|                        |                        |
|------------------------|------------------------|
| PEC (certified e-mail) | hbservizi@legalmail.it |
|------------------------|------------------------|





### Uniline S.r.l.

The company carries out national and international transport activities, including special transport of goods and merchandise for third parties, by any means and tonnage. It mainly serves the Group, but also has a good presence on the market. Logistics services are integrated into the various modes of transport: maritime, air, road and inter-modal. It operates with an ISO 9001-compliant management system and complies with the requirements of ISO 28000 (on the security of transport and goods along the supply chain). The Uniline fleet is equipped with more than 20 vehicles, consisting of large volume trucks, semi-trailers, tractor-trailers and vans, as well as tarpaulin vehicles equipped with hydraulic tail lifts that can cater for a wider range of

### Administrative Body

#### Emanuele Boscarini

Chair of the Board of Directors and Chief Executive Officer

#### Emiliano Boscarini

Deputy Chair of the Board of Directors and Chief Executive Officer

unloading services. The entire fleet complies with 'Euro6' standards. It guarantees maximum reliability and attention to respect of goods transit time, from pick-up to delivery. In the second half of 2022 Uniline moved to its new plant, which to all intents and purposes became the Group's logistics hub.

|                               |   |
|-------------------------------|---|
| <b>Location</b>               | <i>legal and administrative headquarters</i> Via Pascoli, 2, 61026, Lunano (PU) |
| <b>Tel</b>                    | (+39) 0722.72631  |
| <b>Website</b>                | www.uniline.biz   |
| <b>E-mail</b>                 | commerciale@uniline.biz   |
| <b>PEC (certified e-mail)</b> | uniline@pec.it  |

2003

**YEAR OF  
ESTABLISHMENT**

92

**NUMBER OF  
EMPLOYEES AS AT  
31/12/2023**

€39,366,000

**VALUE OF  
PRODUCTION 2023**

#### **SAB S.p.A.**

The company is mainly active in the fields of irrigation, drainage, production of moulded fittings and other plumbing accessories.

Its presence in foreign markets is very significant and constantly growing.

The company has a 98 kWp photovoltaic system that produces an average of 100,000 kWh per year, which is mainly used in house.

SAB operates with an ISO 9001-compliant management system; it also complies with other product certification standards certified by various, country-specific bodies (Italy, Germany, Ukraine, Australia, etc.).

#### **Administrative Body**

##### **Emiliano Boscarini**

Chair of the Board of Directors and Chief Executive Officer

##### **Irma Osorio**

Deputy Chair of the Board of Directors

##### **Emanuele Boscarini**

Board Member

##### **Pietro Giunti**

Board Member

|                               |   |
|-------------------------------|---|
| <b>Location</b>               | <i>registered, operational and administrative headquarters</i><br>Via Salvo d'Acquisto, 61048, Sant'Angelo in Vado (PU) |
| <b>Tel</b>                    | (+39) 0722 810800   |
| <b>Website</b>                | www.sabspa.com  |
| <b>E-mail</b>                 | sab@tubi.net  |
| <b>PEC (certified e-mail)</b> | sabspa@pec.it   |



### Lucania Resine S.r.l.

The company manufactures smooth and corrugated polyethylene pipes, smooth PVC pipes and rotary moulded polyethylene containers, for water pipeline, irrigation, gas distribution, sewerage, drainage, cable ducting systems, water storage and purification applications.

Its geographical location makes it a logistical outpost of the System Group, as well as a production outpost, to serve the southern Italian markets.

### Administrative Body

#### Giuseppe Falasconi

Sole Administrator

It operates with an ISO 9001-compliant management system; it also has several national Product Quality seals certified and validated by accredited third-party bodies (Bureau Veritas, IIP, IMQ).

|                               |  |
|-------------------------------|--|
| <b>Location</b>               | <i>registered office</i> Via Foglia 11, 61026 Lunano (PU)<br><i>operational headquarters</i> Via della Fisica 20, 85100 Potenza (PZ) |
| <b>Tel</b>                    | (+39) 0971 56416   |
| <b>Website</b>                | <a href="https://tubi.net/aziende/mec-system/">https://tubi.net/aziende/mec-system/</a>  |
| <b>E-mail</b>                 | lucanioresine@tubi.net   |
| <b>PEC (certified e-mail)</b> | lucanioresine@pec.it   |



#### System Group PVC S.r.l.

The company manufactures and markets PVC pipes, fittings and accessories.

It operates with an ISO 9001-compliant management system; it also has several national Product Quality seals certified and validated by accredited third-party bodies: UNI EN 1401, UNI EN 1452 (certified by Bureau Veritas and IIP) and CEI EN 61386-24 (IMQ).

#### Administrative Body

##### Marina Boscarini

Sole Administrator

|                        |  |
|------------------------|--|
| Location               | <i>registered office</i> in Via Garibaldi 61049, 1, Urbania (PU)<br><i>operational headquarters</i> Via Genova 12, 50052 Certaldo (FI) |
| Tel                    | (+39) 0571 652220  |
| Website                | <a href="http://tubi.net/aziende/system-group-pvc/">tubi.net/aziende/system-group-pvc/</a>   |
| E-mail                 | <a href="mailto:c.cancellieri@tubi.net">c.cancellieri@tubi.net</a>   |
| PEC (certified e-mail) | <a href="mailto:systemgrouppvc.pu@legalmail.it">systemgrouppvc.pu@legalmail.it</a>   |





### Deriplast Group S.r.l.

The company manufactures smooth polyethylene pipes for water pipelines, irrigation, gas distribution, sewerage, dredging and cable ducting applications. Its location in northern Italy, close to important road and motorway routes, brings it closer to European markets, where, year after year, it strengthens its presence. It operates with an ISO 9001-compliant and, for the environment, with an ISO 14001-compliant management system; its products carry the national and international Product Quality Mark (certified with Bureau Veritas, DVGW, OVGW, NF, Benor). Deriplast has a high-efficiency trigeneration plant with a rated electrical output of 520 kW. This not only powers the electric motors

### Administrative Body

#### Emiliano Boscarini

Chair of the Board of Directors and Managing Director

#### Mario Cirino Pomicino

Managing Director

#### Antonio Mazza

Board Member

of the production plants, but also lowers the temperature of the water before it reaches the chillers, thus considerably reducing energy consumption.

|                        |   |
|------------------------|---|
| Location               | legal and operational headquarters Via San Leonardo 2, 45010 Villadose (RO) |
| Tel                    | (+39) 0425 405267   |
| Website                | www.deriplast.it  |
| E-mail                 | info@deriplast.it   |
| PEC (certified e-mail) | deriplastgroup@legalmail.it   |



# REPLAST GROUP

2017

YEAR OF  
ESTABLISHMENT

22

NUMBER OF  
EMPLOYEES AS AT  
31/12/2023

€9,229,000

VALUE OF  
PRODUCTION 2023

## Replast Group S.r.l.

The company produces corrugated polyethylene pipes for cable ducting applications, sewage and drainage, as well as components for various building sectors, such as PVC fences with a steel core, ventilated roof profiles, and technical profiles.

Its geographical location makes it a logistical outpost of the System Group, as well as a production outpost, to more easily serve the markets of north-eastern Italy, as well as neighbouring Austria and Slovenia. The cable ducting pipes carry the 'IMQ' Product Quality Mark.

## Administrative Body

### Emiliano Boscarini

Chair of the Board of Directors and Chief Executive Officer

### Emanuele Boscarini

Board Member

### Valter Rotter

Board Member

### Tiziano Rotter

Board Member

|                        |  |
|------------------------|--|
| Location               | legal and operational headquarters Via di Salt 58, 33047 Remanzacco (UD) |
| Tel                    | (+39) 0432 668762  |
| Website                | www.replastgroup.com   |
| E-mail                 | replastgroup@tubi.net  |
| PEC (certified e-mail) | replastgroup@legalmail.it  |





# SYSTEM GROUP SICILIA

2019

YEAR OF  
ESTABLISHMENT

3

NUMBER OF  
EMPLOYEES AS AT  
31/12/2023

€6,801,000

VALUE OF  
PRODUCTION 2023

### System Group Sicily S.r.l.

It sells smooth PVC and PE pipes, as well as corrugated PE pipes, for water pipeline, irrigation, sewage, cable ducting and construction applications.

Its geographical location places it logistically in the extreme south of Italy, so that it is particularly effective in facilitating System Group's commercial coverage of the entire

### Administrative Body

#### Giuseppe Falasconi

Sole Administrator

island. PVC pipes for pressurised systems and unpressurised drainage systems carry the Bureau Veritas Product Quality Mark.

|                        |  |
|------------------------|--|
| Location               | <i>registered office</i> Via Foglia 11, 61026, Lunano (PU)<br><i>depot</i> Via Ferraris, S.S. 115, 91026 Mazara del Vallo (TP) |
| Website                | <a href="https://tubi.net/aziende/system-group-sicilia/">https://tubi.net/aziende/system-group-sicilia/</a>                    |
| E-mail                 | <a href="mailto:systemgroupsicilia@tubi.net">systemgroupsicilia@tubi.net</a>   |
| PEC (certified e-mail) | <a href="mailto:systemgroupsicilia@legalmail.it">systemgroupsicilia@legalmail.it</a>   |



**System Group France S.A.S.**

The company produces corrugated polyethylene and polypropylene pipes for cable ducting, sewerage and drainage applications, as well as a production line for smooth PE pipes specifically for cable ducts. It operates with an ISO 9001-compliant management system; its products bear various Product Quality Marks (certified by NF, IIP).

**Administrative Body**

**Emiliano Boscarini**  
Sole Administrator

|                 |   |
|-----------------|---|
| <b>Location</b> | <i>registered, operational and administrative headquarters</i> Rue du President Wilson n. 3, 21120, Is sur Tille (France) |
| <b>Tel</b>      | (+33) 3 80 956140   |
| <b>Website</b>  | www.systemgroupfrance.fr  |
| <b>E-mail</b>   | contact_sgf@tubi.net  |





**Uniline France S.A.S.**

The company carries out transport activities for its sister company System Group France. Logistics services are integrated into the various modes of transport: maritime, air, road and inter-modal.

**Administrative Body**

**Emiliano Boscarini**

Sole Administrator

|                 |   |
|-----------------|---|
| <b>Location</b> | <i>registered, operational and administrative headquarters</i> Rue du President Wilson n. 3, 21120, Is sur Tille (France) |
| <b>Tel</b>      | (+33) 3 80 956140   |
| <b>Website</b>  | <a href="http://www.systemgroupfrance.fr">www.systemgroupfrance.fr</a>  |
| <b>E-mail</b>   | <a href="mailto:contact_sgf@tubi.net">contact_sgf@tubi.net</a>  |

# FUTURA SYSTEMS

1998

YEAR OF ESTABLISHMENT

37

NUMBER OF EMPLOYEES AS AT 31/12/2023

€16,061,000

VALUE OF PRODUCTION 2023

## Futura Systems S.L.

The company manufactures corrugated polyethylene and polypropylene pipes for cable ducting, sewer and drainage applications. It also holds the patent for a special and innovative jointing system, the only one of its kind, which it manufactures. It operates with an ISO 9001-compliant management system; its products bear various national (APPLUS) and international (SII - Standards Institute of Israel) Product Quality Marks, all certified and validated by accredited third-party bodies.

## Administrative Body

### Emanuele Boscarini

Chair of the Board of Directors

### Moreno Baccarin

Managing Director

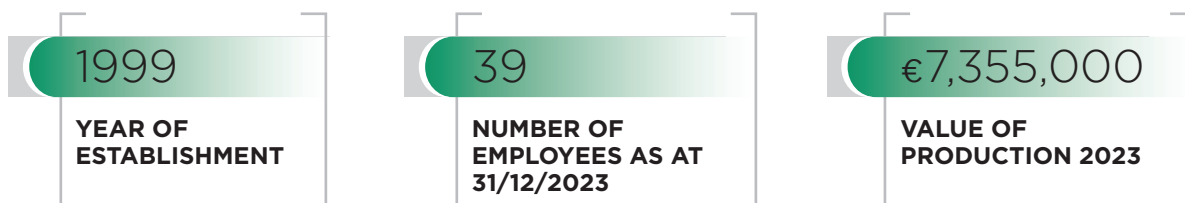
### Emiliano Boscarini

Board Member

|          |  |
|----------|--|
| Location | registered, operational and administrative headquarters Carretera de Valls a Vendrell C-51, km 22, 43812 Tarragona (Spain) |
| Tel      | (+34) 977 628180   |
| Website  | www.futura-systems.com   |
| E-mail   | comercial@futura-systems.com   |



# SAMI PLASTIC ROMÂNIA



## SAMI Plastic Romania S.A.

The company manufactures smooth polyethylene pipes for water pipelines, gas, sewage, irrigation, drainage and cable insertion applications. It also markets various System Group products in Romania.

SAMI Plastic Romania operates an ISO 9001-compliant management system, and is also compliant with environmental (ISO 14001) and Occupational Health and Safety

## Administrative Body

### Nicole Paval

Sole Administrator

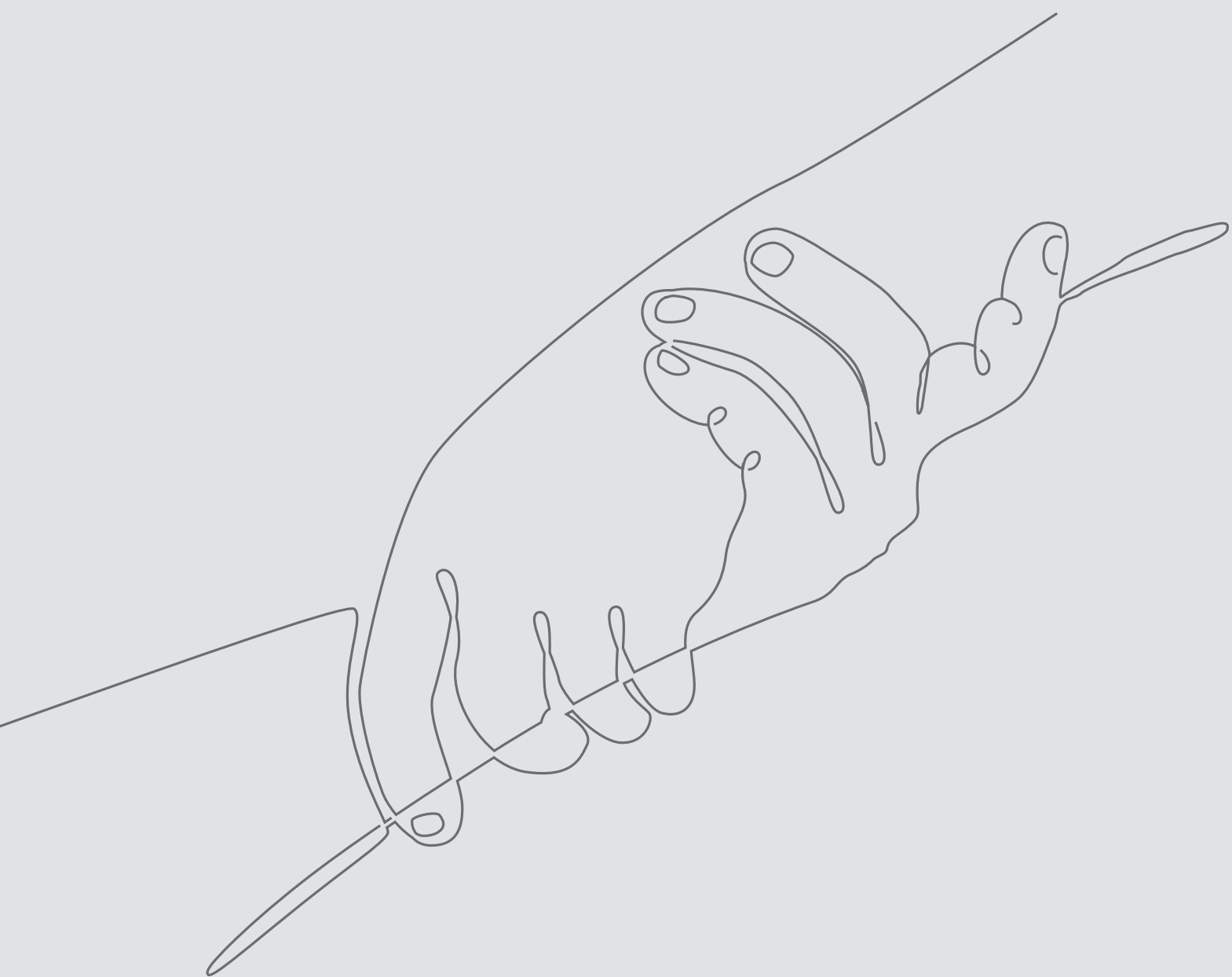
Management (ISO 45001) standards, all of which are certified by accredited third-party bodies.

|          |   |
|----------|---|
| Location | registered, operational and administrative headquarters<br>Str. Vlaicu Aurel n.62, 720092 Suceava (Romania) |
| Tel      | +40 (230) 525016  |
| Website  | www.samiplastic.ro  |
| E-mail   | commercial@samiplastic.ro   |



**VALUES, MISSION,  
VISION**







# 2.1. THE VALUE OF PEOPLE'S HEALTH

GRI Standard 403 - 1 / 2 / 3 / 4 / 5 / 6 / 7 / 8

GRI Standard 416

## 2.1.1 The approach to health

Health and well-being, as a declination of the concept of respect for others and their rights, has always been a founding pillar of the System Group's culture and way of operating and managing relations.

Evidence of this is the attention paid to the

health and safety of all persons involved in various capacities in the Group's activities, and the welfare initiatives, which are also frequently oriented towards health and well-being.

## 2.1.2 Personnel health and safety management

System Group places the highest emphasis on management systems related to occupational health and safety (OHS) and maintains the goal of adopting ISO 45001-compliant systems.

The objective that the Group pursues by adopting these systems, together with due compliance with occupational health and safety requirements, is substantial: the maximum protection of the health and safety of employees must be guaranteed, with particular attention to those employed in the production process.

By adopting Model 231 (ex Legislative Decree 231/2001), the attention and care to monitoring of the procedures envisaged by current regulations on workers' health and safety are even more emphasised, and thanks to periodic audits by the certifying bodies and the Supervisory Board, the systems are constantly monitored and updated.

The workers' health and safety system refers to the 'Consolidated Occupational Safety Act', i.e. Legislative Decree 81/2008,

that sets out how preventive actions must be compulsorily implemented and, more generally, how and what measures must be taken to improve these aspects of working life.

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The health and safety management system covers all persons who come into contact with the company's activities at its operational sites.

No System Group company has ever detected non-compliance with regulations and/or voluntary codes, nor has it received sanctions or notices of proceedings for issues related to the health of its workers.

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## RISK ASSESSMENT

How hazards are identified, risks assessed and safety measures adopted to minimise workers' exposure to the various hazards are dealt with in the company's Risk Assessment Document (DVR), which takes into account work activities, work organisation, human resources, working areas, equipment and machinery used, and materials employed. The analysis method involves several stages of data acquisition, evaluation and processing that lead to the attribution of a unique 'hazard' value (severity by frequency) for each risk. The prevention and protection measures to be taken in order to reduce the risk to the level of acceptability tolerated are determined based on this value and the acceptability criteria.

## HEALTH SURVEILLANCE

The health protocol is the fundamental tool through which the company implements health surveillance, contributing to the prevention of occupational diseases and accidents that may occur in the workplace. It is defined by the Medical Officer on the basis of the results of the risk assessment and is aimed at keeping the health status of workers under control. The health protocol contains the clinical/instrumental examinations to which workers must be subjected according to a specific frequency, depending on the type of work performed and the risks involved, and is continuously updated, when changes occur and when the Competent Doctor reviews the company risk assessment.

## PERIODIC MEETINGS EX ART. 35 LEGISLATIVE DECREE 81/08

In accordance with Legislative Decree 81/08 art. 35, a meeting is organised once a year to discuss safety aspects and

issues. The Employer or his delegate, the Health and Safety Officer, the Competent Doctor and the Workers' Health and Safety Representative are invited to attend the meeting.

During the plenary meeting, the following issues are discussed:

- risk assessment document
- trends in accidents, occupational diseases and health surveillance, technical characteristics and effectiveness of personal protective equipment
- worker information and training programmes for safety purposes.

At the end, behaviour and good practice for risk prevention and improvement targets are identified.

Other consultations between safety representatives are carried out during the visit of the Competent Doctor to premises and construction sites.

## ACCIDENTS AND NEAR MISSES

The company collects data on accidents and near misses to analyse their causes and assess the possibility of correction and improvement. Accident analysis is also systematically carried out for accidents occurring to members of staff and subcontractors with an initial prognosis of more than thirty days or the dynamics of which need to be investigated.

The analysis phases consist of:

- collection of all elements necessary to define the event (data, statements, documents, photos, etc.)
- analysis of elements and identification of causes
- final description of the dynamics of the accident and analysis of the causes
- conclusions and identification of actions to be taken.

These actions may include technical measures, such as structural interventions on plant, machinery and/or equipment, organisational measures, procedural measures to regulate workers' behaviour, training and information measures, and a revised risk assessment.

## EDUCATION, INFORMATION AND TRAINING

Each company implements and maintains a procedure so that the people working directly for it, or on its behalf, are always aware and competent.

The main jobs that are present in the company are identified in the risk assessment document. These jobs are also used as a reference to identify training needs relating to that job's occupational health and safety risks and for its management system. Education, information and training are provided by taking all necessary actions to meet these needs and documented information is kept. System Group has equipped itself with a new computerised system for the management of health and safety requirements.

Collaborating and partnering with qualified training organisations achieves the main objective of preserving the quality of the lessons, guaranteeing participants full involvement and effective interactivity with the lecturers, in order to continue to increase our in-house expertise and enhance our human resources.

Theoretical and practical induction courses are set up for all new recruits, with *on the job* coaching tailored to the job, on questions of safety, the environment, workers' rights and code of ethics, in compliance with legal requirements and the integrated management system.

The management system provides for compulsory training and instruction upon recruitment and change of job.

In addition to compulsory training, further training is provided following events such as accidents and near misses, non-conformities found by field inspections, new activities to be carried out, and assessment of workers' skills. The investment in training does not only concern the induction of personnel into the company, but is continuously updated over time, with the aim of fostering professional growth and individual motivation.

## 2.1.3 The health of our customers

The System Group's companies' main customers are mainly Integrated Water Services Management Authorities and Companies in the building and civil engineering field and retailers of building and plumbing materials.

Taking care of the customer's health means paying special attention to ensure that the products supplied cannot be dangerous for those who will have to handle them until they are put into operation and then until they are decommissioned. Also through the Central Technical Office, all

System Group organisations provide their expertise in the prevention of any kind of accident or incident, from delivery to final testing of materials, providing specific safety data sheets, as well as instructions for correct handling and safe storage,



No non-conformities of any kind related to customer health were recorded.



with clear information on safe installation procedures. The in-house health and safety personnel cooperate with the companies in the drafting of site safety plans for

management of the products supplied, even when interventions are necessary after the installation of the products.

## 2.1.4 The health of System Group product users

After installation, the products offered by System Group companies are intended for use by communities or private users, so we take special care to ensure that risks to people's health are minimised. Of the many products in the catalogue, those intended for contact with water for human consumption are certainly subject to the greatest monitoring. For example, Rototec products for water storage are periodically checked for the release of adverse substances. These checks are also carried out in respect of various food liquids in order to supply products suitable for food contact, although this is not the typical purpose of rotary moulded polyethylene tanks.

Centraltubi tests the suitability of pipes to transport water for human consumption according to the requirements of national laws by verifying the release of compounds into the water, but also performs tests according to the most stringent European specifications KTW, UBA, ACS and UNI EN 1622 to ensure sanitary compliance, as well as the quality and respect for the sensory

properties of water in contact with the polyethylene pipes.

As a research project, in collaboration with the Marche Polytechnic University, Centraltubi monitors the degradation of pipes over time and any effects on water

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No non-conformities of any kind related to user health were recorded.

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quality due to ageing and interaction of the polymer with disinfectants, to ensure product safety and hygienic compatibility even after a lifetime of operation. Given the increasing attention paid to this issue, the System Group Technical Department, in synergy with the research institutes with which it collaborates, monitors the evolution of European legislation on the release of microplastics into the environment.

## 2.1.5 Collaborations with universities and research institutes

A number of System Group companies increasingly maintain relations with university institutions, both regionally and nationally, financing research and

development projects either fully or in part. In 2023, Centraltubi continued its investigation into the behaviour of polyethylene pipes in contact with

highly oxidising disinfectants, a project with the Faculty of Engineering of the Marche Polytechnic University in Ancona, the Faculty of Chemistry of the Carlo Bo University of Urbino, and Marche Multiservizi (manager of the integrated water service in the province of Pesaro and Urbino). The study and long-term tests carried out on PE pipes are helping to provide scientifically relevant information on the reduction of potential risks related

to the interaction of disinfectant substances in water used by citizens through PE pipes. During 2023, collaborations continued with two Spin Offs of the Universities of Padua and Genoa to assess the environmental impacts of Centraltubi and Italiana Corrugati products and the development of certified calculation tools designed to provide precise life cycle analyses of the products offered.

## 2.2. WELFARE

### GRI 401 (1. Disclosures on management of the subject - Clause 1.2)

Well-being and productivity are the key words that characterise corporate welfare solutions aimed at strengthening the corporate climate and increasing performance.

System Group adopts welfare initiatives for its employees and collaborators:

- morning meal offered to shift workers;
- christmas hampers to employees according to specific dietary needs or religious beliefs;
- company benefits such as petrol coupons and shopping vouchers;
- based on specific policies, meal vouchers at affiliated facilities.

## 2.3. FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING

### GRI 407 - 1 a

The Group and its member companies did not record any internal or supplier activities in which workers' rights to exercise freedom

of association or collective bargaining were violated or deemed at risk during the reporting period.



## 2.4. TRAINING AND PROFESSIONAL DEVELOPMENT

### GRI 404 - 1 / 2a

The Group carries out training, information and refresher activities through System Group Academy and, through accredited third-party operators, can issue Qualification Diplomas, Certificates for free attendance of refresher and specialisation training courses exclusively for Trade Training, Sales Training and Management Training. It is confirmed that an MBO (Management

By Objectives) rewarding method is applied at Group companies, which is correlated to employee performance, through the definition and measurement of sector-specific KPIs, as well as an overall assessment of personal characteristics and aptitudes. Virtually all employees without distinction by category or gender are subject to periodic performance appraisals.

## 2.5. ETHICS (ANTI-CORRUPTION AND 231 ORGANISATIONAL MODELS)

### GRI 2 - 27

### GRI 205

### GRI 418

It is made explicit to all stakeholders directly related to this important issue, what, how and how much is done to make a positive contribution to improving environmental and social conditions in the area and the communities around us.

In recent years, management systems, standards, directives, regulations, etc., which originated independently and at different times, are converging in a synergistic way towards the same objectives, and they influence each other, generating new social value.

Hence, on the regulatory side, a Decree was introduced some 25 years ago, which over time has extended its scope and in

recent years has been perfectly integrated with management systems (e.g. ISO 14001 with the recent innovations in the field of Environmental Crimes), and of course with the principles behind ESG policies.

The Group, whose aim is obviously to be high-performing and profitable, but also resilient in the face of the challenges that current events propose to us on a daily basis, has not neglected these innovations and has invested in making its companies compliant (even if this is still voluntary) with the dictates of Legislative Decree 231/2001. By resolution of the Board of Directors, Centraltubi, Italiana Corrugati, Rototec and PEBO adopted the Organisation,



Management and Control Model pursuant to Legislative Decree No. 231/2001 in 2022 with the aim of reducing the risk of offences being committed by senior and subordinate figures. During 2024, Deriplast Group, Sab, Sami Plastic, SG PVC and Futura will also have adopted their own Model.

Adopting the Model is not sufficient in itself to guarantee its effectiveness and legal validity, so that, if certain conditions apply, the Company would be shielded from the negative consequences arising if any of its Associates were to commit offences.

It is imperative that it be effectively implemented and constantly updated. For this reason, all company functions and individual employees are informed, trained and involved in the issues revolving around the Model: policies, procedures, sanctioning system, etc.

A management system compliant with Model 231 requires thoroughly proper behaviour from all those who, in whatever capacity, interact with the companies, and who are called upon to conduct themselves in line with the Code of Ethics adopted by the company.

An essential element for the proper implementation of Model 231 is the presence of a Supervisory Board, which, among its powers, obviously has those of supervising its prescriptions, its actual effectiveness in preventing crime risks and, of course, its updating, since the Company is a dynamic entity that lives in a complex and changing market and therefore its organisational models must also move accordingly.

In recent years, the activity of the Supervisory Bodies present in the above-mentioned companies has seen a constant periodic presence, with joint meetings with

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None of the Group's companies have ever been faced with incidents of corruption, been sanctioned or been involved in proceedings for conduct that does not comply with the laws and regulations of any sector or area.

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the Heads of Departments, the receipt of mandatory information flows, visits to production sites to verify the adequacy of the preventive measures taken with respect to those described in the Models, meetings involving constructive exchanges with the Boards of Statutory Auditors and Auditors, and of course feedback provided to the General Management on the effective implementation of the Model.

Within the scope of its functions, the Supervisory Board therefore proposed adaptation of the Model with the inclusion, among the Special Crimes, of additional offences compared to the preliminary assessment, which was carried out in 2021 at the time of the first risk analysis. The new predicate offences will be implemented during 2024, and will already be within the perimeter of the five new companies.

With regard to the issue of anti-corruption, the aim of extending the Model to Offences against the Public Administration, for example, is to adopt procedures and practices to prevent fraudulent actions possibly being committed in this area.

The Group's Code of Ethics, applied in all its



member organisations is available at <https://tubi.net/codice-etico/><sup>1</sup>.

Protecting the privacy of all those involved in the Group's activities is a constant concern of its top management, which makes available all the necessary resources to manage this aspect.

The Group and all its member companies comply with the mandatory data protection regulations<sup>2</sup>.

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Specifically, as far as customer relations are concerned, the Group declares that there have never been any breaches of customers' privacy with data leaks, theft or loss, and no complaints have ever been filed by third parties or regulatory bodies.

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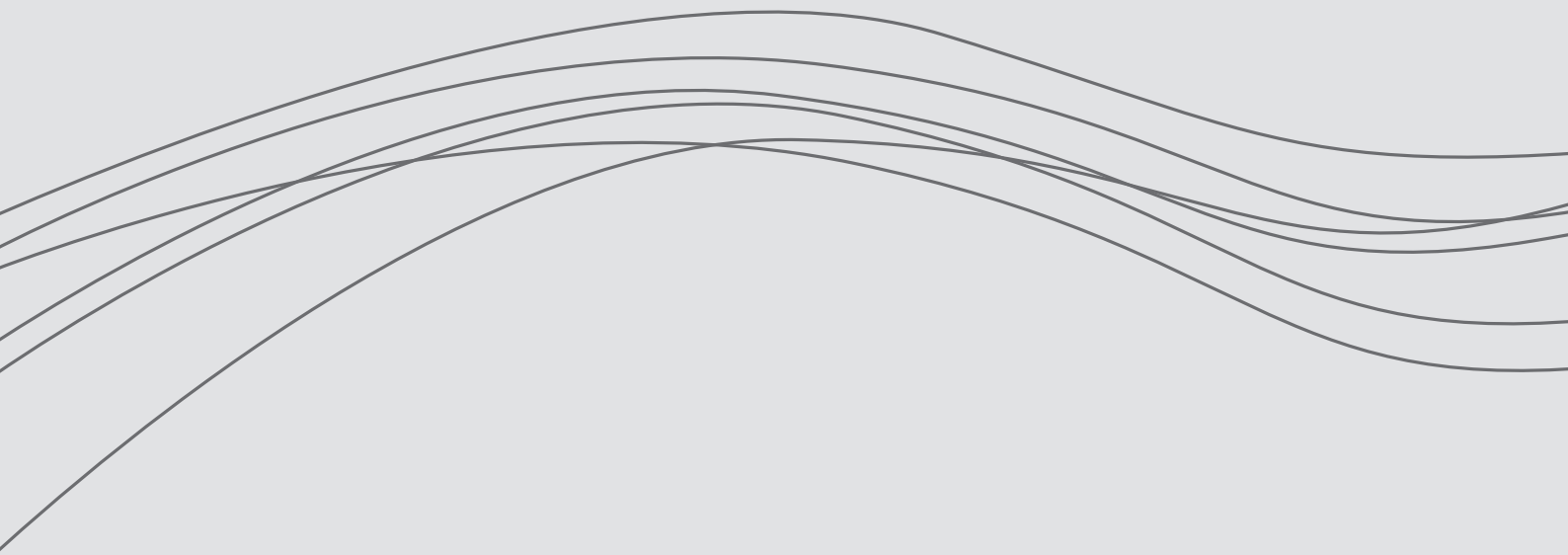
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1. **In Legislative Decree 08.06.2001 No. 231** the direct personal liability of collective entities (legal entities and companies and associations, including those that are not a legal entity) was introduced into our legal system when a series of offences are committed by individuals linked to them, who acted in the interest or to the advantage of the entity.

2. The Personal Data Protection Code (informally also known as the Privacy Code) is an Italian consolidation act containing national rules on the protection of personal data.

It has been in force since 2004 and was profoundly amended in 2018 to bring the Italian legislation into line with that of the European Union following approval in 2016 of the General Data Protection Regulation (GDPR).







# THE CONTEXT OF SUSTAINABILITY

GRI 2 - 25



# 3.1. THE USE OF RECYCLED PLASTICS AND INDUSTRIAL BY-PRODUCTS FOR A CIRCULAR ECONOMY

Recycling plastics can help the drive towards circular economy models by reusing what is already in use and limiting the creation of new plastic. In order to certify the commitment of companies in the sector and to guarantee conscious consumption by the public, **here is a label that certifies recycled plastic**. This is called **Second Lift Plastic (PSV)**.

This mark is a system of environmental product certification, dedicated to materials and products obtained from the recycling of plastic waste (pre-consumer, post-consumer or a mix of both types) and has European validity. It applies the concept of 'traceability' of recycled materials, so that products made from recycled material are recognisable.

Producing the relevant PSV mark certificate demonstrates the product's compliance with the Minimum Environmental Criteria (CAM) to be awarded design services and building works governed by Legislative Decree 18 April 2016 No. 50.

In the Public Contracts Code, CAM criteria were included as mandatory design criteria, from the technical-economic feasibility phase to the executive project.

In the CAM Report, which each contractor is obliged to prepare, the requirements for materials and construction products in accordance with CAM must be detailed,

among other things, as well as the means of proof to be submitted by the contractor to the construction management.

PSV certification projects cover various Group

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Organisations belonging to System Group are committed to reducing negative impacts on the economy, the environment and people, including their human rights, and to rectifying the consequences of these impacts.

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products and companies with the common goal of promoting and communicating the content of recycled polymers and by-products, in order to fully benefit from the great potential of plastics in the realisation of the circular economy, in line with national and European ecological transition goals.

There are different types of mark, each of which tells the story of the 'first life' of the plastics that make up the certified product.

- **PSV from separate collection (RD):** Centraletubi can offer products using from 30 to 100% polymers derived from re-cycled waste, the specifications for which are defined by Ministerial Decree 203/03 on Green Public Procurement (GPP) as well as by the circular letter from the Ministry of the Environment dated 4 August 2004. Post-consumer raw materials comply with the UNI 10667 series standards as applicable.

- **PSV Mix Eco: Centraltubi and Italiana Corrugati** can offer products made from mixtures of materials from re-cycled waste collection and/or industrial waste with a minimum re-cycled content of 30%.
- **PSV By-product: Italiana Corrugati and System Group PVC** started a project to certify polypropylene and PVC-U pipes, produced from plastic materials managed as by-products, i.e. using pre-consumer plastic industrial residues, offcuts and waste resulting from the processing of polymers, actually used during the same or subsequent processing of plastics by the manufacturer, without further treatment other than normal industrial practices, for further production activities. The aim is to offer the market pipes for application in drainage systems and cable ducting with a minimum by-product content of  $\geq 20\%$ .

Centraltubi and Italiana Corrugati are the first two System Group companies to be awarded the PSV mark, issued by the certification body IIP S.r.l.. Centraltubi can make HDPE sheathing, single or multiple pipes with an inner diameter of up to 2500 mm, with polyethylene obtained from re-

cycling and industrial waste. Italiana Corrugati can produce pipes for cable protection and drainage up to an external diameter of 1200 mm, with mixtures of materials from re-cycling and from industrial waste and by-products.

## 3.2. ENVIRONMENTAL PRODUCT DECLARATIONS AND MADE GREEN IN ITALY

Product Life Cycle Assessment (**LCA**) has become a central tool of the Group's technical structure. In 2023, several projects were carried out in this respect, with the aim of equipping companies with tools to assess the environmental impact of their products. A calculation tool was developed in order to carry out cradle-to-grave LCA studies for polyethylene pipes, and the tool was verified and validated by the third-party certification institute ICMQ S.p.A. The spreadsheet enables environmental impact analyses to be carried out for the preparation of

'Environmental Product Declarations', (**EPD**) in accordance with UNI EN ISO 14025. This tool can also be used by Group companies to design new products according to Eco Design criteria<sup>1</sup>. The Environmental Product Declaration is a useful tool for designing works according to the criterion of Environmental Sustainability introduced with the Ministry for the Environment and Energy Security's 'Action Plan for Environmental Sustainability of Consumption in the Public Administration Sector'.

1. LCA - Life Cycle Assessment. Life cycle assessment is a structured and internationally standardised method for quantifying the potential impacts on the environment and human health associated with a product or service, starting from its resource consumption and emissions.

This also includes the certification route “**Made Green in Italy**” which concerned Centraltubi, Italiana Corrugati and Sami Plastic products. It is a scheme for product environmental footprint reporting based on the **PEF (Product Environmental Footprint)**, as per the Ministry for the Environment and Energy Security scheme set up by Art. 21, paragraph 1 of Law No. 221/2015.

‘Made Green in Italy’ aims to promote on the market Italian products with good/optimal environmental performance (guaranteed by a scientifically sound system) and aims with its logo to make products recognisable to consumers, so as to encourage more conscious choices. The quantification of a product’s environmental performance, in fact, based on a complete PEF study, verified and validated by an independent third party, involves three performance classes:

- A (value above benchmark);
- B (value close to benchmark);
- C (value below benchmark).

Only class A and class B products are able to use the logo (against a commitment by the company to improve its performance). Through these tools, it was possible to assess the environmental impact of using virgin and recycled polyethylene. LCA studies of Centraltubi products, carried out according to ISO 14040, ISO 14044 and EN 15804, showed that an emissions impact of 2.41 kgCO<sub>2</sub>/ kg for virgin polyethylene and 1.06 kgCO<sub>2</sub>/ kg for recycled polyethylene can be considered for the procurement and transport of raw materials to the production site. These values were obtained using data extracted from the Ecoinvent Database v.3.9 archives through the SimaPro application and were verified and validated by an accredited third party when issuing EPDs for Centraltubi products.

## 3.3. THE SIGNIFICANCE AND PRIORITY OF IMPACTS

### GRI 3 -1 / 2

The **Strategic Steering Committee (SSC)** for Group Sustainability prepared and drafted a **due diligence** which, against a series of evaluations, including financial ones, defines the significance of the impacts, both actual and potential, generated by the company, classifying their priority with numerical thresholds coded H (high significance), M (medium significance), L (low significance),

based on a semi-quantitative assessment. Factors that can affect companies from outside, such as the economic costs of goods and services, are also taken into account.

Below is a matrix representing for each of the Organisations: i) the areas of impact, ii) their significance, iii) the GRI standards used as a source for reporting.

The table only indicates the GRI standard without specifying the disclosure or requirement. The various specifications are

described in the GRI Index of References and at the beginning of the dedicated sections summarised within the same index.

| Impact areas                                     | Source                              | Significance |                    |      |         |        |
|--|-------------------------------------|--------------|--------------------|------|---------|--------|
|  |                                     | Centraltubi  | Italiana Corrugati | PEBO | Rototec | Futura |
| Economic performance                             | GRI 201                             | H            | H                  | H    | H       | H      |
| Ethics and Anti-Corruption                       | GRI 205<br>GRI 2 / 27<br>GRI 2 / 15 | M            | M                  | m    | m       | m      |
| Materials management and recycling               | GRI 301                             | H            | H                  | H    | H       | H      |
| Energy   | GRI 302                             | H            | H                  | H    | H       | m      |
| Water resource management                        | GRI 303                             | L            | L                  | L    | L       | L      |
| Emissions  | GRI 305                             | H            | H                  | H    | H       | H      |
| Waste Management                                 | GRI 306                             | L            | L                  | L    | L       | L      |
| Workforce management (employment and welfare)    | GRI 401<br>GRI 2 - 7 / 8            | m            | m                  | m    | m       | m      |
| Health and safety at work                        | GRI 403                             | H            | H                  | H    | H       | H      |
| Training and professional development            | GRI 404                             | m            | m                  | m    | m       | m      |
| Diversity and equal opportunities                | GRI 405                             | m            | m                  | m    | m       | m      |
| Non-discrimination                               | GRI 406                             | m            | m                  | m    | m       | m      |
| Freedom of association and collective bargaining | GRI 407<br>GRI 2 / 30               | m            | m                  | m    | m       | m      |
| Customer health and safety                       | GRI 416                             | m            | m                  | m    | m       | m      |
| Customer privacy                                 | GRI 418                             | L            | L                  | L    | L       | L      |

Intrinsic and financial significance was considered for each actual or potential negative impact. The urgency relating to possible interventions was also assessed. Each actual impact is assigned a value (1 to 3) relating to urgency and the same is done

for importance.

The two values, relating to urgency and importance, were multiplied by each other. Product results were assigned a non-numerical value: low (L), medium (M) and high (H), as presented in the table below.

| Intrinsic significance value | Urgency value | Significance value (product) | Determination of significance (H, M, L) |
|------------------------------|---------------|------------------------------|---|
| 1                            | 1             | 1                            | L                                       |
| 1                            | 2             | 2                            | L                                       |
| 2                            | 1             | 2                            | L                                       |
| 1                            | 3             | 3                            | m                                       |
| 3                            | 1             | 3                            | m                                       |
| 2                            | 2             | 4                            | m                                       |
| 3                            | 2             | 6                            | H                                       |
| 2                            | 3             | 6                            | H                                       |
| 3                            | 3             | 9                            | H                                       |








If the impact is potential, the calculation is performed in this way: the value of significance, already obtained using the previous calculation, is transformed in this way: L = 1, M = 2, H = 3. The probability of the impact occurring was likewise assigned a value: 1, 2, 3.

The same procedure used to assess the significance of actual impacts was then applied, resulting in one of the following values: 1, 2, 3, 4, 6, 9. The latter were similarly classified: 1 and 2 = low (L), 3 and 4 = medium (M), 6 and 9 high (H).



# 3.4. THE 2030 AGENDA

2030 Agenda targets in relation to impact areas and related GRI Standards

|  |   |  |
|--|---|--|
|  <p><b>3</b> HEALTH AND WELLBEING</p>                         | <p><b>Workforce management (employment and welfare) (GRI 401)</b><br/> <b>Health and Safety at Work (GRI 403)</b><br/> <b>Emissions (GRI 305)</b></p>   |  |
|  <p><b>4</b> QUALITY EDUCATION</p>                            | <p><b>Training and professional development (GRI 404)</b></p>   |  |
|  <p><b>5</b> GENDER EQUALITY</p>                              | <p><b>Equal opportunities, diversity and anti-discrimination policies and interventions (GRI 405 - GRI 406)</b><br/> <b>Workforce management (employment and welfare) (GRI 401)</b><br/> <b>Training and professional development (GRI 404)</b></p> |  |
|  <p><b>6</b> CLEAN WATER AND SANITATION SERVICES</p>          | <p><b>Waste management (GRI 306)</b><br/> <b>Water resource management (GRI 303)</b></p>  |  |
|  <p><b>7</b> CLEAN AND ACCESSIBLE ENERGY</p>                 | <p><b>Energy (GRI 302)</b></p>  |  |
|  <p><b>8</b> DIGNITY AT WORK AND ECONOMIC GROWTH</p>        | <p><b>Energy (GRI 302)</b><br/> <b>Workforce management (employment and welfare) (GRI 401)</b><br/> <b>Training and professional development (GRI 404)</b></p>  | <p><b>Health and Safety at Work (GRI 403)</b><br/> <b>Material management and recycling (GRI 301)</b><br/> <b>Freedom of association and collective bargaining (GRI 407)</b></p> |
|  <p><b>9</b> BUSINESSES, INNOVATION AND INFRASTRUCTURE</p>  | <p><b>Economic performance (GRI 201)</b></p>  |  |
|  <p><b>10</b> REDUCE INEQUALITIES</p>                       | <p><b>Equal opportunities, diversity and anti-discrimination policies and interventions (GRI 405 - GRI 406)</b><br/> <b>Workforce management (employment and welfare) (GRI 401)</b><br/> <b>Training and professional development (GRI 404)</b></p> |  |
|  <p><b>12</b> RESPONSIBLE MANUFACTURING AND CONSUMPTION</p> | <p><b>Material management and recycling (GRI 301)</b><br/> <b>Waste management (GRI 306)</b><br/> <b>Water resource management (GRI 303)</b></p>  | <p><b>Energy (GRI 302)</b><br/> <b>Emissions (GRI 305)</b></p>   |
|  <p><b>13</b> FIGHT AGAINST CLIMATE CHANGE</p>              | <p><b>Economic performance (GRI 201)</b><br/> <b>Energy (GRI 302)</b><br/> <b>Emissions (GRI 305)</b></p>   |  |
|  <p><b>16</b> PEACE, JUSTICE AND FIRM INSTITUTIONS</p>      | <p><b>Customer health and safety (GRI 416)</b><br/> <b>Customer privacy (GRI 418)</b></p>   |  |



## 3.5. THE RELATIONSHIP WITH STAKEHOLDERS

### GRI 2 - 29

System Group has defined its criteria for relations with **stakeholder** which are **Banking institutions, suppliers, customers, local administrators, national and European government bodies, universities** and **employees**.

The interests of the different stakeholders may relate to impacts generated by the company (inside-out) or which the company has to cope with (outside-in). For example, local administrators are interested in 'inside-out' impacts: well-managed waste, value distributed across the territory. Banks are reasonably interested in how the company makes itself resilient to 'outside-in' impacts, which come from outside, such as possible increases in energy costs.

Continuing with this example, it can be seen that some stakeholders are interested in economic content, such as banks, others in content from the 'social' area, such as employees, who are obviously particularly concerned with occupational health and safety.

The main purposes of stakeholder engagement are:

- the creation of a fruitful dialogue on sustainability also in view of implementation of the ESRS regulation issued by EFRAG<sup>2</sup>;
- verification of the significance of Group company impacts.

Specifically, a questionnaire was given to all identified stakeholders in 2023. A more discursive part followed a standardised part dedicated to verifying the significance of the impacts of companies reporting on sustainability. The latter was constructed to determine which of the various impact areas were most significant.

In the remainder of this document, the results of the surveys are represented graphically and in tables.

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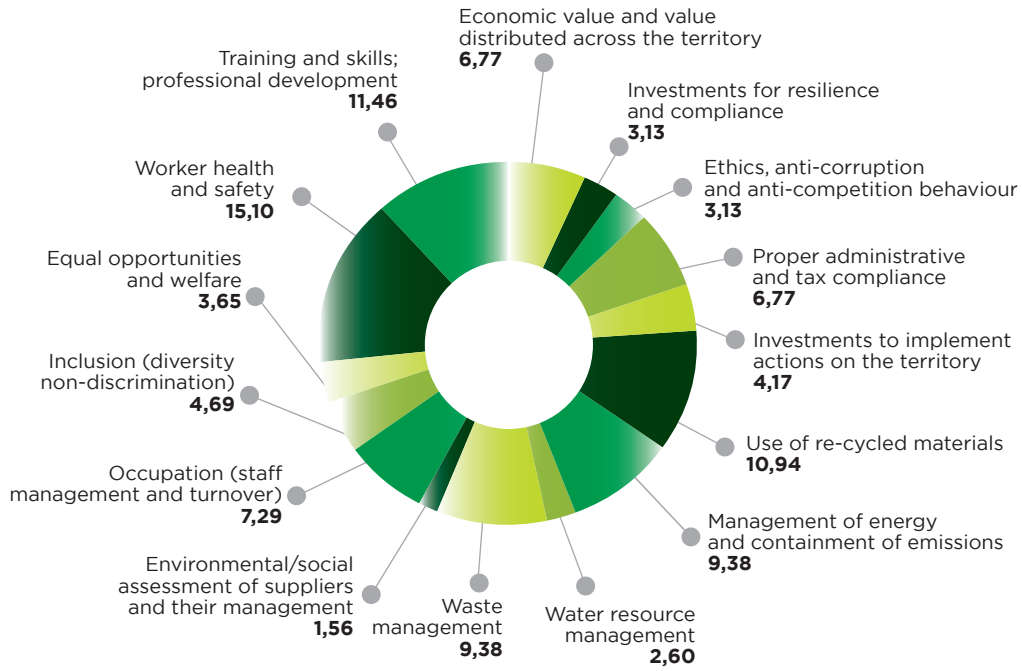
In conclusion, aspects related to material recycling, energy and emissions, health and safety and training (but not for banks), were found to be the most significant for all stakeholders. It is therefore possible to say that the significance assigned by System Group to the impacts generated by its companies or by which they could be influenced is confirmed by the stakeholders.

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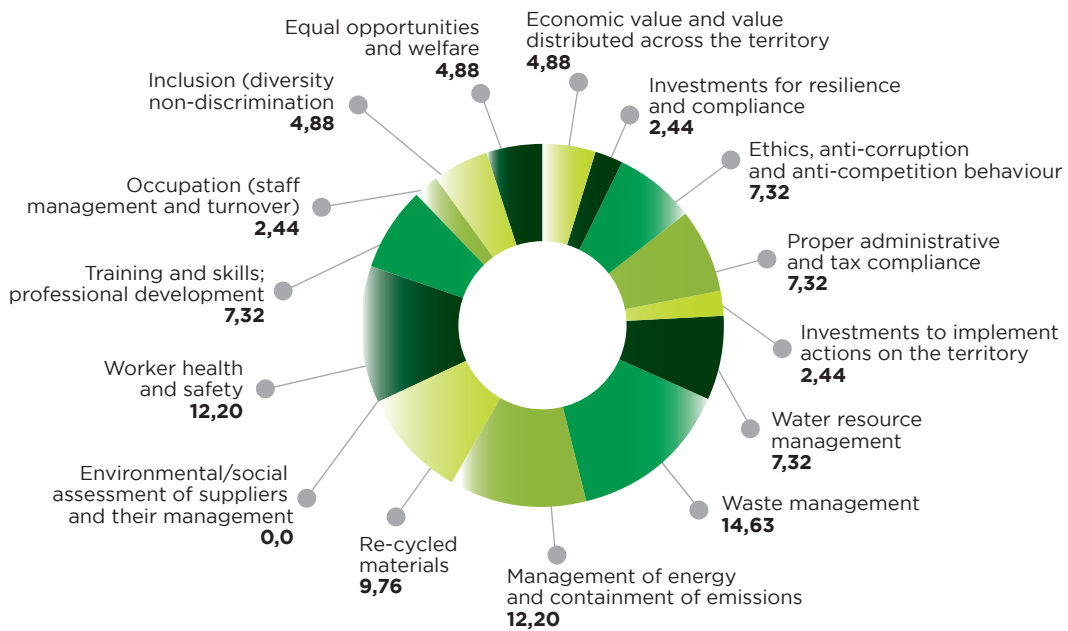
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2. The European Council in November 2022 approved Directive No. 2022/2464 on corporate sustainability reporting, which is part of the EU's broader policy agenda on environmental, social and governance issues.  
EFRAG - European Financial Reporting Advisory Group  
ESRS - European Sustainability Reporting Standards

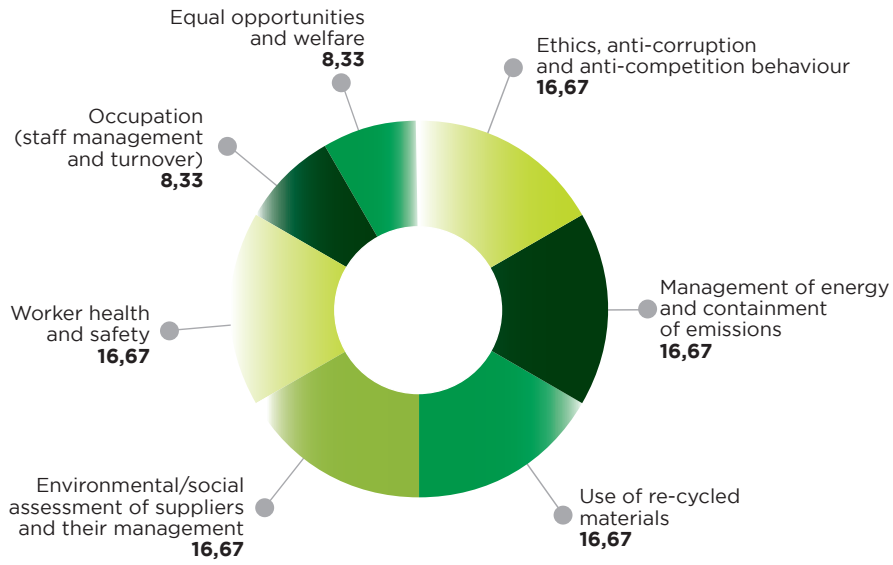
**Significance of impacts for employees (percentage values)**



**Significance of impacts for commercial partners - suppliers and customers (percentage values)**



**Significance of impacts for banks (percentage values)**



The **University of Urbino** highlighted the importance of the impact areas: management of energy and emissions and use of recycled materials for the environment part; training and health and safety for the social part; economic value for the territory and investments to implement actions in the territory for the economic and governance part.

The **Municipality of Piandimeleto** highlighted the importance of the impact areas: management of energy and emissions, waste and water resources for the environment part; health and safety for the social part; economic value for the territory and investments to implement actions in the territory for the economic and governance part.

**Confindustria Pesaro Urbino** highlighted the importance of the impact areas: energy, emissions and waste management for the environment part; health and safety for the social part; economic value for the territory, investments to implement actions in the territory for the economic and governance part; and proper administrative and tax compliance for the economic and governance part.

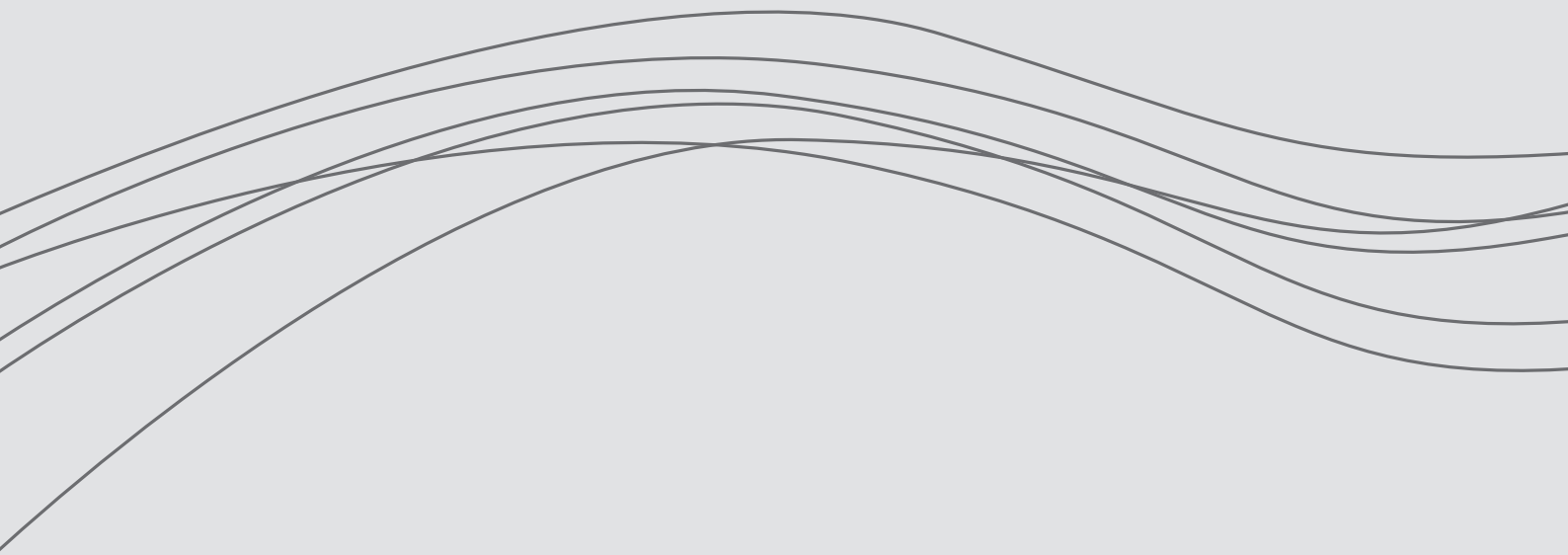
The surveys, which also contained open-ended questions, provided useful indications for continuation of the relationship with specific stakeholders.

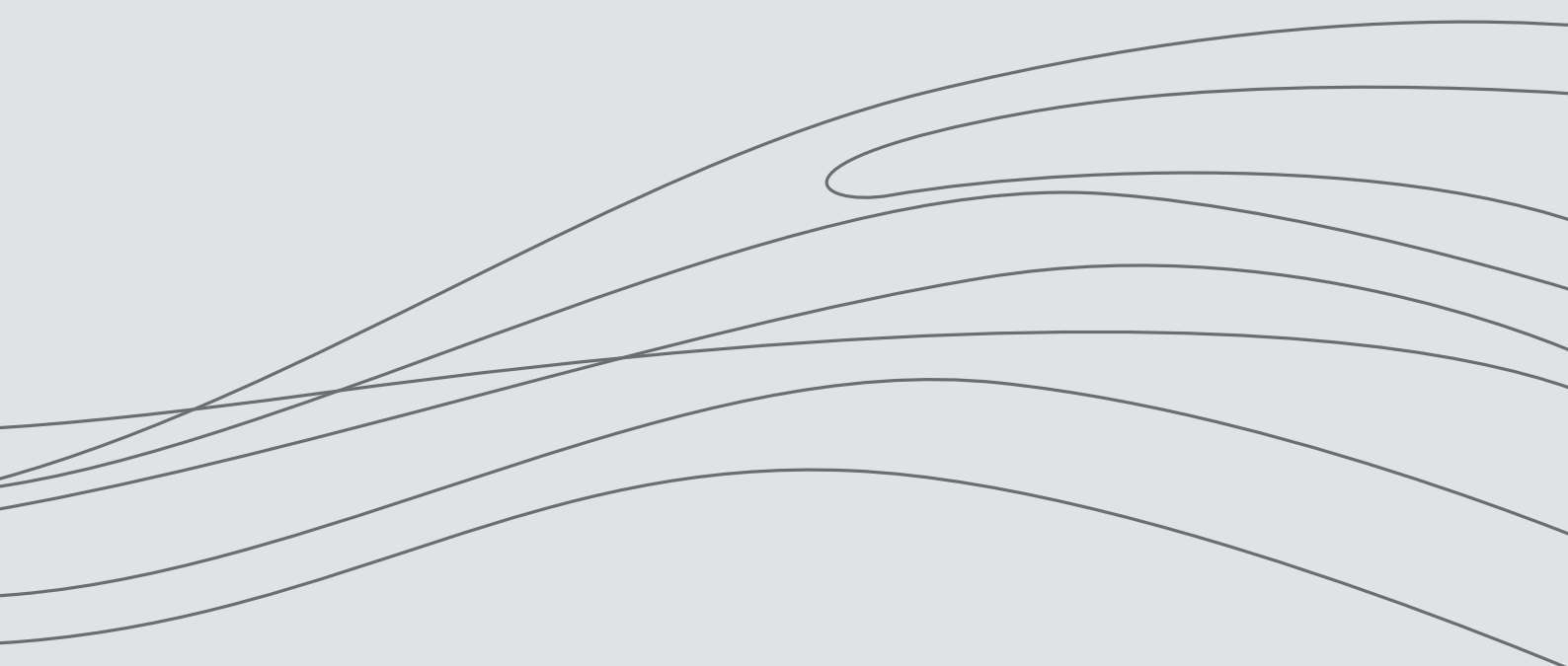
# 3.6. RELATIONS WITH SUPPLIERS

System Group has started an experiment with some suppliers who have made themselves available to develop a management system (selection, qualification, review, management of NCs and returns, ...) with criteria consistent with the Group's approach to sustainability. Questionnaires were prepared in Word and

Excel format. Responses are currently being evaluated in view of the fact that the Group does not intend, a priori and without having negotiated on the matter, to exclude or subordinate any of its suppliers in its vendor rating system.







## 4.1. COMPANY PROFILE

### GRI Standard 2 - 1 / 6

Centraltubi S.p.A., the parent company of the Boscarini Group, was founded in Lunano (PU), inland from Pesaro, in 1979. The legal and operational headquarters are at Via Foglia 11, in Lunano (PU).

The workforce consists of 78.975 employees (*Full Time Equivalent*) and the total value of production is over € 100 million.

Centraltubi carries out all product manufacturing work in-house without

outsourcing specific activities or processes.

Deliveries can be made ex-warehouse or paid for by the company, which normally provides transport in cooperation with another company in the Group: Uniline.

The company is equipped with high-tech extrusion lines, which allow it to achieve high productivity levels and high quality standards.

The product range includes:

- HDPE, MDPE and LDPE (high, medium and low density polyethylene) piping for water pipelines, fire-fighting, irrigation, gas, drainage and cable ducting;
- large-sized HDPE and polypropylene polymeric spiral pipes for drainage manifolds and the formation of storage systems;
- large-sized composite HDPE and steel spiral pipes for drainage manifolds and the formation of storage systems.

## 4.2. CORPORATE GOVERNANCE

### GRI Standard 2 - 9

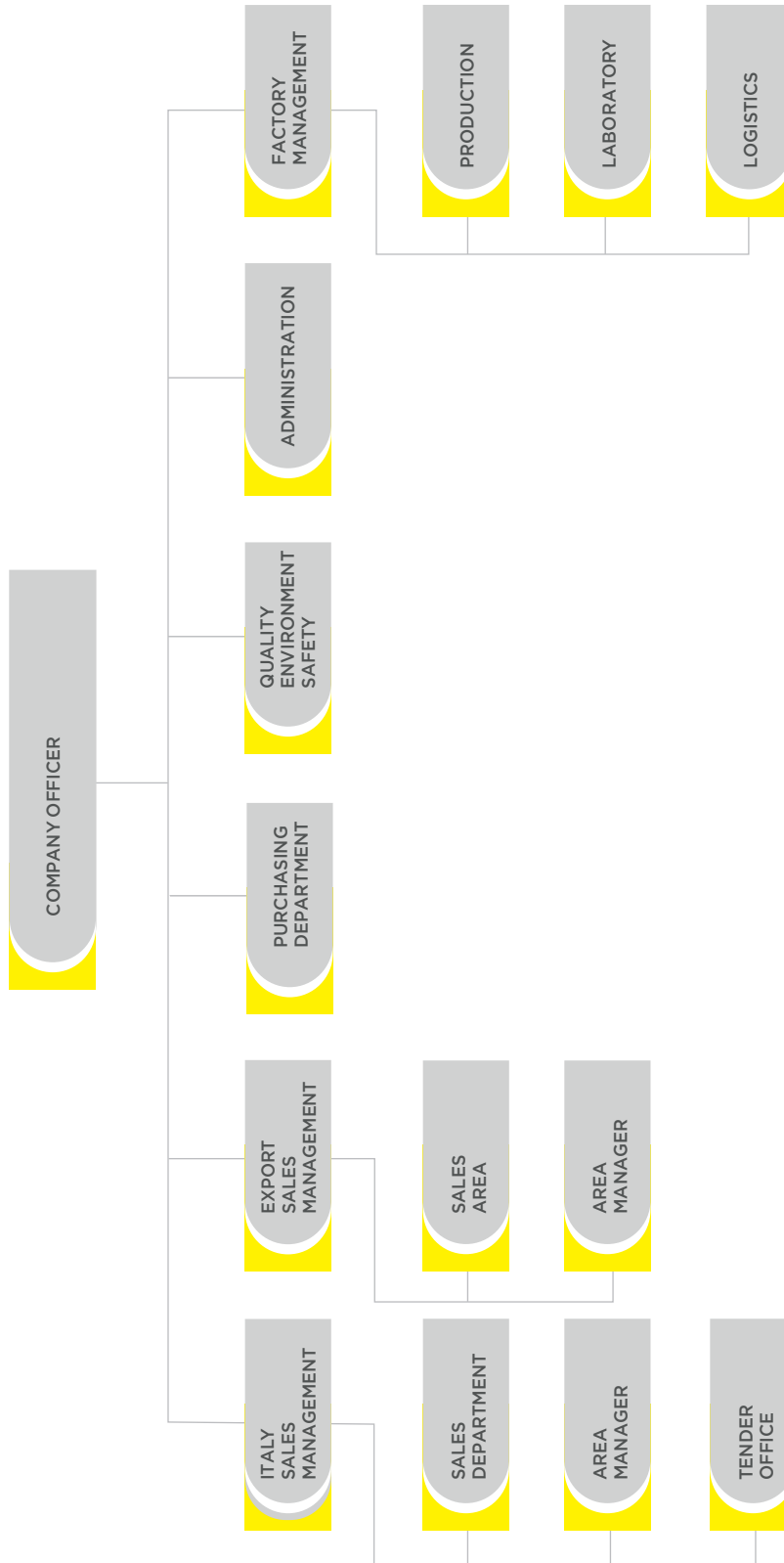
The Board of Directors consists of: Marina Boscarini (Chair and Managing Director), Emiliano Boscarini (Vice Chair and Managing Director), Emanuele Boscarini (Managing Director), Andrea Romeo (Director). The Board of Statutory Auditors consists of: Stefano Arcangeli (Chair), Loretta Ferri (Full Auditor) and Simone Spinaci (Full Auditor). Following adoption of the Organisation,

Management and Control Model, pursuant to Legislative Decree 231/2001, a collegial Supervisory Board was established, made up of Carlo Alberto Campi (Chair), Marco Garavani (member) and Antonio Mazza (member).

Centraltubi takes sustainability decisions independently.



# ORGANISATION CHART AS AT 31/12/2023



## 4.3. QUALITY MANAGEMENT AND CERTIFICATION

Centraltubi operates with the following company management systems: for Quality (**UNI EN ISO 9001**), for the Environment (**UNI EN ISO 14001**) and for Occupational Health and Safety (**UNI EN ISO 45001**), all certified by an independent and accredited third-party body.

Centraltubi is duly registered with the national compulsory Consortium for the recycling of polyethylene waste "PolieCo", governed by the bylaws set forth in Ministerial Decree of 23 May 2019, pursuant to and for the purposes of Article 234 (Legislative

Decree 152/2006) (<https://tubi.net/consorzio-polieco/>).

For the production (on request) of pipes using materials recycled from separate collection and/or industrial waste, totally or partially, for applications in which there are no impediments to use, it has obtained the PSV (Plastics Second Life) mark.

The products manufactured by the company comply with a wide range of standards with product quality marks, the main ones including:

- IIP mark (No. 142), issued by IIP S.r.l.
  - on PE pipes compliant with UNI EN 12201-2 for the transport of water under pressure;
  - on PE pipes compliant with UNI EN 1555-2 for the transport of gas;
  - on PE pipes compliant with UNI EN 12666 for unpressurised drainage systems;
  - on PE pipes compliant with UNI EN ISO 15494 for industrial applications;
  - on PE spiral pipes compliant with DIN 16961 for the transport of water;
  - on PE and steel composite pipes compliant with UNI 11434 with a structured wall, for the transport of water;
- Piip/c mark on Technical Specification PAS 1075 for PE100-RC (Resistant to Crack) pipes for water transportation;
- Bureau Veritas mark, on PE100 and PE100-RC products for water (standard UNI EN 12201-2) and gas (standard UNI EN 1555-2);
- IMQ mark, issued by the Quality Mark Institute, on products compliant with CEI EN 61386-1-24 for cable ducting systems.

Main foreign product marks include:

- DVGW mark (Germany) on PE100 and PE100-RC pipes compliant with EN 12201-2 for the transport of water under pressure;
- SVGW mark (Switzerland) on PE100-RC pipes: compliant with EN 12201-2 for the transport of water under pressure, compliant with EN 1555-2 for the transport of gas;
- NPM mark (Nordic Poly Mark, for Denmark + Norway + Sweden + Finland) on PE100 and PE100-RC pipes compliant with EN 12201-2 for the transport water under pressure;
- DINplus mark, issued by DIN CERTCO (Germany), for PE100-RC pipes for water compliant with EN 12201-2 and for gas compliant with EN 1555-2.

## 4.4. THE SIGNIFICANCE OF IMPACTS

### GRI Standard 3 - 3

Among the actual and potential impacts to be considered, also with regard to risks, those related to energy management, material recycling, worker health and safety, ethics and business performance are considered important. In terms of the environment, opportunities relate to the process of recycling materials.

Energy consumption mainly concerns industrial manufacturing processes. With regard to these activities, emissions must be kept under control and reduced in line with what can be achieved with regard to energy consumption.

Waste management and water resource management are considered marginal while complying with mandatory regulations.

In terms of 'social sustainability', occupational health and safety remains in the foreground along with training.

Other issues identified as relevant are 'anti-corruption' and 'anti-discrimination' safeguards.

On the economic side, Distributed Value and investments are the main focuses.

Economic and financial management will be an increasingly important issue, especially in terms of resilience in the face of ongoing socio-economic and environmental changes. The Group's due diligence on sustainability for the period 2023 revealed that the significance of impacts for Centratubi corresponds to the table below. In relation to the source (GRI Standard), only the number is indicated. At the beginning of the sections and in the index of GRI references, the numbers of the disclosures are also indicated.

All impacts pertaining to the various areas have been treated as indicated in the Methodological Note and the Index of GRI References. The management of certain impacts or areas of impact is described in Chapters 1 and 2.

However, all material topics are reported regardless of their relevance.

| Area of impact                                | GRI Standard    | Significance value |
|---|-----------------|--------------------|
| Economic performance                          | 201             | High               |
| Ethics and Anti-Corruption                    | 205             | Medium             |
| Materials management and recycling            | 301             | High               |
| Energy  | 302             | High               |
| Emissions                                     | 305             | Medium             |
| Waste Management                              | 306             | Low                |
| Water resource management                     | 303             | Low                |
| Workforce management (employment and welfare) | 2 (7/8) and 401 | Medium             |
| Health and safety at work                     | 403             | High               |
| Training and professional development         | 404             | Medium             |
| Diversity and equal opportunities             | 405             | Medium             |
| Non-discrimination                            | 406             | Medium             |
| Customer health and safety                    | 416             | Medium             |
| Customer privacy                              | 418             | Low                |

## 4.5. THE SOCIO-ECONOMIC CONTEXT

### GRI Standard 201 - 1 / 4

In 2023, Centrltubi S.p.A. reported a profit for the year of **€15,996,130** an increase of 62.80% compared to 2022 (€9,825,442).

As at 31.12.2023, Centrltubi's balance sheet showed total shareholders' equity of **€47,432,702** an increase of 42.71% over 2022 (€33,236,574).

The Value of Production is **€106,143,918**, while in 2022 it was **€104,073,795**.

In 2022, several events affected companies. These include the ongoing Russia-Ukraine conflict, high inflation and the associated monetary policies of central banks, which have generated uncertainties about growth prospects. Their impact, coupled with new war fronts in the Middle East, conditioned 2023 with world GDP growth slowing down compared to expectations, and growth proving more resilient than expected at the beginning of the year, mainly due to the normalisation of energy-related commodity prices and an opening of supply chains, which had been a source of crises in previous years.

Centrltubi uses HDPE (high density), LDPE (low density) and LLDPE (linear low density) polyethylene in its production cycle. The raw material used is an oil derivative, so its purchase price is strongly influenced by fluctuating prices on international markets.

Centrltubi maintains cooperation with the main raw material suppliers, which can be traced back to all the European multinationals operating in the sector, supplying 90% of the Group's total purchases. On the demand side, the outlook for 2024 remains uncertain, given the still

settling economic and political environment. While the situation regarding energy costs and the availability of raw materials and components has partially improved, macroeconomic and political tensions continue to persist, making it difficult to predict medium- and long-term scenarios. It will be crucial to maintain market shares and to follow the opportunities provided by the respective countries and the European Community in relation to the NRRP, despite the slowdown in tax incentives related to Building Renovation.

Although the selling price of products fell slightly, it was offset by the decrease in costs, resulting in a 9% increase in revenues from sales and services for 2023. With the reduction in production costs, Centrltubi achieved an operating income of €21,361,748.52, an increase of 63.377% over the previous year (€13,075,112.23). Eighty per cent of sales are directed to the domestic market and 20% to the foreign market.

### RISKS

**Credit risk:** the company, operating mainly with loyal customers, does not present this category of risk; with new customers, it is standard practice to carry out all the checks required.

**Liquidity risk:** regular checks and analyses are carried out to keep assets and liabilities monitored.

**Market risk:** the company does not operate with countries at risk of default and is not exposed to currency risks.

### The most significant events in 2023 were:

- Improved and growing market penetration in the infrastructure market
- Specific investments in certain booming market sectors
- Retention of TOP customers with partnership development and growth
- Targeted investments in energy efficiency and additional facilities
- Enhancing security on business activities

### Corporate evolution and objectives:

the company's main objective is to safeguard margins and market share with a focus on niche and foreign markets. Controls on important expenditure lines were tightened and cost containment policies implemented. However, volatility will persist at least through 2024, so even if energy and commodity costs have decreased, attention must remain high due to uncertain macroeconomic scenarios.

### VALUE GENERATED - VALUE DISTRIBUTED - VALUE RETAINED

Value added is to be understood as a measure of the wealth that an economic entity realises using production factors and how that wealth is distributed among the main stakeholders.

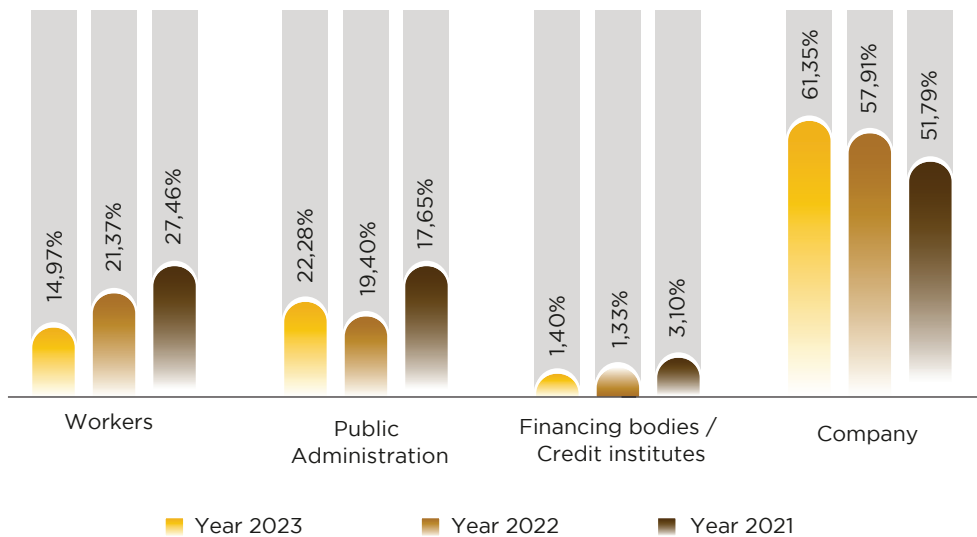
This document does not include the profit and loss and balance sheet statements already prepared and included in the annex to the Annual Report 2023. The Economic Value Generated (Gross Value Added generated by the enterprise) and the Economic Value Distributed (Value Added Distributed) to stakeholders are also described.

The Retained Value is obtained by subtracting the Value Distributed from the Value Generated.

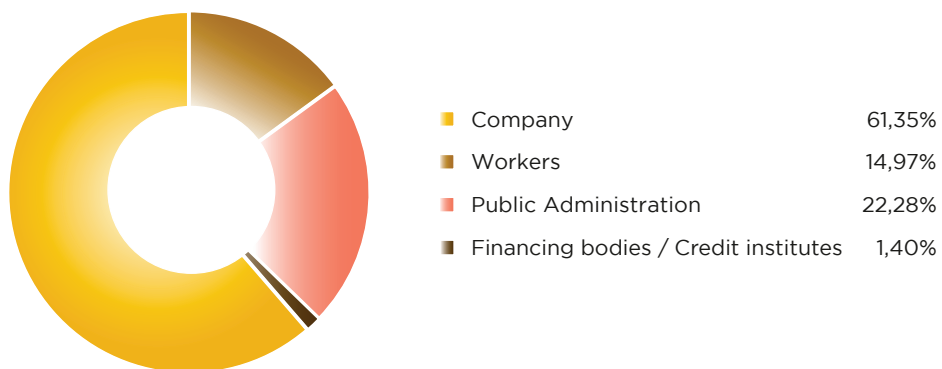
| Determination of Net Global Added Value in Euro | 2023        | 2022        | 2021        |
|---|-------------|-------------|-------------|
| Overall value of production                     | 106,069,431 | 103,960,028 | 88,116,730  |
| Intermediate costs of production                | -79,857,787 | -86,430,400 | -75,706,451 |
| Gross characteristic value added                | 26,211,644  | 17,529,627  | 12,410,279  |
| Ancillary management                            | 807,479     | 267,203     | 510,526     |
| Global gross value added                        | 27,019,123  | 17,796,830  | 12,920,806  |
| Depreciation                                    | -946,353    | -829,260    | -785,493    |
| Global net value added                          | 26,072,770  | 16,967,570  | 12,135,313  |

| <b>Breakdown of Global Net Value Added</b> | <b>2023</b> | <b>%</b> | <b>2022</b> | <b>%</b> | <b>2021</b> | <b>%</b> |
|--|-------------|----------|-------------|----------|-------------|----------|
| Global net value added                     | 26,072,770  | 100%     | 16,967,570  | 100%     | 12,135,313  | 100%     |
| Staff Remuneration                         | -3,903,533  | 14.97%   | -3,625,255  | 21.37%   | -3,332,553  | 27.46%   |
| Public Administration Remuneration         | -5,808,836  | 22.28%   | -3,291,913  | 19.40%   | -2,142,166  | 17.65%   |
| Remuneration of credit capital             | -364,271    | 1.40%    | -224,960    | 1.33%    | -376,312    | 3.10%    |
| Company remuneration                       | 15,996,130  | 61.35%   | 9,825,442   | 57.91%   | 6,284,281   | 51.79%   |

**Distribution of Global Net Value Added  
2021, 2022 and 2023**



**Breakdown of Global Net Value Added in 2023**



## COSTS, AID AND SUBSIDIES

During 2023, Centrltubi benefited from the following government subsidies.

| Measure  | Project name                                | Budgeted amount |
|--|---|-----------------|
| Law 124/2017 Aid Scheme - High-energy businesses | Facilities for energy-intensive businesses. | €492,472.09     |
| Law 124/2017 Aid scheme                          | Facilities for gas-intensive businesses.    | €7,400.72       |

During 2023, Centrltubi received the following government subsidies.

| Measure   | Project Name  | Aid Element |
|---|---|-------------|
| Training 4.0 tax credit   | Training 4.0 tax credit   | €1,948.00   |
| Training 4.0 tax credit   | Training 4.0 tax credit   | €3,707.00   |
| Automatic tax measures and non-repayable grants to support businesses and the economy   | Recovery interest declared in the "Exceeding limits in section 3.1 and 3.12 of the temporary framework" section of the tf-covid19 self-declaration. Deduction of recovery interest from Sect. 3.1 post 27.01.2021 | €761.00     |
| Tax exemptions and tax credits adopted following the economic crisis caused by the covid19 epidemic   | Provisions on the payment of IRAP (Italian Regional tax on manufacturing activities)  | €109,422.00 |
| Facilities for energy-intensive businesses.   | High-energy businesses 2021   | €565,581.78 |
| Regulation for inter-professional funds for continuing training for the grant of exempted state aid under Regulation (EC) No 651/2014 and 'de minimis' aid under Regulation (EC) No 1407/2013 | Training plan for the improvement of basic and transversal skills - year 2023 1st semester  | €4,800.00   |

## INVESTMENTS

In 2023, Centrltubi continued to invest in order to pursue its goals of production efficiency and reduction of its impact on the environment through investments in several sectors, from the strictly technological-manufacturing sector to operator safety, process improvement and energy efficiency.

## PRODUCTION AND WAREHOUSES

New laboratory equipment was purchased to increase quality control and help improve production processes. Significant investments have been made in new extrusion lines, replacing obsolete lines, which show an energy improvement of around 30%, with a productivity increase of more than 20%.



Further implementation of the 'Free Cooling' system on another water cooling plant used in the production cycle<sup>1</sup>.

### ENERGY CONSUMPTION

The investments mentioned in the previous points also have a positive impact on energy consumption.

Energy consumption monitoring, on all production plants, is implemented through a dedicated software application, and the results are analysed by a specialised technician.

### WORKER SAFETY

An elevator platform was installed for the safe performance of maintenance work at height, inside and outside the plant, reducing the risks for operators.

One-way corridors were completed for trucks entering the warehouse, both for loading and unloading, raising the safety level for vehicles and operators.

The criteria used to purchase goods always include those relating to sustainability in the areas of ESG (Environment, Social, Governance).

An operational method of recovering production waste was completed by fully outsourcing waste shredding operations to specialised operators.

### DIGITISATION

Completed implementation of the 'MES' (Manufacturing Execution System) in production management, with which all process parameters (consumption, productivity, temperatures, etc.) are controlled.

| Amount in€ | Description of investments | E | S | G |
|------------|----------------------------|---|---|---|
| 46,654     | Machinery                  |   |   | x |
| 9,855      | Machinery                  | x |   |   |
| 5,943      | Hardware                   |   | x |   |
| 16,617     | Furniture and furnishings  |   | x |   |
| 11,720     | Software                   |   | x |   |
| 77,074     | Infrastructure             |   |   | x |
| 41,790     | Installations              | x |   | x |
| 81,201     | Equipment                  | x |   | x |
| 290,854    | Machinery and plant        | x |   | x |

1. **Free cooling** is a cooling system that uses outside air at ambient temperature, when below certain values, to cool a liquid, gaseous or solid element, without the support of energy-consuming refrigeration machinery or devices.



## 4.6. CARING FOR THE ENVIRONMENT

**GRI Standard 301 - 1 / 2**

**GRI Standard 302 - 1 / 2 / 3 / 4**

**GRI Standard 303**

**GRI Standard 305 - 1 / 2 / 3 / 4 / 5 / 6 / 7**

**GRI Standard 306**

The environmental impacts of Centrltubi are energy consumption, resulting emissions, use of plastics, water and waste management. Centrltubi is a high-energy company as far as the electricity component is concerned and is registered in the list of high-energy companies with the Fund for Energy and Environmental Services (CSEA), an economic public body subject to the supervision of the Regulatory Authority for Energy Networks and the Environment (ARERA) and the ESD bodies operating in the electricity, gas and water sectors.

The consumption of electricity to run production processes is high because the processing of plastics requires them to be heated, extruded and formed and then cooled.

This energy consumption also has economic significance.

In order to keep energy consumption low, for the electrical component, the plan of interventions on motors continues with the application of inverters and their gradual replacement with high-efficiency motors. Scheduled maintenance operations have also been carried out, with the aim of improving the operating logic of pressurised equipment. The localised power factor correction plan was carried out on the electrical system and a programme to monitor and study refrigeration consumption was set up with the University of Pisa, in order to install technologies to increase the natural cooling of the water used by means of *free cooling* systems.

Emissions are also kept under control and monitored, with a focus on direct greenhouse gas (GHG) emissions.

With regard to coolant gas emissions, the acquisition of equipment to monitor possible coolant gas leaks is being evaluated.

At company level, a project to monitor and optimise deliveries has been activated with a view to better reporting and reducing the

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Centrltubi declares that it does not have any litigation and has not faced any fines or other penalties for non-compliance with environmental laws and regulations.

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impact of emissions from fuel used outside the company.

With regard to materials, Centrltubi is committed to using the maximum amount of recycled plastic in accordance with regulatory requirements.

Water consumption is optimised and kept under control, although water management does not have a major impact.

Waste is managed in compliance with statutory regulations and with the utmost commitment to the recycling of materials.





## 4.6.1 Management of energy and emissions

The manufacture of CentraTubi's products is particularly energy-intensive in both the electrical and thermal components. As far as the electricity component is concerned, most of the consumption derives from power absorption by the machines for production by extrusion of the solid-walled pipes, while about one-fifth of this consumption derives from power absorption by the cooling machines needed to cool the water used to reduce the temperature of the extruded pipes. For the remainder, the main consumption items relate to energy absorption by the compressors serving the pressurised air circuit, consumption by the special parts production department, consumption by the drainage pipe splitting department, and finally the recharging of forklift batteries.

The diesel fuel is used to refuel the only combustion engine vehicle in use to handle the large-diameter spiral pipes.

Natural gas is taken from the network through two delivery points (PDR), one serving the space heating system and the

production of domestic hot water (about 24% of the total supply) and one serving the direct-flame heating system of the formers used to produce the large-diameter spiral pipes (about 76% of the total supplied). The electricity consumed derives entirely from grid withdrawals; there is no contribution from self-generation.

ODS (Ozone Depleting Substances) are those

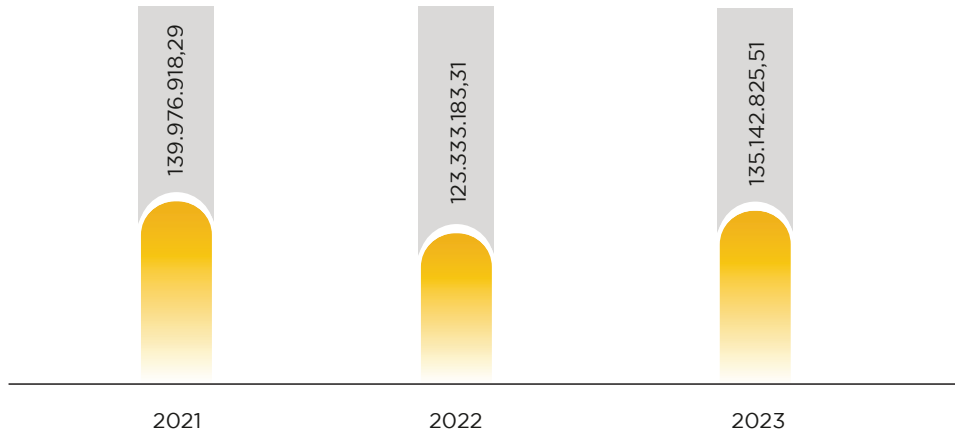
The company does not produce, import or export ODS

substances that contribute to depleting the ozone layer in the atmosphere. They include, for example, chlorofluorocarbons (CFCs), hydrochlorofluorocarbons (HCFCs) and halon.

The following is an overview of CentraTubi's energy consumption.

| Energy consumption   | Quantity in MJ        |                       |                       |
|--|-----------------------|-----------------------|-----------------------|
|  | 2021                  | 2022                  | 2023                  |
| Diesel   | 180,000.00            | 342,000.00            | 198,000.00            |
| Methane  | 2,011,899.03          | 2,331,994.64          | 2,564,994.84          |
| Total energy from fuels (all fossil) - Area 1                | 2,191,899.03          | 2,673,994.64          | 2,762,994.84          |
| Electricity - Area 2   | 62,869,672.80         | 59,450,695.20         | 60,990,429.60         |
| <b>Total energy from external fuel (all fossil) - Area 3</b> | <b>74,915,346.47</b>  | <b>61,208,493.47</b>  | <b>71,389,401.07</b>  |
| <b>Total energy consumption</b>                              | <b>139,976,918.29</b> | <b>123,333,183.31</b> | <b>135,142,825.51</b> |

**Total energy consumption in MJ**



Electricity consumption remained virtually unchanged, as did consumption from fossil fuels, with an increase in the use of natural gas and a significant decrease in the use of diesel.

Centraltubi's greenhouse gas emissions derive from the use of fossil fuels inside and outside the company perimeter, electricity consumption and gas leaks from cooling equipment. Emissions from fossil fuels outside the company (Area 3) are estimated by considering: i) the transport of raw materials from the production site to the Centraltubi plant (through the analysis of supply documents); ii) the transport of finished products to the destination site (indicated in

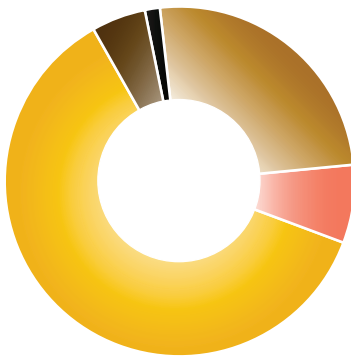
Transport-related fossil fuel consumption (area 3) increased by 16.63%.

Total energy consumption increased by 9.57%.

the transport documents); iii) the transport of by-products to dedicated treatment and recycling plants, if any; and, iv) the home-work journeys of employees, according to the assumptions contained in the methodological note. The data are depicted below.

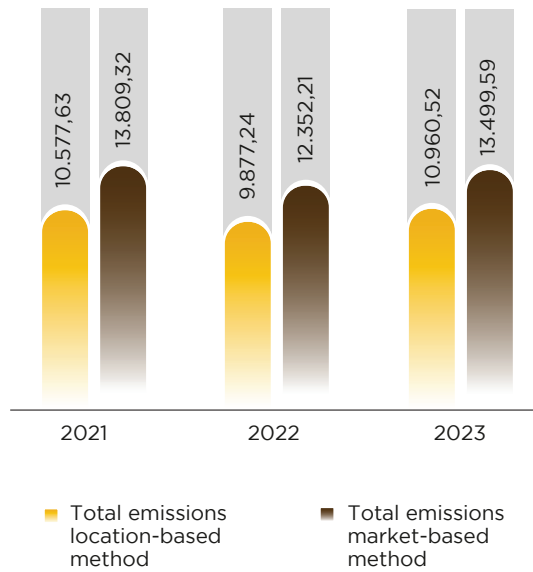
| Emissions                                    | Quantity in t CO <sub>2</sub> eq |                  |                  |
|--|----------------------------------|------------------|------------------|
|  | 2021                             | 2022             | 2023             |
| From domestic fossil fuels - Area 1          | 126.61                           | 157.03           | 159.60           |
| From EE location based - Area 2              | 4,741.76                         | 5,074.45         | 5,205.87         |
| From EE market based - Area 2                | 7,973.45                         | 7,549.41         | 7,744.94         |
| From external fossil fuels (Area 3)          | 5,662.79                         | 4,632.10         | 5,386.16         |
| Other emissions (coolant gases)              | 46.48                            | 13.66            | 226.89           |
| <b>Total emissions location-based method</b> | <b>10,577.63</b>                 | <b>9,877.24</b>  | <b>10,960.52</b> |
| <b>Total emissions market-based method</b>   | <b>13,809.32</b>                 | <b>12,352.21</b> | <b>13,499.59</b> |

### Area 3 emissions



|                                |        |
|--------------------------------|--------|
| ■ Road transport               | 60,85% |
| ■ Downstream transport by ship | 5,03%  |
| ■ Employee commuting           | 1,48%  |
| ■ Upstream road transport      | 25,34% |
| ■ Upstream transport by ship   | 7,30%  |

### Emissions in t CO<sub>2</sub> eq



LCA studies of Centraltubi products, carried out according to ISO 14040, ISO 14044 and EN 15804, showed that an emissions impact of 2.41 kgCO<sub>2</sub>/ kg for virgin polyethylene and 1.06 kgCO<sub>2</sub>/ kg for recycled polyethylene can be considered for the procurement and transport of raw materials to the production site. These values were obtained using data extracted from the Ecoinvent Database v.3.9 archives through the SimaPro application and were verified and validated by an accredited third party when issuing EPDs for Centraltubi products.

The certified calculation tool for the LCA study used to prepare the EPD of Centraltubi products ('cradle-to-gate' environmental product declaration) provided the data base for estimating the share of CO<sub>2</sub> eq (CO<sub>2</sub>

The quantity of (location-based) emissions increased from 2022 to 2023 by 10.97%.

The quantity of emissions (market based) increased from 2022 to 2023 by 9.29%.

equivalent) from production of polyethylene transformed by the company. This share is worth **99,330.8 tons(t CO<sub>2</sub> eq)** for 2023. The emission values, including the contribution of processed raw materials, are shown in the table.

|                                       |            |
|---------------------------------------|------------|
| Total emissions location-based method | 110,291.32 |
| Total emissions market-based method   | 112,830.39 |

The **“location based”** method reflects the average emission intensity of the networks on which energy consumption occurs (using mostly network average emission factor data). The **“market based”** method reflects the emissions produced by electricity purposely chosen by companies (or by their non-choice). It takes the emission factors from contractual instruments, which include any type of contract between two parties for the sale and purchase of energy coupled with attributes related to energy production, or for unpaired attribute requests (source: Greenhouse Gas Protocol).

As far as other emissions are concerned, Centrltubi is authorised to emit into the atmosphere from three points subject to periodic analyses. Analyses carried out annually at the localised sources show compliance with the limits set by mandatory legislation for TOC (Total Organic Carbon) and particulate matter. There are no requirements in the Single Environmental Authorisation (AUA) to detect NO<sub>x</sub> and SO<sub>x</sub> and other significant emissions. There are

no other widespread emissions subject to measurement. GHG emissions derive only from the consumption of methane as a fossil fuel and any leakage of Fgas (R407 C) from the coolant circuits, which are inspected and maintained annually.

**Energy intensity** is the ratio of total energy consumed (in MJ) to the quantity of product (in kg).

**Emission intensity** is the ratio of greenhouse gas emissions (t CO<sub>2</sub> eq) to the quantity of product (in kg).

The total production value in kg is calculated as the sum of the individual compliant material production payments updated on the company management database in the year under analysis.

They are calculated in order to be able to compare the information with the previous year, therefore without the share of CO<sub>2</sub> eq from the use of plastics. Both show little variation.

|      | Production in kg | Energy intensity         |                  | Emission intensity                                 |                    |
|------|------------------|--------------------------|------------------|--|--------------------|
|      |                  | Energy consumption in MJ | Energy intensity | Emissions in t CO <sub>2</sub> eq (location based) | Emission intensity |
| 2023 | 32,800,055       | 135,142,825.51           | 4.12             | 10,960.52  | 0.000334           |
| 2022 | 30,597,006       | 123,333,183.31           | 4.03             | 9,877.24   | 0.000323           |
| 2021 | 32,113,885       | 139,976,918.29           | 4.36             | 10,577.63  | 0.000329           |

Through targeted actions, Centrltubi achieved the reductions in energy consumption and greenhouse gas emissions described below, compared to the previous year.

| Description of interventions                          | Electricity savings kWh / year | Emission reduction Location Based t CO <sub>2</sub> eq / year |
|---|--------------------------------|---|
| Repairing leaks in compressed air distribution system | 107,248                        | 53.7  |
| Installation of Free cooling system                   | 1,000,000                      | 500.6   |
| <b>Totals</b>   | <b>1,107,248</b>               | <b>554.3</b>  |

The energy savings were calculated with respect to the reference consumption in the year 2022. Measurements of the instantaneous power consumption of the various boards in the plant for the process machines were analysed. Air leaks were monitored with the help of an ultrasonic detector capable of identifying sound waves generated by the leakage of pressurised air from holes, broken seals and nozzles. Field tests showed losses totalling 1,077,528 m<sup>3</sup>/year on the three compressors serving the main hall, which have a specific consumption

of 0.0995 kWh/m<sup>3</sup>, hence the savings figure. The free cooling system uses outside air as the heat transfer fluid for water cooling of the extruded pipes and avoids the operation of chillers in winter. The time curve of the ambient temperature in the company's macro zone was analysed in order to identify the hours when the temperature was below the system activation set point. The estimated savings are attributed to the non-operation of the cooling units net of the free cooler consumption.

### 4.6.2 Water

The company uses water for civil and industrial purposes. For production activities, water circulates in closed circuits. Consequently, the consumption of water for production only relates to topping up the circuits. The company holds a regional concession to use public water from wells for the irrigation

of private green spaces and monitors the water usage through periodic readings of the meter installed on the groundwater line. Centrltubi only discharges domestic sewage water into the municipal sewage system. Rainwater is always discharged into the sewer system as storm water.



| Operation  | Quantity in m <sup>3</sup><br>2022 | Quantity in m <sup>3</sup><br>2023 |
|--|------------------------------------|------------------------------------|
| Drinking water taken from the water network  | 2,403                              | 459                                |
| Non-drinking water taken from an underground source  | 283                                | 1,131                              |
| Discharge of domestic sewage water into surface water after passing through a municipal sewage treatment plant * | 530                                | 593                                |
| <b>Water consumption *</b>   | <b>2,156</b>                       | <b>997</b>                         |

\* Estimate

According to GRI standards, the quantity of water is to be calculated in megalitres (MI). One MI is equal to 1,000,000 litres or 1,000 m<sup>3</sup>.

### 4.6.3 Material management

Respecting the environment, Centrltubi attaches great importance to the quality of materials chosen for its production and to recovery of processing waste and other material that has reached the end of its life cycle.

Centrltubi produces highly technical products for the electrical and telecommunications sector and for water management and treatment, also using plastics obtained from the recycling of waste from recycled waste collection, certifying their content with the *Plastica Seconda Vita* (Second Life Plastic) mark, according to the IPPR (Institute for the Promotion of Recycled

Plastics) regulation, with periodic audits by IIP S.r.l.

Centrltubi recovers waste from production processes, sorts it and delivers it as by-products to PEBO (the group's plastics recycling company) to obtain high-performance recycled polyethylene.

Centrltubi is duly registered with the mandatory Consortium PolieCo (Legislative Decree 152/2006 - Art. 234), with which it has launched a programme for the promotion and development of activities to analyse and reduce the environmental footprint of products.

| Polyethylene (all non-renewable materials)                                 | 2021              | 2022              | 2023              |
|--|-------------------|-------------------|-------------------|
|  | in kg             |                   |                   |
| 100% virgin polyethylene   | 35,492,332        | 33,659,307        | 38,181,631        |
| Polyethylene from by-products  | 2,321,333         | 2,357,093         | 2,401,915         |
| UNI 10667-2 certified recycled polyethylene from recycled waste collection | 1,063,020         | 1,597,540         | 1,438,154         |
| <b>Total polyethylene used</b>   | <b>38,876,685</b> | <b>37,613,940</b> | <b>42,021,700</b> |
| <b>Proportion of certified recycled product to total</b>                   | <b>2.73%</b>      | <b>4.25%</b>      | <b>3.42%</b>      |



The UNI 10667-2 standard defines requirements and test methods for the characterisation of polyethylene destined for different uses, deriving from the recycling of industrial residue and/or pre and/or post consumer materials. This is material that replaces purchased virgin materials, other than by-products and production waste. Industrial by-products are the production waste that can be managed as goods and not as waste, since they meet all the conditions laid down by law (Art. 184-bis of Legislative Decree 152/2006).

The percentage of recycled product from certified supply chains drops from 4.25% to 3.42%.

Wooden materials are to be considered renewable; for the rest, the materials used to package Centrotubi products are non-renewable.

| Packaging - other                               | U.M.   | Quantity |
|---|--------|----------|
| Polyester strap                                 | kg     | 14,345   |
| Polypropylene strap                             | kg     | 5,220    |
| Polyethylene pipe plugs                         | kg     | 14,912   |
| Steel strap                                     | kg     | 1,109    |
| Polystyrene cylinders                           | number | 3,261    |
| Stretchable (linear low-intensity polyethylene) | kg     | 4,789.2  |
| Round wire CUZN30 SGK                           | kg     | 19,800   |
| Wooden lath                                     | kg     | 271,105  |
| Wooden reels                                    | pieces | 1,300    |
| Pallet  | kg     | 8,550    |
| Plywood panel                                   | kg     | 61,882.8 |
| Tie rods  | number | 37,117   |

The materials were counted using different units of measurement than in previous periods, so a direct comparison is not possible.

Centrotubi does not recover products or materials of any kind.



## 4.6.4 Waste Management

Waste is registered and monitored using loading and unloading registers and supporting programmes for the management of movements and stock, drawn up in

accordance with current regulations. The Environmental Declaration Form (MUD) is submitted annually.

| Non-hazardous waste sent for recycling or recovery (EWC code)                               | Quantity in kg | Destination |
|---|----------------|-------------|
| 07 02 13 waste plastic  | 24,290         | R13         |
| 12 01 02 ferrous metal dust and particles   | 17,780         | R13         |
| 12 01 05 plastic filings and shavings   | 12,420         | R13         |
| 15 01 02 plastic packaging  | 51,420         | R13         |
| 15 01 03 wooden packaging   | 106,160        | R13         |
| 15 01 06 mixed material packaging   | 138,480        | R13         |
| 16 02 16 components removed from discarded equipment other than those mentioned in 16 02 15 | 50             | R13         |
| 17 04 05 iron and steel   | 6,140          | R13         |
| <b>Total</b>  | <b>356,740</b> |             |

| Hazardous waste sent for recycling or recovery with EWC code | Quantity in kg | Destination |
|--|----------------|-------------|
| 13 02 08* other engine, gear and lubrication oils            | 360            | R13         |

| Hazardous waste sent for disposal with EWC code   | Quantity in kg | Destination |
|---|----------------|-------------|
| 08 03 12* ink waste containing dangerous substances   | 200            | D15         |
| 16 01 14* antifreeze liquids containing hazardous substances  | 100            | D15         |
| 16 02 13* discarded equipment containing hazardous components 3 other than those mentioned in 16 02 09 and 16 02 12 | 1580           | D15         |
| 16 03 05* organic waste containing dangerous substances   | 200            | R13         |

|   | 2021           | 2022           | 2023           |
|---|----------------|----------------|----------------|
| <b>Total waste</b>                                | <b>378,172</b> | <b>430,692</b> | <b>359,180</b> |
| <b>Total waste sent for recycling or recovery</b> | <b>353,882</b> | <b>430,680</b> | <b>357,300</b> |

## 4.7. CARING FOR OUR PEOPLE

**GRI Standard 2 - 7 / 8 / 30**

**GRI Standard 401**

**GRI Standard 403 - 9 / 10**

**GRI Standard 404 - 1 / 2**

**GRI Standard 405**

**GRI Standard 406**

**GRI Standard 407**

The attractiveness of a company depends on its reputation and employees, with their opinions, behaviour and actions are the first ambassadors for its image.

This is one of the reasons why it is necessary to invest in enhancing the value of one's employees through the continuous improvement of their professionalism and well-being, thus also generating Economic and Social Value.

Labour relations are characterised by dialogue, transparency and constructive confrontation, safeguarding everyone's roles. For Centrltubi, respect for fundamental rights is an essential part of its principles and is safeguarded in all company operations. The company takes measures against discriminatory practices and exploitation of the workforce.

Centrltubi has adopted the regulations relating to *Whistleblowing*<sup>2</sup>.

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There are no unemployed staff in the company; all workers have a fixed-term or open-ended contract.

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Possible future certification of the Gender Equality Management System is ongoing. In 2023 the **number of employees at Centrltubi is 78.975 F.T.E., an increase of 11.27%** with respect to the previous year. **78.47% of contracts are permanent** and **97.50% of workers have a full time contract**. All women have a permanent, full-time contract.

**Information on employees** (their number is calculated as Full Time Equivalent persons)<sup>3</sup>.

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2. **Whistleblowing is a fundamental corporate compliance tool**, through which employees or third parties (e.g. a supplier or customer) of a company may **report, in a confidential and protected manner**, any possible **offences** encountered in the course of their activities.

The **"whistleblower"** (reporter) is therefore a person working in a company (public or private) who decides to **report an offence**, fraud or danger that he/she has detected in the course of his/her work (or, in the case of a client, in the course of his/her experience as a client of a company).

Accordingly, **whistleblowing is the practice of reporting violations of laws or regulations, crimes and cases of corruption or fraud, as well as situations of danger to public health and safety**.

In addition to the intrinsic utility of preventing wrongdoing, the additional and valuable utility of whistleblowing is that of involving and raising awareness among citizens in the fight against illegality, empowering them and requiring their active participation to improve society.

3. FTE (Full Time Equivalent) defines the total workforce described in terms of 'persons employed full time' (e.g. 2 persons part time 50% = 1 person FTE). In Italian, the acronym ETP (full-time equivalent) is also used.





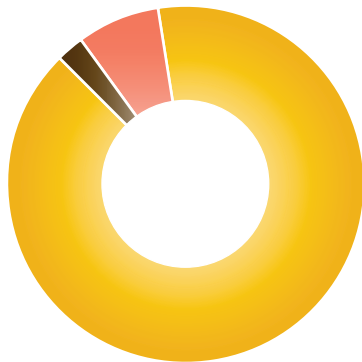
|                            | 2021          |              |               | 2022          |              |               | 2023          |          |               |
|----------------------------|---------------|--------------|---------------|---------------|--------------|---------------|---------------|----------|---------------|
|                            | Men           | Women        | Total         | Men           | Women        | Total         | Men           | Women    | Total         |
| <b>Total FTE employees</b> | <b>64.975</b> | <b>7.000</b> | <b>71.975</b> | <b>63.975</b> | <b>7.000</b> | <b>70.975</b> | <b>72.975</b> | <b>6</b> | <b>78.975</b> |
| Fixed-term employees FTE   | 13.450        | 0            | 13.450        | 10.650        | 0            | 10.650        | 17            | 0        | 17            |
| Permanent employees FTE    | 51.525        | 7.000        | 58.525        | 53.325        | 7.000        | 60.325        | 55.975        | 6        | 61.975        |
| Full-time employees        | 63.000        | 7.000        | 70.000        | 62.000        | 7.000        | 69.000        | 71            | 6        | 77            |
| Part-time employees        | 1.975         | 0            | 1.975         | 1.975         | 0            | 1.975         | 1.975         | 0        | 1.975         |

Centraltubi signed administration contracts for 1 employee in 2023. The contract was activated and concluded in the year (20.03.2023 - 30.11.2023) for a woman aged >50.

Centraltubi also guarantees freedom of association to all personnel, with the RSAs (company trade union representatives) being present in the production unit and maintaining open and transparent relations with the main trade union representatives.

All persons working at the company are employed under National Collective Labour Agreements; as a result, any salaries are not influenced by gender or other parameters not provided for in the regulations.

**Part time - Full time**



- Full time workers, men 71; 89,90%
- Part time workers, men 1,975; 2,50%
- Full time workers, women 6; 7,60%

**Contract type**



- Permanent contracts, men 55,975; 70,88%
- Fixed term contracts, men 17; 21,53%
- Permanent contracts, women 6; 7,60%



## 4.7.1 Professional development and growth

Centraltubi delivered **1,470** total training hours in 2023, down slightly from the previous year.

The hours were subdivided into: compulsory

training under Leg. Dec. 81/08 Art. 36 and 37, Continuing Education updates and Continuing Education related to Industry 4.0.

| Centraltubi                    | 2021  | 2022  | 2023  |
|--------------------------------|-------|-------|-------|
| Total Training Hours Delivered | 1,329 | 1,486 | 1,470 |

Specifically:

- PEI-PES-PAV electrical training
- first aid training group A
- bridge crane operator training
- fire-fighting training
- forklift truck driver training
- confined space training
- training on AWP's with and without outriggers
- training on Work at height
- training for workers
- training for supervisors

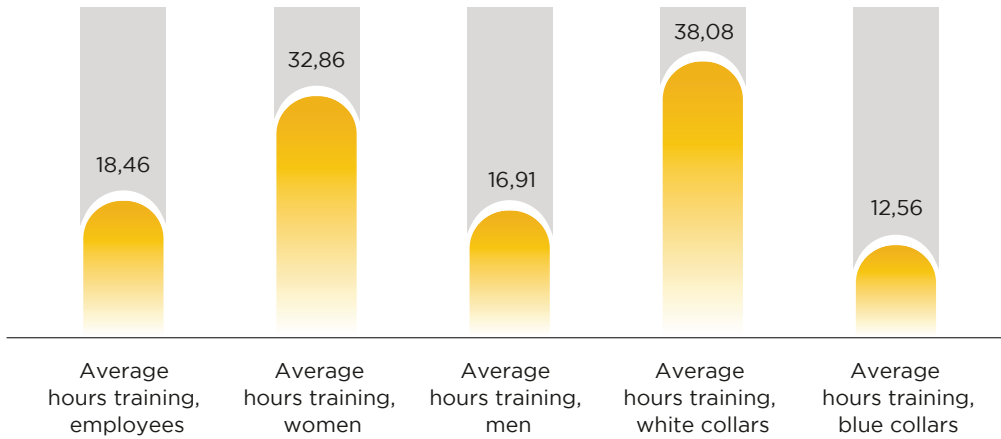
Training covered: the Remote Selling Commercial Area, the area related to Sales Communication, the area related to refresher training for the Administrative Area, personnel training and management including legal aspects, courses and Masters in Quality, training related to General Safety Regulations for managers in the company, 4.0 training (including: Quality Mob Software and Digital Integration to the environmental data collection process for the Sustainability

Report), programmes related to anti-corruption aspects and practices.

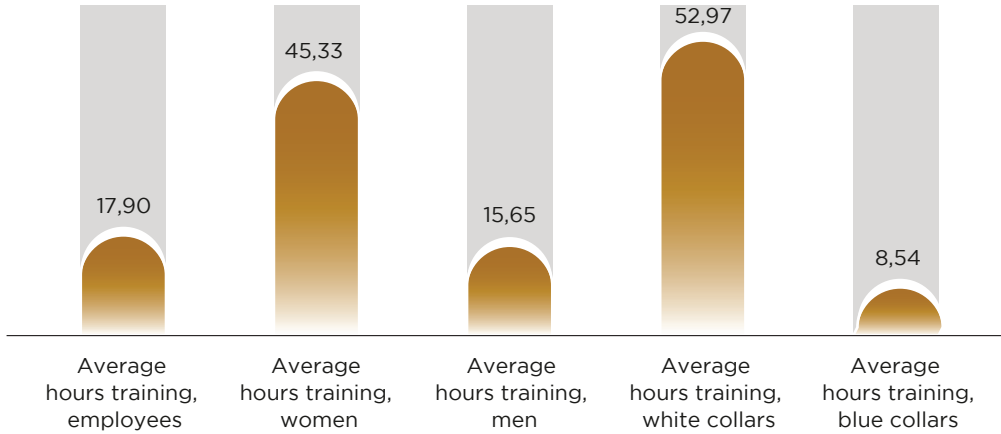
The training activities provided were aimed at having employees acquire or consolidate their knowledge on the professional use of software that can make the company's production and quality processes increasingly connected and communicating. The scope of the training activities relates to the *IT sector*. The training activities delivered concerned: goods functional to the technological and/or digital transformation of businesses according to the Industry 4.0 model ("*Systems for quality assurance and sustainability*") and in-process monitoring systems to ensure and track the quality of the product or production process (which allow production processes to be qualified in a manner that can be documented and linked to the factory information system).

The graphs show the distribution of average training hours to the various categories and genders of employees in the years **2021, 2022 and 2023**.

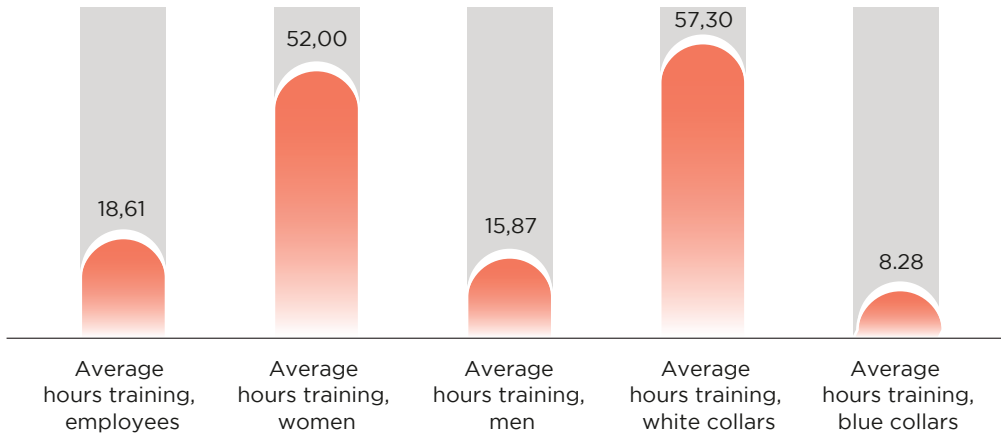
**Total average hours training and by category 2021**



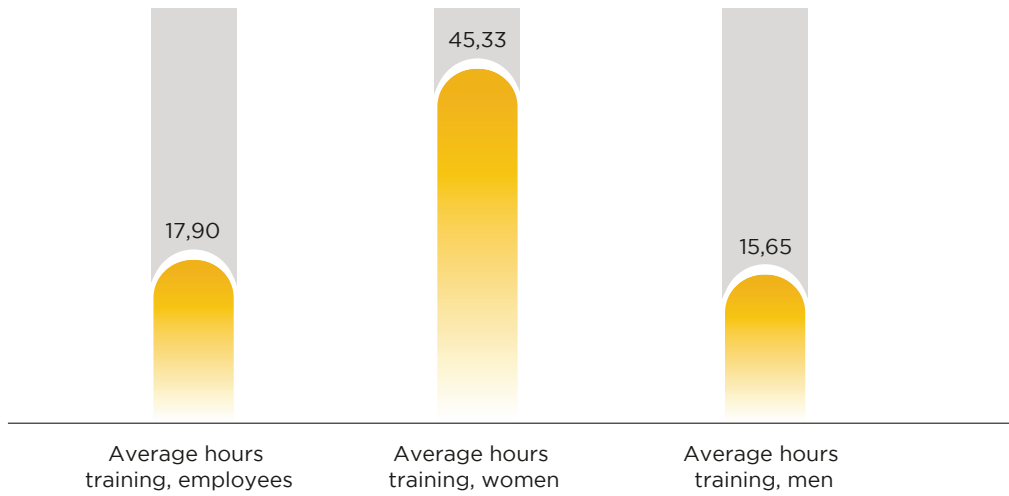
**Total average hours training and by category 2022**



**Total average hours training and by category 2023**

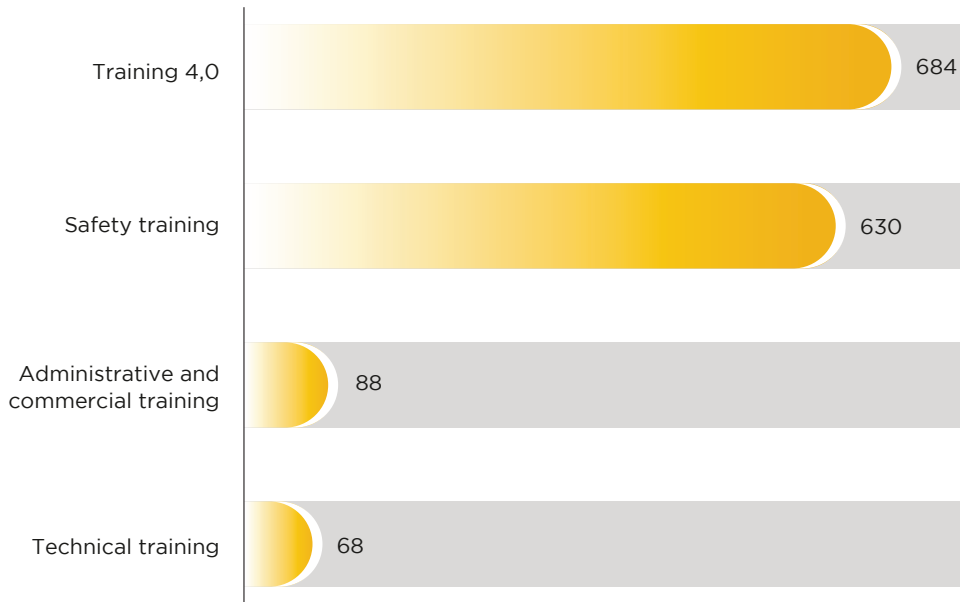


### Average hours training, women men and total



The table shows the different types of courses delivered by CentraTubi in 2023, involving **47** employees.

### Hours training by type of course 2023



|                                 | 2021       | 2022       | 2023       |
|---------------------------------|------------|------------|------------|
| Economic commitment to training | €26,274.00 | €27,485.86 | €21,771.23 |



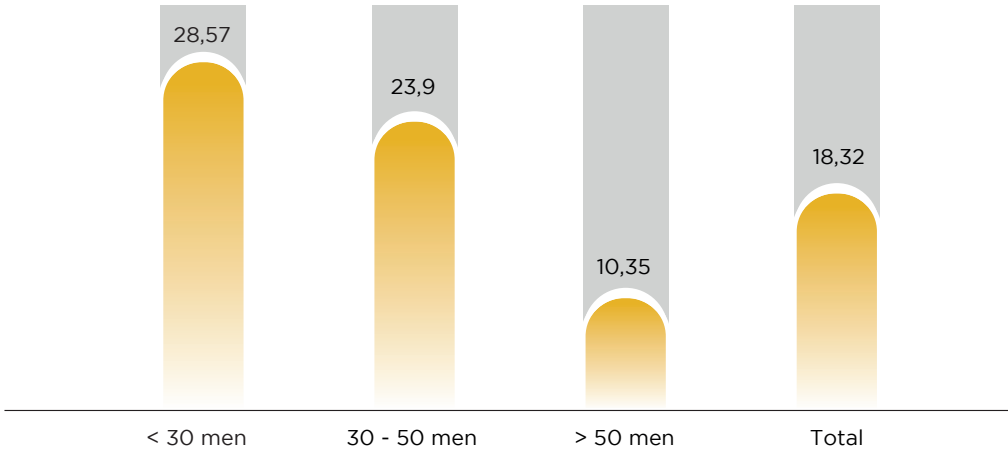
## 4. 7.2 Turnover

Turnover is defined as all people joining or leaving the company for a variety of reasons (retirement, dismissal, resignation, etc.). The table shows the inflow and outflow of

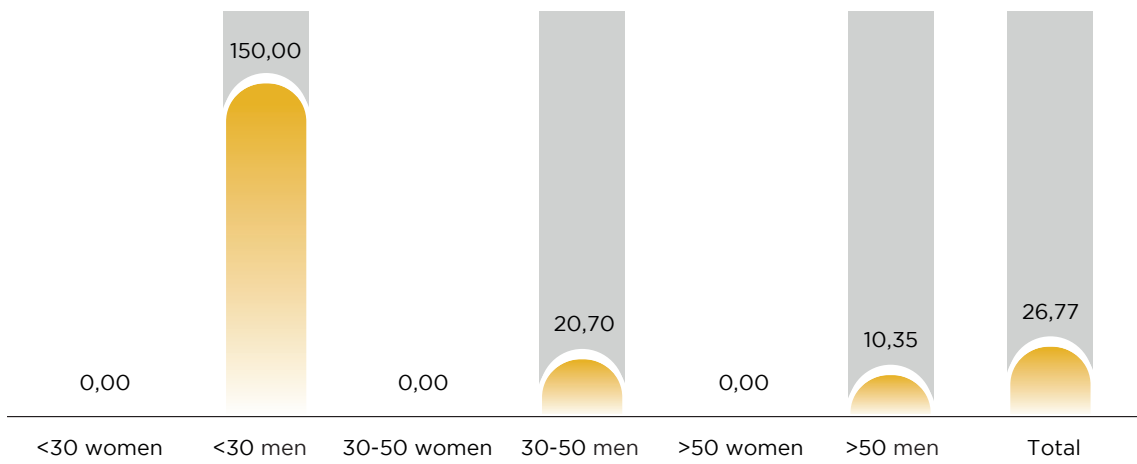
employees by age group and gender. In 2023, there were 19 recruitments (46% more than in 2022) against 11 redundancies.

|               | Number at start of period |               | Average number over the period |               | Recruitment |           | Redundancies |           |
|---------------|---------------------------|---------------|--------------------------------|---------------|-------------|-----------|--------------|-----------|
|               | 2022                      | 2023          | 2022                           | 2023          | 2022        | 2023      | 2022         | 2023      |
| < 30 women    | 3                         | 3             | 3                              | 3             | 0           | 0         | 0            | 0         |
| < 30 men      | 7                         | 6             | 6                              | 11            | 2           | 9         | 3            | 4         |
| 30 - 50 women | 3                         | 3             | 3                              | 3             | 0           | 0         | 0            | 0         |
| 30 - 50 men   | 37.65                     | 38.65         | 37.65                          | 41.65         | 9           | 8         | 9            | 5         |
| > 50 women    | 1                         | 1             | 1                              | 0             | 0           | 0         | 0            | 1         |
| > 50 men      | 19.325                    | 19.325        | 20.325                         | 20.325        | 2           | 2         | 1            | 1         |
| <b>Total</b>  | <b>70.975</b>             | <b>70.975</b> | <b>70.975</b>                  | <b>78.975</b> | <b>13</b>   | <b>19</b> | <b>13</b>    | <b>11</b> |

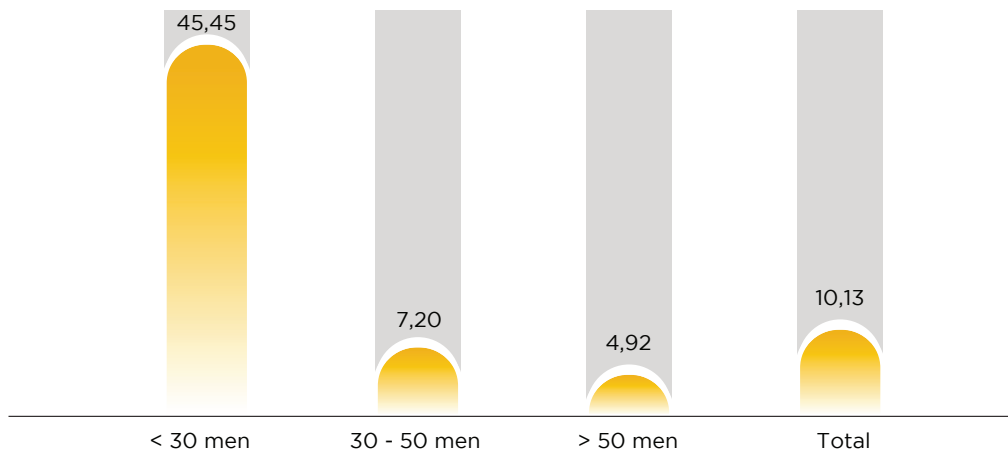
Turnover rate 2022



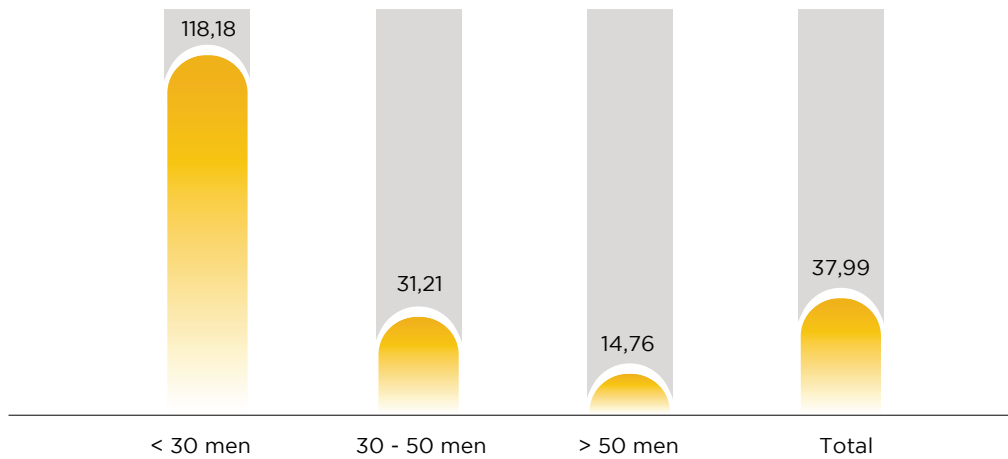
**Turnover rate 2023**



**Overall turnover rate (recruitments - redundancies)**



**Overall turnover rate (recruitments + redundancies)**



### 4.7.3 Parental leave

In 2022 and 2023, no employee at Centraletubi took parental leave.

The proportion of men and women in Centraletubi should be considered in line with the number of people presenting themselves to the company at the recruitment stage.

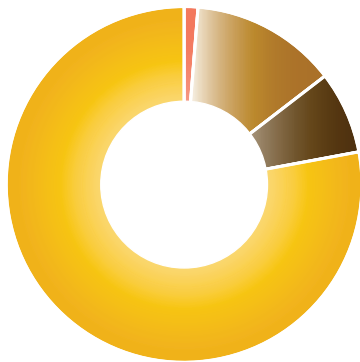
The criteria for assigning or granting benefits to staff do not concern the type of contract (fixed-term / open-ended, full-time / part-time and other paradigms such as gender and age).

### 4.7.4 Equal Opportunities, Non-Discrimination

#### Equal Opportunities

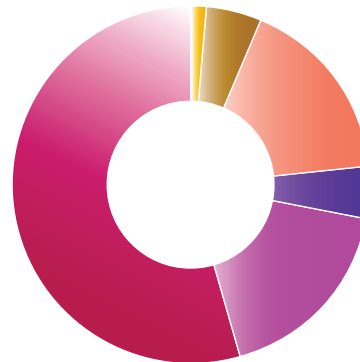
Centraletubi offers and recognises 'Equal Opportunities' to all its employees, supports the development of professionalism and eliminates any kind of discriminatory difference in access to and participation in the social, economic and political dimension of company life.

Percentage staff by qualification and gender



|                      |               |
|----------------------|---------------|
| Blue collars, men    | 62,32; 77,93% |
| White collars, men   | 10,65; 13,32% |
| Executives, women    | 1,00; 1,25%   |
| White collars, women | 6,00; 7,50%   |

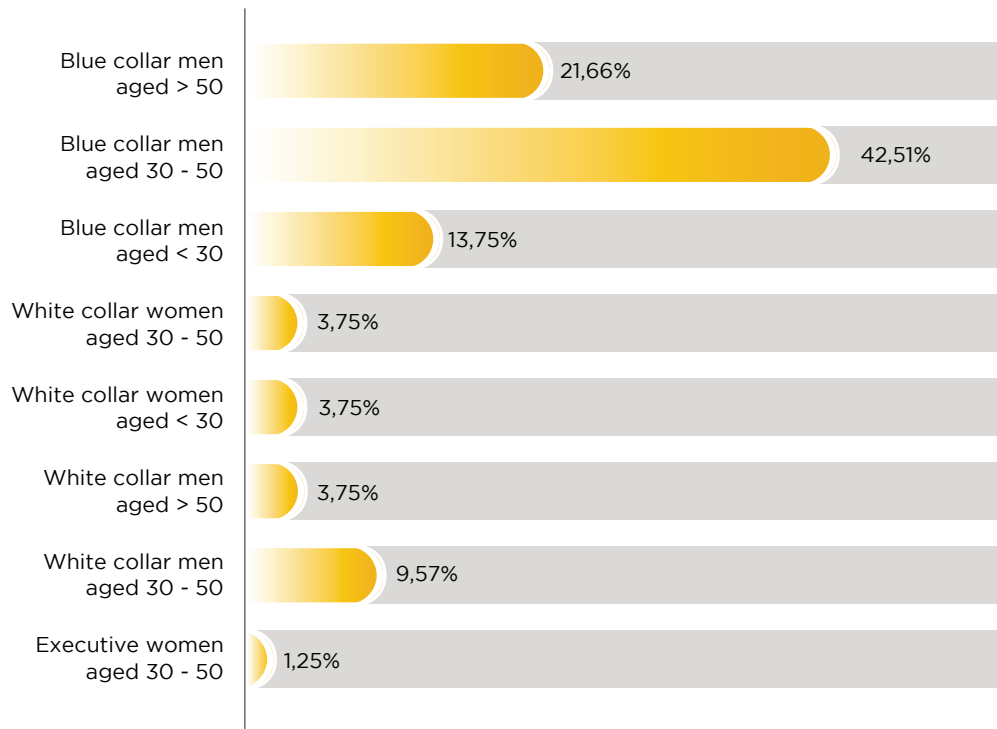
Percentage staff by qualification and age



|                            |               |
|----------------------------|---------------|
| Executives aged 30 - 50    | 1,00; 1,60%   |
| White collars aged < 30    | 3,00; 4,79%   |
| White collars aged 30 - 50 | 10,65; 17,00% |
| White collars aged > 50    | 3,00; 4,79%   |
| Blue collars aged < 30     | 11,00; 17,56% |
| Blue collars aged 30 - 50  | 34,00; 54,27% |



### Staff by qualification age and gender



The remuneration of all persons employed in the company references the national collective agreement for the category. Any other forms of remuneration are not affected by criteria such as gender or age.

The criteria for assigning or granting benefits to staff do not concern the type of contract (fixed-term / open-ended, full-time / part-time and other paradigms such as gender and age).

### Composition of the Board of Directors of Centraltubi

|                    |       |   |  |
|--------------------|-------|---|--|
| Marina Boscarini   | >50   | F | Chair of the Board of Directors and Managing Director      |
| Emiliano Boscarini | 30-50 | m | Vice Chair of the Board of Directors and Managing Director |
| Emanuele Boscarini | 30-50 | m | Managing Director of Security                              |
| Andrea Romeo       | 30-50 | m | Board Member   |

### Non-discrimination

At Centraltubi, no incidents of discrimination based on race, colour, sex, religion, political

opinion ... or other forms of discrimination involving internal and/or external stakeholders occurred and were reported during the reporting period.



## 4.7.5 Health and Safety at Work

In 2023, the hours worked in Centraletubi were **134,836** compared to 126,560 in the previous year. The total days of absence due to

accidents were **461**. There were **8** accidents, an increase compared to 2022 (3 in 2022 and 4 in 2021).

|  | 2021    | 2022    | 2023           |
|--|---------|---------|----------------|
| Hours worked                                       | 125,255 | 126,560 | <b>134,836</b> |
| Total number of days of absence due to accidents   | 236     | 60      | 461            |
| Total No. of accidents                             | 4       | 3       | 8              |
| <b>Frequency Rate GRI / UNI 7249</b>               | 31.9    | 23.7    | <b>59.33</b>   |
| <b>Severity rate UNI 7249</b>                      | 1.88    | 0.47    | <b>3.42</b>    |
| <b>Accident rate with serious consequences GRI</b> | 0       | 0       | <b>0</b>       |
| <b>Death rate</b>                                  | 0       | 0       | <b>0</b>       |

Note: 12 days of injury were not counted because the injury was defined by INAIL, at a later date, as 'non-competent' and passed on to INPS to be managed as an illness.

On the other hand, 16 days of an accident that occurred to a SAB S.p.A. employee seconded to Centraletubi were counted in the total as the event occurred within the company boundaries.

In 2023, as in the previous year, accidents occurred in production and were identified as - *of low severity* - (B), (these were injuries of various kinds and a fracture of the ankle) no responsibility was attributed to the company; the injuries were mostly caused by carelessness, inappropriate behaviour or chance events. It does not appear possible to identify a common reason or context.

In any event, the company has taken steps to improve the level of employee safety by raising employee awareness, with new training and more in-depth training in the use of work tools (on cutting tools, use of the winder, tape replacement). For further details on accidents, please refer to the document 'System Group Accidents 2023', which can be obtained from the company.

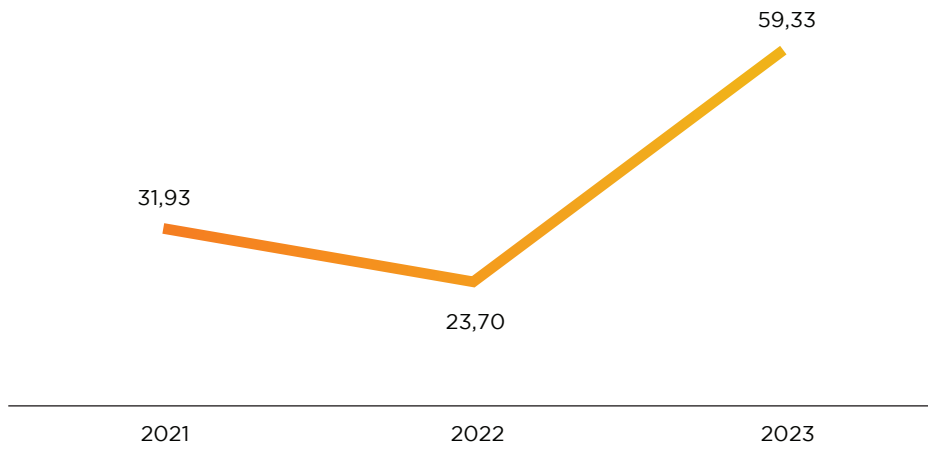
In 2021, 2022 and 2023, no accidents with a prognosis of more than 180 days occurred in Centraletubi.

In the years 2020, 2021 2022 and 2023, there were no deaths due to accidents.

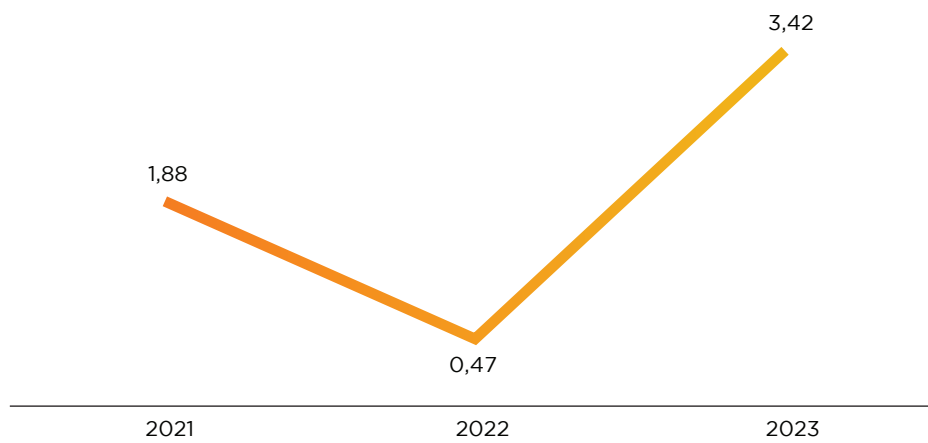
No cases of occupational diseases occurred or were reported.

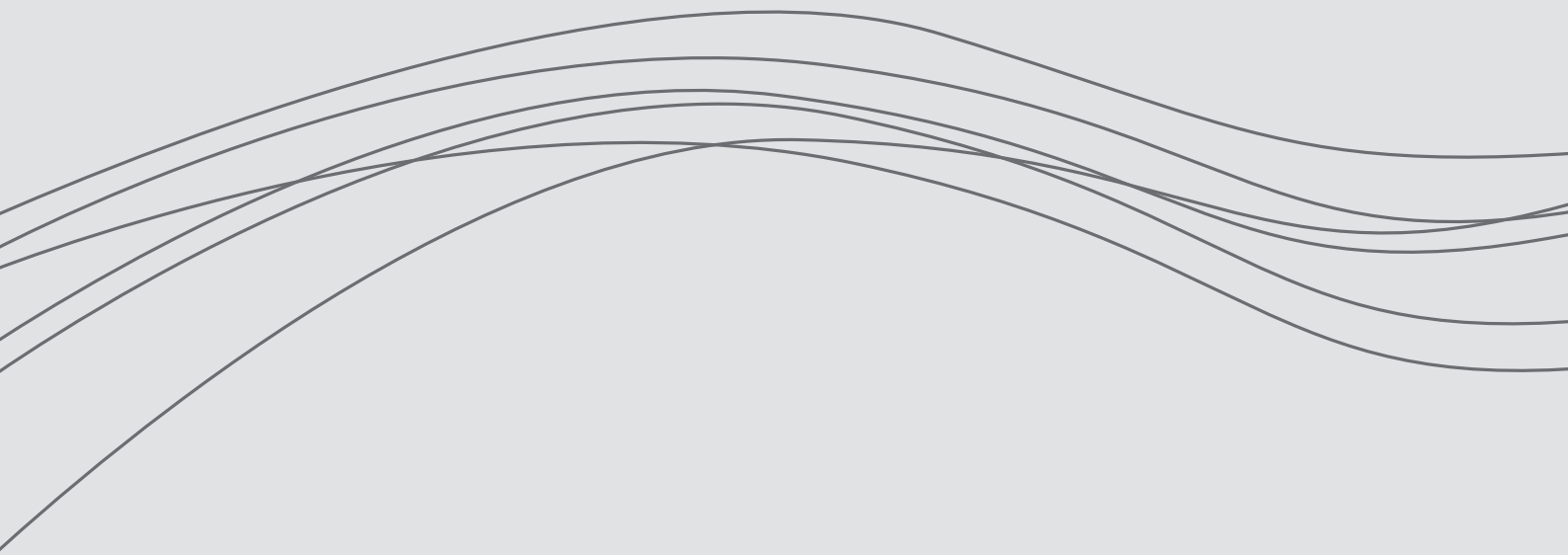
The UNI ISO 45001-certified health and safety management system covers all people who come into contact with the company's activities at its operational sites.

### Calculation of the frequency level UNI 7249 / GRI



### Calculation of the severity level UNI 7249







5

 **ITALIANA CORRUGATI**



## 5.1. COMPANY PROFILE

### GRI Standard 2 - 1 / 6

Italiana Corrugati S.p.A. was founded in 1996. It is a leading manufacturer of double-wall corrugated pipes, both for underground civil and industrial drainage systems and for cable ducting and drainage systems.

The workforce consists of 76.6 employees (*Full Time Equivalent*) and the total value of production is over € 80 million. Plant and offices are located at Fonte del Doglio, 22/E in Piandimeleto in the province of Pesaro and Urbino.

Italiana Corrugati acquires recycled raw materials from PEBO, a System Group company, and virgin raw materials from other companies in the petrochemical sector. It carries out all the work to manufacture products in-house without outsourcing specific activities or processes. Deliveries can be made ex-warehouse or paid for by the

company, which normally provides transport in cooperation with Uniline, another company in the Group. It normally handles routine and periodic maintenance in-house. Mecsystem collaborates on extraordinary maintenance and technology development activities.

The company has a well-equipped and modern laboratory where tests are carried out on incoming raw materials, on the hydraulic tightness of joints, to check impact resistance, flexibility and annular stiffness, to ensure product quality and performance. Italiana Corrugati has engaged in numerous activities, revisions and investments to optimise processes, personnel safety, reduce energy consumption, improve process flow and the performance of products and systems offered, with positive social and environmental impacts.

## 5.2. CORPORATE GOVERNANCE

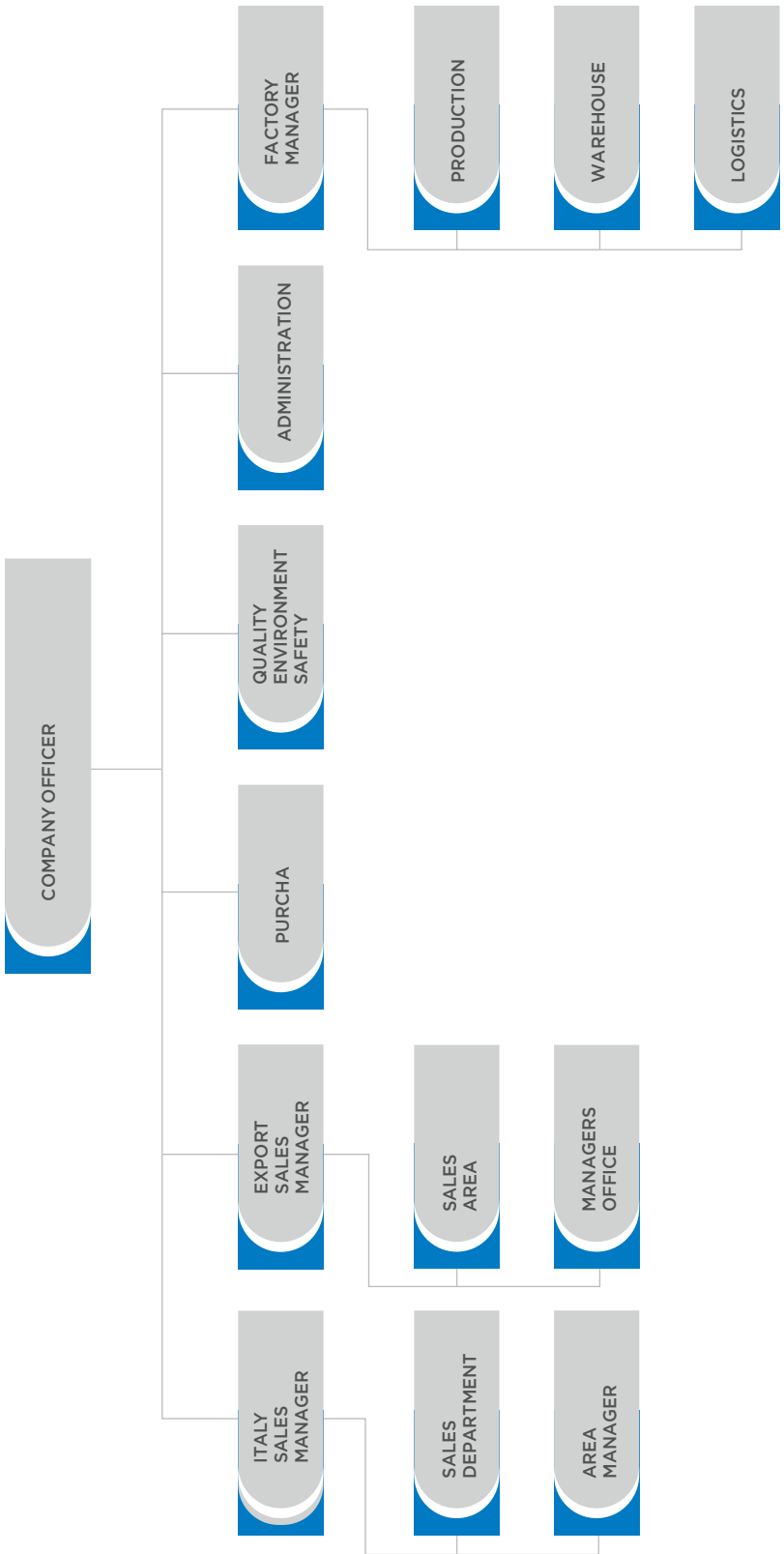
### GRI Standard 2 - 9

The Board of Directors consists of: Emiliano Boscarini (Chair and Managing Director), Emanuele Boscarini (Managing Director), Filippo Pini (Director), Andrea Romeo (Director).

The Board of Statutory Auditors consists of: Simone Spinaci (Chair), Guido Agostini (Full Auditor) and Decio Amedeo Raggi (Full Auditor).

Following the adoption of the Organisation, Management and Control Model, pursuant to Legislative Decree 231/2001, a collegial Supervisory Board was established, made up of Giovanni Orciani (Chair), Gabriele D'Amore (member) and Veronica Urbinati (member). Italiana Corrugati takes sustainability decisions independently.

# ORGANISATION CHART AS AT 31/12/2023



## 5.3. QUALITY MANAGEMENT AND CERTIFICATION

The products manufactured by the company comply with various standards with product quality marks:

- IIP mark (No. 287), issued by IIP S.r.l., on PE corrugated pipes compliant with UNI EN 13476-1-3 for unpressurised drainage systems;
- Bureau Veritas mark, on corrugated PE pipes compliant with UNI EN 13476-1-2-3 for unpressurised drainage systems;
- IMQ mark, issued by the Quality Mark Institute, on corrugated PE pipes compliant with CEI EN 61386-1-24 for cable ducting systems.

Italiana Corrugati operates with the following company management systems: for Quality (UNI EN ISO 9001) and for the Environment (UNI EN ISO 14001), all certified by an independent and accredited third-party body (IIP S.r.l.). It is duly enrolled in the mandatory national consortium for the recycling of polyethylene goods 'PolieCo', governed by the statutes of the Ministerial Decree of 23 May 2019, pursuant to and for the purposes of Article 234 (Legislative Decree 152/2006), and has also been awarded the PSV MIXECO mark certifying the recycled content and traceability of manufactured goods made using polymers derived from recycled and/or industrial waste.

## 5.4. THE SIGNIFICANCE OF IMPACTS

### GRI Standard 3 - 3

Among the actual and potential impacts to be considered, also with regard to risks, those related to energy management, material recycling, worker health and safety, ethics and business performance are considered important. In terms of the environment, opportunities relate to the process of recycling materials.

Energy consumption mainly concerns industrial manufacturing processes. With regard to these activities, emissions must be kept under control and reduced in line with what can be achieved with regard to energy consumption.

Waste management and water resource management are considered marginal while

complying with mandatory regulations.

In terms of 'social sustainability', occupational health and safety remains in the foreground along with training.

Other issues identified as relevant are 'anti-corruption' and 'anti-discrimination' safeguards.

On the economic side, Distributed Value and investments are the main focuses.

Economic and financial management will be an increasingly important issue, especially in terms of resilience in the face of ongoing socio-economic and environmental changes. The Group's due diligence on sustainability for the period 2023 revealed that the significance of impacts for Italiana Corrugati

corresponds to the table below. In relation to the source (GRI Standard), only the number is indicated. At the beginning of the sections and in the index of GRI references, the disclosure numbers are also indicated. All impacts pertaining to the various areas have been treated as indicated in the

Methodological Note and the Index of GRI References. The management of certain impacts or areas of impact is described in Chapters 1 and 2.

However, all material topics are reported regardless of their relevance.

| Area of impact                                | GRI Standard      | Significance value |
|---|-------------------|--------------------|
| Economic performance                          | 201               | High               |
| Ethics and Anti-Corruption                    | 205               | Medium             |
| Materials management and recycling            | 301               | High               |
| Energy  | 302               | High               |
| Emissions                                     | 305               | Medium             |
| Waste Management                              | 306               | Low                |
| Water resource management                     | 303               | Low                |
| Workforce management (employment and welfare) | 2 (7 / 8) and 401 | Medium             |
| Health and safety at work                     | 403               | High               |
| Training and professional development         | 404               | Medium             |
| Diversity and equal opportunities             | 405               | Medium             |
| Non-discrimination                            | 406               | Medium             |
| Customer health and safety                    | 416               | Medium             |
| Customer privacy                              | 418               | Low                |

## 5.5. THE SOCIO-ECONOMIC CONTEXT

### GRI Standard 201 - 1 / 4

In 2023, Italiana Corrugati S.p.A. reported a profit for the year of **€23,366,882** an increase of 66.72% compared to 2022 (€14,015,121).

As at 31.12.2023, Italiana Corrugati's balance sheet showed total shareholders' equity of **€61,513,843** an increase of 53.22% over 2022 (€40,146,961).

The Value of Production is **€87,432,692**, while in 2022 it was €82,516,742.

Italiana Corrugati is active in the production, design and marketing of plastic products for cable ducts and sewers. It uses mainly HDPE and PP polyethylene in its production cycle. The raw material is an oil derivative, so its purchase price is strongly influenced by fluctuating prices on international markets. On the demand side, the outlook for 2024 remains uncertain, given the economic and political environment that is still settling



down. While the situation regarding energy costs and the availability of raw materials and components has partially improved, macroeconomic and political tensions continue, making any attempt at forecasting difficult. Maintaining market shares and seizing the opportunities provided by the NRRP will be crucial.

In absolute terms, revenues from sales and services increased compared to last year due to the improvement in the market. Production costs increased to a value of €54,929,172 in 2023 compared to a value of €63,180,018 in the previous year. In absolute value, the combined effect of the two trends thus produced an operating income of €32,503,520 in 2023 against an operating income of €19,336,724 in the previous year, an increase of 68%.

Sales are 86.3% to domestic markets, 13.7% to foreign markets.

During the year, significant verification and control actions were taken on all data and processes, eliminating a number of inefficiencies.

The operating margin showed a good increase compared to last year.

Reorganisation of the various activities is ongoing, and will be made more rapid and effective by the synergies that will be activated with associated and subsidiary companies operating in different sectors and segments of the same market.

Continuous and consistent green investments, in technology, production resources and human resources, have also made a significant contribution to the achievement of results.

Research and development activities remain constant and certainly make a decisive contribution to ongoing improvement of the company's quality and sustainability. It is therefore reasonable to expect economic results for 2024 in line with last year, thanks also to the relentless drive

and control to improve service, efficiency, productivity, profitability and sustainability. A macroscopic analysis of production data indicates an improvement in product quality indicators compared to the previous year. Considerable work has been done in the training of production personnel through refresher courses that have led to greater efficiency in production lines, considerably decreasing downtime due to breakdowns and production changeovers.

This activity originated within the *Lean Production* group which, with regular meetings, continues to measure the performance of the production department through KPIs, in particular through the OEE: Overall Equipment Efficiency. The good result in plant efficiency was also achieved through preventive maintenance of machines and plant, activities carried out during all periods of the year and in particular by taking advantage of summer and winter shut-downs. The company has tried to maintain or decrease raw material and energy costs wherever possible by working to optimise processes and equipment.

The mission of **job rotation** is ongoing, and is aimed at continuous renewal of personnel in all company areas. More specifically, the company has worked at all levels in production, from heads of department, to technicians, Shift managers and deputy shift managers.

Italiana Corrugati plays an important role in coordinating the Group's companies in the corrugated sector, both commercially, logistically and in terms of production. Also important is the production of corrugated pipes by Lucania Resine located at the Potenza site, which has allowed us to serve the southern Italian market by decreasing the incidence of transport costs on products where this item is more significant.

## VALUE GENERATED - VALUE DISTRIBUTED - VALUE RETAINED

Value added is to be understood as a measure of the wealth that an economic entity realises using production factors and how that wealth is distributed among the main stakeholders.

This document does not include the profit and loss and balance sheet statements

already prepared and included in the annex to the Annual Report 2023. The Economic Value Generated (Gross Value Added generated by the enterprise) and the Economic Value Distributed (Value Added Distributed) to stakeholders are also described.

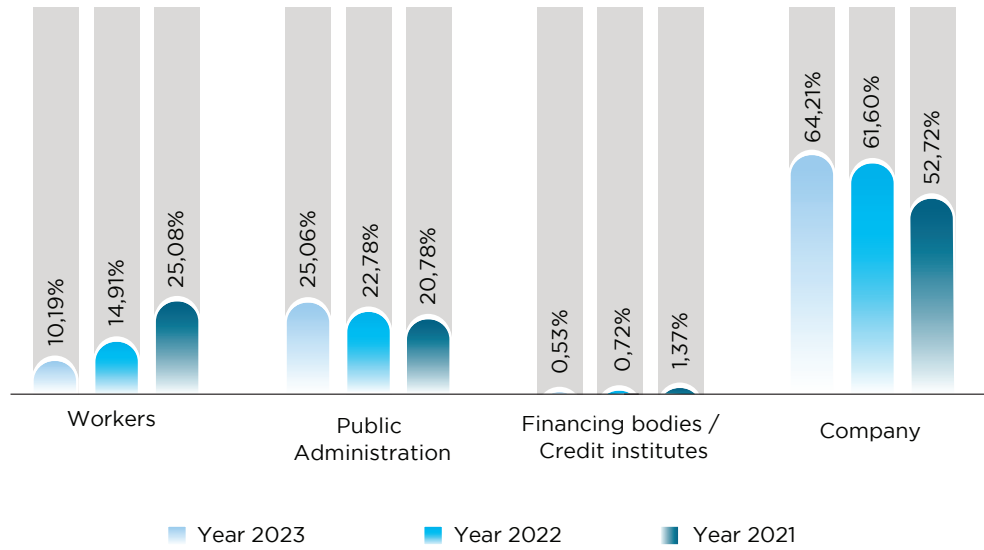
The Retained Value is obtained by subtracting the Value Distributed from the Value Generated.

| Determination of Net Global Added Value in Euro | 2023        | 2022        | 2021        |
|---|-------------|-------------|-------------|
| Overall value of production                     | 87,328,798  | 82,138,874  | 65,355,528  |
| Intermediate costs of production                | -49,946,835 | -58,211,401 | -49,086,830 |
| Gross characteristic value added                | 37,381,963  | 23,927,473  | 16,268,698  |
| Ancillary management                            | 176,948     | 24,007      | -454,194    |
| Global gross value added                        | 37,558,911  | 23,951,480  | 15,814,504  |
| Depreciation                                    | -1,169,236  | -1,199,508  | -1,047,032  |
| Global net value added                          | 36,389,675  | 22,751,972  | 14,767,472  |

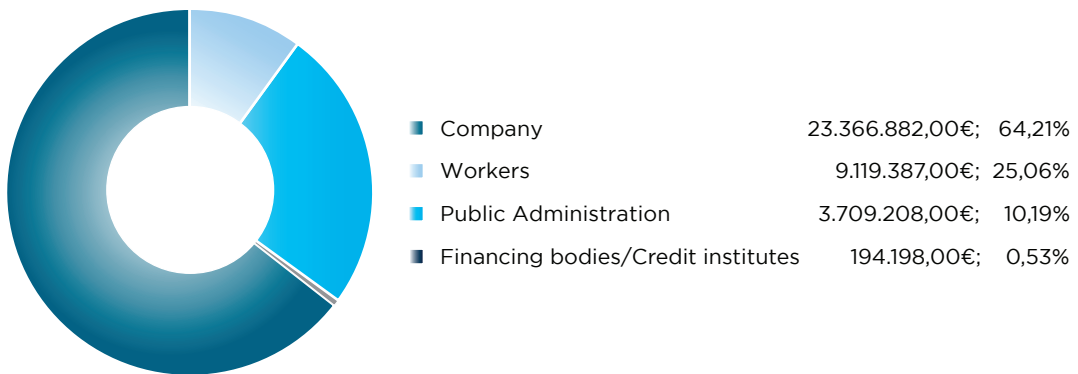
| Breakdown of Global Net Value Added      | 2023       | %     | 2022       | %      | 2021       | %      |
|--|------------|-------|------------|--------|------------|--------|
| Global net value added                   | 36,389,675 | 100%  | 22,751,972 | 100%   | 14,767,472 | 100%   |
| Staff Remuneration                       | -3,709,208 | 10.19 | -3,391,238 | 14.91% | -3,703,418 | 25.08% |
| Public Administration Remuneration       | -9,119,387 | 25.06 | -5,182,219 | 22.78% | -3,068,509 | 20.78% |
| Remuneration of credit capital           | -194,198   | 0.53  | -163,394   | 0.72%  | -202,482   | 1.37%  |
| Investments in the community / donations |            |       |            | 0.00%  | -7,400     | 0.05%  |
| Company remuneration                     | 23,366,882 | 64.21 | 14,015,121 | 61.60% | 7,785,663  | 52.72% |



### Determination of Global Net Value Added 2021 2022 and 2023



### Breakdown of Global Net Value Added in 2023



## COSTS, AID AND SUBSIDIES

During 2023, Italiana Corrugati benefited from the following government subsidies.

| Measure                                | Project name                                | Amount             |
|--|---|--------------------|
| L. 124/2017 Enterprise Fund aid scheme | Facilities for energy-intensive businesses. | <b>€3,312.35</b>   |
| L. 124/2017 Energy Bonus Aid Scheme    | Facilities for energy-intensive businesses. | <b>€333,064.41</b> |



During 2023, Italiana Corrugati was awarded the following government subsidies.

| Measure   | Project Name  | Aid Element        |
|---|---|--------------------|
| Training 4.0 tax credit   | Training 4.0 tax credit   | <b>€5,195.00</b>   |
| Training 4.0 tax credit   | Training 4.0 tax credit   | <b>€16,137.00</b>  |
| Automatic tax measures and non-repayable grants to support businesses and the economy   | Recovery interest declared in the "Exceeding limits in section 3.1 and 3.12 of the temporary framework" section of the "tf-covid19 self-declaration". Deduction of recovery interest from Sect. 3.1 post 27/01/2021 | <b>€955.00</b>     |
| Regulation for inter-professional funds for continuing training for the grant of exempted state aid under Regulation (EC) No. 651/2014 and 'de minimis' aid under Regulation (EC) No. 1407/2013 | F.A.R.E. + D. 'Adequate Training for Economic + Digital Restart'  | <b>€3,206.69</b>   |
| Tax exemptions and tax credits adopted following the economic crisis caused by the COVID -19 epidemic   | Provisions on the payment of IRAP (Italian Regional tax on manufacturing activities)  | <b>€137,195.00</b> |
| Facilities for energy-intensive businesses.   | High-energy businesses 2021   | <b>€323,983.94</b> |

## INVESTMENTS

Italiana Corrugati has always implemented investment policies aimed at technological and process innovation. Trends in recent years have seen it focus even more on energy saving, respect for people's health and safety, and environmental protection.

## PRODUCTION AND WAREHOUSES

During 2022 and 2023, a number of production lines underwent *revamping*<sup>1</sup> with the main aim of improving energy efficiency and increasing productivity. The sharp rise in energy costs helped accelerate this evolutionary process and confirmed its validity. The unloading and loading areas of the warehouse were optimised to reduce

inefficient handling and increase operator safety.

Italiana Corrugati also started to adopt the 'free-cooling' system due to the benefits it brings to consumption and plant efficiency.

## WORKER SAFETY

The number of forklifts equipped with anti-collision safety systems has been further increased, for the safety of operators and to reduce accidental damage to goods, resulting in a reduction in rejects and dispersion of granules during movement. A sweeping machine is used on a daily basis to clean the external yards, allowing the recovery of granules that are lost during handling and preventing their dispersion for more effective prevention of the risk of falls.

1. The term REVAMPING refers to the upgrading of industrial plants to extend their life cycle and overcome technical obsolescence. This results in increased productivity of the plants without having to change them).



## ENERGY CONSUMPTION

Some of the actions already described have a significant impact in reducing energy consumption as they improve the efficiency of installations.

Other actions involved completing replacement of the lighting systems in the outdoor areas and offices with LED technology and low energy lamps.

## DIGITISATION

The *Paperless* system has been adopted through specific software, which significantly reduces printing of loading documents by updating the forklift operators' tablets in real time.

The 'MES' (Manufacturing Execution System) was implemented in production management, with which all process parameters (consumption, productivity, temperatures, etc.) are controlled.

## MAJOR INVESTMENTS IN 2023

| Amount in € | Description of investments | E | S | G |
|-------------|----------------------------|---|---|---|
| 21,587      | Furniture and furnishings  |   | x |   |
| 277,149     | Equipment                  |   |   | x |
| 82,272      | Installations              |   |   | x |
| 15,155      | Software                   | x |   | x |
| 180,500     | Infrastructure             |   | x |   |
| 396,217     | Machinery                  |   |   | x |
| 31,000      | Moulds                     |   |   | x |

## 5.6. CARING FOR THE ENVIRONMENT

**GRI Standard 301 - 1 / 2**

**GRI Standard 302 - 1 / 2 / 3 / 4**

**GRI Standard 303**

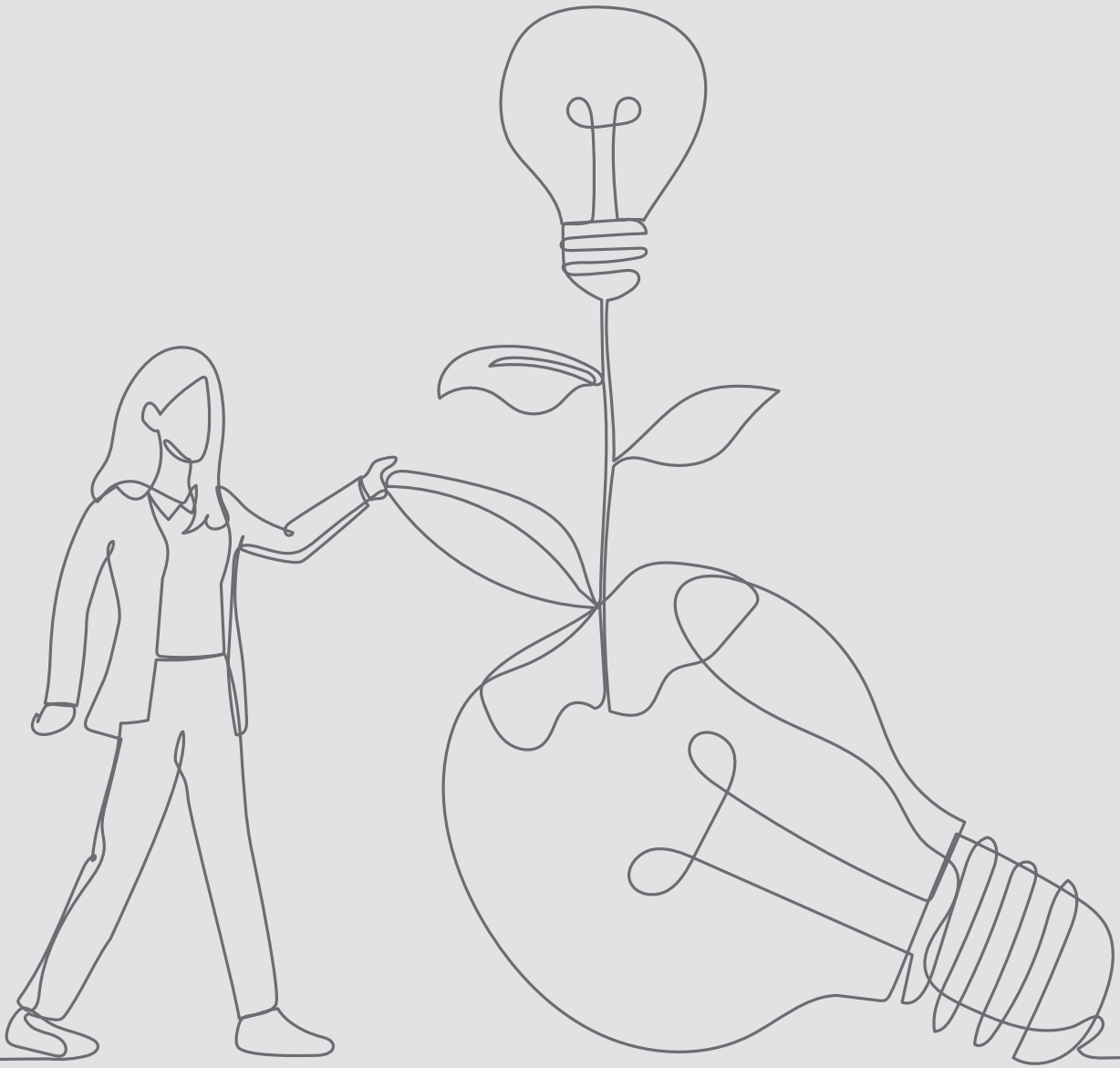
**GRI Standard 305 - 1 / 2 / 3 / 4 / 5 / 6 / 7**

**GRI Standard 306**

The environmental impacts of Italiana Corrugati are energy consumption, resulting emissions, use of plastics, water and waste management.

Italiana Corrugati is a high-energy company as far as the electricity component is concerned

and is registered in the list of high-energy companies with the Fund for Energy and Environmental Services (CSEA), an economic public body subject to the supervision of the Regulatory Authority for Energy Networks and the Environment (ARERA) and the ESD



bodies operating in the electricity, gas and water sectors.

The consumption of electricity to run production processes is high because the processing of plastics requires them to be heated, extruded and formed and then cooled.

This energy consumption also has economic significance.

As far as materials are concerned, Italiana Corrugati is committed to using the maximum amount of recycled plastic in accordance with product standards, by entering into stable agreements with its suppliers who are selected based on whether they possess environmental certifications. Water consumption is optimised and kept

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Italiana Corrugati declares that it does not have any litigation and has not faced any fines or other penalties for non-compliance with environmental laws and regulations.

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under control although water management does not have a major impact.

Waste is managed in compliance with statutory regulations and with the utmost commitment to the recycling of materials.

## 5.6.1 Management of energy and emissions

The manufacture of Italiana Corrugati's products is particularly energy-intensive. The areas where the highest energy consumption occurs are:

- water cooling and pumping processes (approximately 25%);
- production machines for corrugated polyethylene and polypropylene pipes (approximately 60%).

The cooling system consumption levels are continuously monitored.

Work was carried out to install technologies to increase natural cooling of the water used by means of *free cooling* systems. The air pressurisation system undergoes continuous leakage monitoring and maintenance, while at the same time optimising network management with a view to reducing compressor energy consumption. Electricity use is derived from grid

withdrawals alone, and purchased electricity represents all the electricity consumed, with no contribution from self-generation.

Natural gas is taken from the network to fuel the heating system and to produce domestic hot water. The company also has a solar energy system to produce hot water.

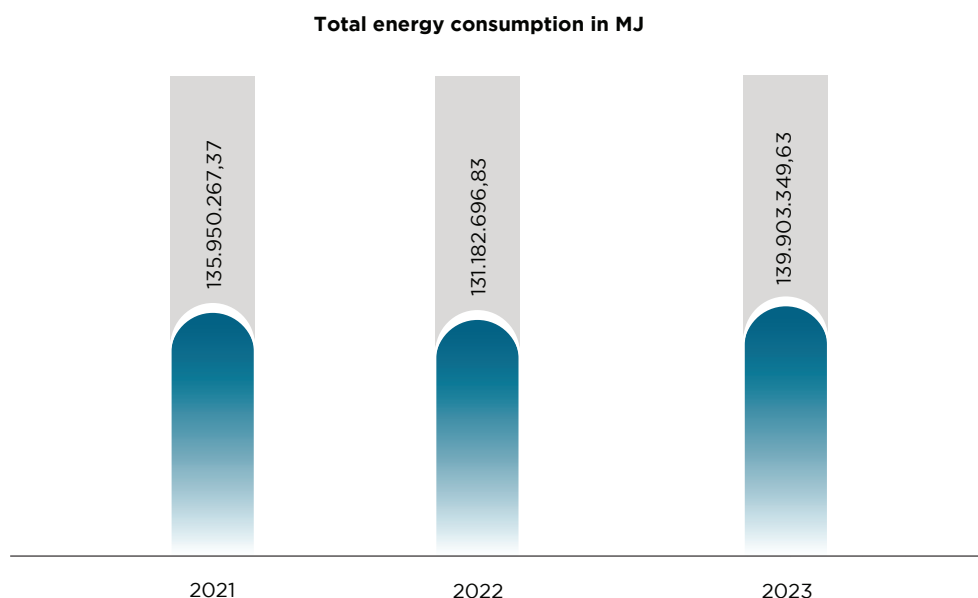
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The company does not produce, import or export ODS

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ODS (Ozone Depleting Substances) are those substances that contribute to depleting the ozone layer in the atmosphere. They include, for example, chlorofluorocarbons (CFCs), hydrochlorofluorocarbons (HCFCs) and halon. An overview of Italiana Corrugati's energy consumption is given below.

| Energy consumption                                    | Quantity in MJ        |                       |                       |
|---|-----------------------|-----------------------|-----------------------|
|   | 2021                  | 2022                  | 2023                  |
| Diesel  | 0                     | 0                     | 71,277.84             |
| Methane   | 310,966.73            | 400,226.86            | 528,486.59            |
| Total energy from fuels (all fossil) - Area 1         | 310,966.73            | 400,226.86            | 599,764.43            |
| Electricity - Area 2                                  | 48,807,572.4          | 44,473,107.60         | 44,768,952.00         |
| Total energy from external fuel (all fossil) - Area 3 | 86831728.24           | 86,309,362.37         | 94,534,633.21         |
| <b>Total energy consumption</b>                       | <b>135,950,267.37</b> | <b>131,182,696.83</b> | <b>139,903,349.63</b> |



Electricity consumption remained almost unchanged; consumption from fossil fuels area 1, not related to the production process, increased by 49.9%. However, methane consumption is in line with the average consumption over the 2009-2020 period. This increase also includes the consumption of diesel for motor vehicles due to the purchase of three service vehicles for use by company personnel.

Transport-related fossil fuel consumption (area 3) increased by 9.53%. Total energy consumption increased by 6.65%.

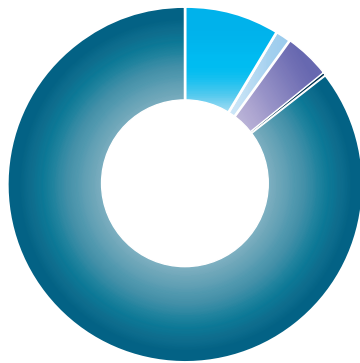


Greenhouse gas emissions derive from the use of fossil fuels inside and outside the company and from electricity consumption. Emissions from fossil fuels outside the organisation (area 3) are estimated by taking into account: the transport of goods

and finished products, the transport of by-products to dedicated treatment and recycling plants, if any, and the home-work journeys of employees, according to the assumptions contained in the methodological note. The data is presented below.

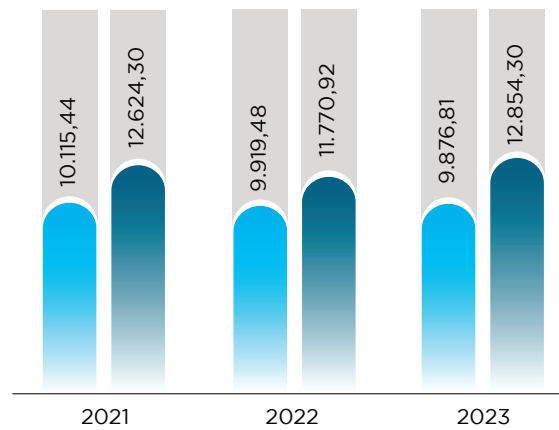
| Emissions                                    | Quantity in t CO <sub>2</sub> eq |                  |                  |
|--|----------------------------------|------------------|------------------|
|  | 2021                             | 2022             | 2023             |
| From domestic fossil fuels - Area 1          | 17.48                            | 22.55            | 35.14            |
| From EE location based - Area 2              | 3,681.17                         | 3,796.03         | 3,247.51         |
| From EE market based - Area 2                | 6,190.02                         | 5,647.47         | 6,225.00         |
| From external fossil fuels (Area 3)          | 6,377                            | 6,100.90         | 6,594.17         |
| Other emissions (coolant gases)              | 39.56                            | 0                | 0                |
| <b>Total emissions location-based method</b> | <b>10,115.44</b>                 | <b>9,919.48</b>  | <b>9,876.81</b>  |
| <b>Total emissions market-based method</b>   | <b>12,624.3</b>                  | <b>11,770.92</b> | <b>12,854.30</b> |

Area 3 emissions



- Upstream road transport 4,19%
- Upstream transport by ship 0,31%
- Downstream road transport 85,44%
- Downstream transport by ship 8,62%
- Employee commuting 1,44%

Emissions in t di CO<sub>2</sub> eq



- Total emissions location-based method
- Total emissions market-based method

As far as other emissions are concerned, Italiana Corrugati is authorised to emit into the atmosphere from three points subject to periodic analyses. Analyses carried out annually at the localised sources show compliance with the limits set by mandatory legislation for TOC and particulate matter. There are no requirements in the Single Environmental Authorisation to detect NO<sub>x</sub> and SO<sub>x</sub> and other significant emissions. There are no other widespread emissions subject to measurement. GHG emissions derive only from the consumption of methane as a fossil fuel and any leakage GHG (R407 C) from the coolant circuits, which are inspected and maintained annually.

The quantity of (location-based) emissions remained essentially unchanged from 2022 to 2023 (-0.43%).

The quantity of (market-based) emissions increased by 9.20%.

Through targeted actions, Italiana Corrugati achieved the reductions in energy consumption and greenhouse gas emissions described below.

| Description of interventions | Electricity savings kWh / year | Emission reduction Location Based t CO <sub>2</sub> eq / year |
|------------------------------|--------------------------------|---|
| Replacement of line 4 winder | 5,000                          | 2.5   |

The reported intervention is part of a programme to replace conventional motors present within the company according to the criterion of annual operating hours. High-efficiency motors draw less current under the same operating conditions. The reduction in consumption presented is derived from an analysis of the replaced component motor efficiency multiplied by the estimated operating hours for the equipment indicated, compared to the 2021 energy consumption database.

**Energy intensity** is the ratio of total energy consumed (in MJ) to the quantity of product (in kg).

**Emission intensity** is the ratio of greenhouse gas emissions (t CO<sub>2</sub> eq) to the quantity of product (in kg).

The total production value in kg is calculated as the sum of the individual compliant material production payments updated on the company management database in the year under analysis.

Both show little variation.



| 2023 | Production in kg | Energy intensity         |                  | Emission intensity                                 |                    |
|------|------------------|--------------------------|------------------|--|--------------------|
|      |                  | Energy consumption in MJ | Energy intensity | Emissions in t CO <sub>2</sub> eq (location based) | Emission intensity |
|      | 21,173,450       | 139,903,349.63           | 6.61             | 9,876.81   | 0.00046647         |
| 2022 | Production in kg | Energy intensity         |                  | Emission intensity                                 |                    |
|      |                  | Energy consumption in MJ | Energy intensity | Emissions in t CO <sub>2</sub> eq (location based) | Emission intensity |
|      | 20,672,083       | 131,182,696.83           | 6.35             | 9,919.48   | 0.00047985         |
| 2021 | Production in kg | Energy intensity         |                  | Emission intensity                                 |                    |
|      |                  | Energy consumption in MJ | Energy intensity | Emissions in t CO <sub>2</sub> eq (location based) | Emission intensity |
|      | 21,618,217       | 135,950,267.37           | 6.29             | 10,115.44  | 0.00046791         |

## 5.6.2 Water

Italiana Corrugati invests in economic, design and organisational terms by adopting a company policy focused on saving water, minimising waste and maximising reuse. The municipality of Piandimeleto, where the company is based, is served by the former aqueduct consortium that supplies water from springs located mainly in the Frontino and Carpegna municipalities, with additions from springs and local sub-surface wells (source: Arpam)

The company uses water for civil and industrial purposes. For production

activities, water circulates in closed circuits. Consequently, the consumption of water for production only relates to topping up the circuits.

The company does not hold active concessions for diversion of public water from the subsoil.

Italiana Corrugati only discharges domestic sewage water into the municipal sewage system.

Rainwater is always discharged into the sewer system as storm water.

| Operation   | Quantity in m <sup>3</sup> |
|---|----------------------------|
| Drinking water taken from the water network*  | 2,331                      |
| Discharge of domestic sewage water into surface water after passing through a municipal sewage treatment plant* | 984                        |
| Water consumption*  | 1,347                      |

\* Estimate

According to GRI standards, the quantity of water is to be calculated in megalitres (MI). One MI is equal to 1,000,000 litres or 1,000 m<sup>3</sup>.



## 5.6.3 Material management

Respecting the environment, Italiana Corrugati attaches great importance to the quality of materials chosen for its production and to recovery of processing waste and other material that has reached the end of its life cycle.

The Company produces highly technical products for the electrical and telecommunications sector and for water management and treatment, starting from plastics obtained from the recycling of waste from recycled waste collection, certifying their content with the **Plastica Seconda Vita** (Second Life Plastic) mark, according to the IPPR (Institute for the Promotion of Recycled

Plastics) regulation, with periodic audits by IIP S.r.l.

It recovers waste from production processes, sorts it and delivers it as by-products to PEBO (another company in the group that recycles plastics) to obtain high-performance raw materials.

It is duly registered with the mandatory Consortium PolieCo (Legislative Decree 152/2006 - Art. 234) with which it has launched a programme for the promotion and development of activities to analyse and reduce the environmental footprint of products.

| Plastics (all non-renewable materials)                   | in kg      |
|--|------------|
| Virgin polyethylene                                      | 4,354,968  |
| Virgin polypropylene                                     | 1,536,910  |
| Ground polyethylene as an internal by-product            | 356,090    |
| Ground polypropylene as an internal by-product           | 195,603    |
| Non psv-certified polyethylene from waste or by-products | 281,467    |
| Psv-certified recycled or industrial waste polyethylene  | 14,171,007 |
| Total non-virgin plastic                                 | 15004167   |
| Total plastic used                                       | 20,896,044 |

|   | 2021   | 2022   | 2023   |
|---|--------|--------|--------|
| Percentage of recycled product to total | 37.82% | 44.94% | 67.82% |

The UNI 10667-2 standard defines requirements and test methods for the characterisation of polyethylene destined for different uses, deriving from the recycling of industrial residue and/or pre and/or post consumer materials. This is a material that replaces purchased virgin materials, other than by-products and the organisation's production waste.

Industrial by-products are production waste that can be managed as goods and not as waste, since they meet all the conditions laid down by law (Art. 184-bis of Legislative Decree 152/2006).

Wooden materials are to be considered renewable, for the rest, the materials used to package Italiana Corrugati products are non-renewable. **The unit of measurement is the kg.**



| Packaging - other                                | Quantity in kg |
|--|----------------|
| Polyester strap                                  | 4,150          |
| Polyethylene pipe plugs                          | 123            |
| Polypropylene strap                              | 22,875         |
| Stretch film (linear low-intensity polyethylene) | 5,239          |
| LPDE caps  | 15,125         |
| Wood Packaging                                   | 356,924        |
| PP twine   | 4,800          |
| PET monofilament                                 | 18,532         |
| Polyurethane insulation                          | 2,592          |
| <b>Total</b>                                     | <b>430,360</b> |

Italiana Corrugati recovers production waste defined as 'processing by-products' which are sent to the company PEBO to be ground,

washed and granulated. In 2023, 280 bags with a total weight of approximately 169,449 kg were handed over.

## 5.6.4 Waste Management

Waste is registered and monitored using loading and unloading registers and supporting programmes for the management of movements and stock, drawn up in

accordance with current regulations. The Environmental Declaration Form (MUD) is submitted annually.

| Non-hazardous waste sent for recycling or recovery (EWC code)                               | Quantity in kg | Destination |
|---|----------------|-------------|
| 07 02 13 waste plastic  | 3,913          | R13         |
| 08 03 08 aqueous liquid waste containing ink  | 42             | R13         |
| 08 03 18 waste printing toner other than the types mentioned in 08 03 17                    | 80             | R13         |
| 15 01 01 paper and cardboard packaging  | 34,480         | R13         |
| 15 01 02 plastic packaging  | 73,620         | R13         |
| 15 01 03 wooden packaging   | 74,640         | R13         |
| 16 01 06 end-of-life vehicles, not containing liquids (see Note)                            | 2              | R13         |
| 16 02 14 decommissioned equipment other than the types mentioned in 16 02 09 to 16 02 13    | 284            | R13         |
| 16 02 16 components removed from discarded equipment other than those mentioned in 16 02 15 | 100            | R13         |
| 16 06 05 other batteries and storage batteries  | 60             | R13         |
| 17 04 05 iron and steel   | 9,820          | R13         |
| <b>Total</b>  | <b>197,041</b> |             |

| Hazardous waste sent for disposal with EWC code  | Quantity in kg | Destination |
|--|----------------|-------------|
| 12 01 09* emulsions and solutions for machinery, not containing halogens   | 3,100          | D15         |
| 15 01 10* packaging containing residues of or contaminated by dangerous substances   | 100            | D15         |
| 15 01 11* metal packaging containing dangerous solid porous matrices (e.g. asbestos), including empty pressure containers                                      | 28             | D15         |
| 15 02 02* absorbents, filter materials (including oil filters not otherwise specified), cloths and protective clothing, contaminated with hazardous substances | 340            | D15         |
| <b>Total</b>   | <b>3,568</b>   |             |

| Quantity in kg                                    | 2021           | 2022           | 2023           |
|---|----------------|----------------|----------------|
| <b>Total waste</b>                                | <b>264,094</b> | <b>229,436</b> | <b>200,609</b> |
| <b>Total waste sent for recycling or recovery</b> | <b>255,707</b> | <b>224,168</b> | <b>197,041</b> |

Note: a correction procedure is in progress to upgrade to CER 06 01 06\*.

## 5.7. CARING FOR OUR PEOPLE

**GRI Standard 2 - 7 / 8 / 30**

**GRI Standard 401**

**GRI Standard 403 - 9 / 10**

**GRI Standard 404 - 1 / 2**

**GRI Standard 405**

**GRI Standard 406**

**GRI Standard 407**

People are one of the main resources at Italiana Corrugati, so their specialised skills, career development and psycho-physical

well-being are essential for company growth. Italiana Corrugati has adopted the regulations relating to *Whistleblowing*<sup>2</sup>.

2. **Whistleblowing is a fundamental corporate compliance tool**, through which employees or third parties (e.g. a supplier or customer) of a company may **report, in a confidential and protected manner**, any possible **offences** encountered in the course of their activities.

The **“whistleblower”** (reporter) is therefore a person working in a company (public or private) who decides to **report an offence**, fraud or danger that he/she has detected in the course of his/her work (or, in the case of a client, in the course of his/her experience as a client of a company).

Accordingly, **whistleblowing is the practice of reporting violations of laws or regulations, crimes and cases of corruption or fraud, as well as situations of danger to public health and safety**.

In addition to the intrinsic utility of preventing wrongdoing, the additional and valuable utility of whistleblowing is that of involving and raising awareness among citizens in the fight against illegality, empowering them and requiring their active participation to improve society.



Possible future certification of the Gender Equality Management System is ongoing.

In 2023 the total number of employees in Italiana Corrugati is **76.6 F.T.E.**, a slight increase compared to the previous year

(76.275), with 80.9% of permanent contracts and 96.60% of full-time contracts.

**Information on employees** (their number is calculated as Full Time Equivalent persons)<sup>3</sup>.

|                          | 2021  |       |       | 2022   |       |        | 2023   |       |        |
|--------------------------|-------|-------|-------|--------|-------|--------|--------|-------|--------|
|                          | Men   | Women | Total | Men    | Women | Total  | Men    | Women | Total  |
| Total FTE employees      | 62.53 | 10    | 72.53 | 67.525 | 8.75  | 76.275 | 68.85  | 7.75  | 76.600 |
| Fixed-term employees FTE | 10    | 3     | 13    | 15     | 3     | 18     | 13.625 | 1     | 14.625 |
| Permanent employees FTE  | 52.53 | 7     | 59.53 | 52.525 | 5.75  | 58.275 | 55.225 | 6.75  | 61.975 |
| Full-time employees      | 62    | 10    | 72    | 67     | 8     | 75     | 67     | 7     | 74     |
| Part-time employees      | 0.53  | 0     | 0.53  | 0.525  | 0.75  | 1.275  | 1.85   | 0.75  | 2.6    |

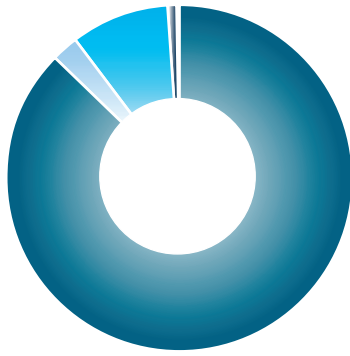
All persons working at the company are employed under National Collective Labour Agreements; as a result, any salaries are not influenced by gender or other parameters not provided for in the regulations.

Activities related to the exercise of employees' right to freedom of association and collective bargaining were given priority by Italiana Corrugati, as the activity of RSAs (company trade union representatives) is recognised by the company. This body holds regular meetings in the

There are no unemployed staff in the company; all workers have a fixed-term or open-ended contract. In 2023 Italiana Corrugati had no staff leasing contracts in force.

company, both to fulfil its role, which is also relational, and to propose actions and share objectives.

3. FTE (Full Time Equivalent) defines the total workforce described in terms of 'persons employed full time' (e.g. 2 persons part time 50% = 1 person FTE). In Italian, the acronym ETP (full-time equivalent) is also used.

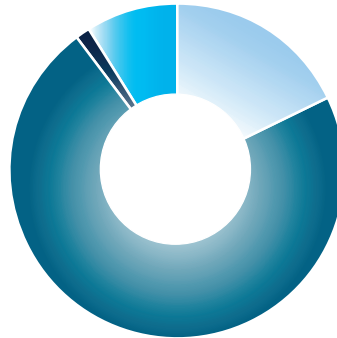


#### Part time - full time

|                          |             |
|--------------------------|-------------|
| Full-time workers, men   | 67; 87,47%  |
| Part-time workers, men   | 1,85; 2,42% |
| Full-time workers, women | 7; 9,14%    |
| Part-time workers, women | 0,75; 0,98% |

|                             |                |
|-----------------------------|----------------|
| Fixed term contracts, men   | 13,625; 17,79% |
| Permanent contracts, men    | 55,225; 72,10% |
| Fixed term contracts, women | 1; 1,31%       |
| Permanent contracts, women  | 6,75; 8,81%    |

#### Type of contract



## 5.7.1. Professional development and growth

In 2023 Italiana Corrugati provided **1,745** hours of training, an increase of 5.12% compared to the previous year (1,660 hours provided in 2022). The hours are subdivided

as follows: compulsory training under Leg. Dec. Dec. 81/08 Art. 36 and 37, Continuing Education updates and Continuing Education related to Industry 4.0.

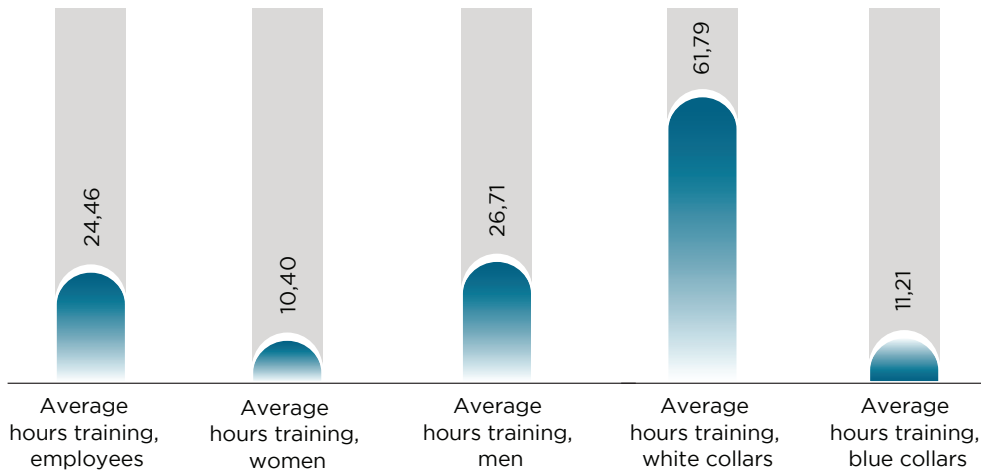
| Italiana Corrugati             | 2021  | 2022  | 2023  |
|--------------------------------|-------|-------|-------|
| Total Training Hours Delivered | 1,774 | 1,660 | 1,745 |

The training activities provided were aimed at having employees acquire or consolidate their knowledge on the professional use of software that can make the company's production and quality processes increasingly connected and communicating. The training course was delivered by training organisations accredited by the Marche Region for ongoing and higher training, and by the main Interprofessional Funds for ongoing training (Fondimpresa, Fondo Artigianato Formazione - FART, FonCoop and

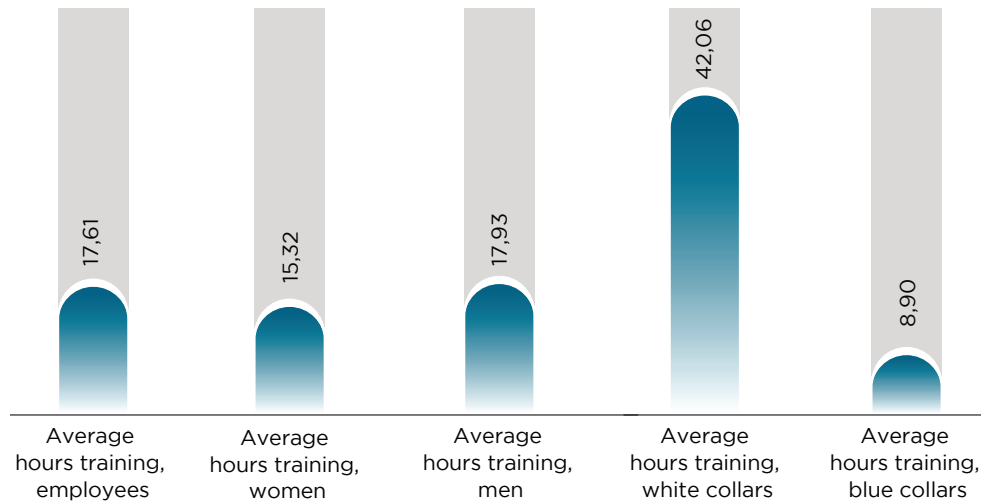
FONTER). The scope of the training activities relates to the *IT* field.

The training activities delivered concerned: goods functional to the technological and/or digital transformation of businesses according to the Industry 4.0 model ("*Systems for quality assurance and sustainability*") and in-process monitoring systems to ensure and track the quality of the product or production process (which allow production processes to be qualified in a manner that can be documented and linked to the factory information system).

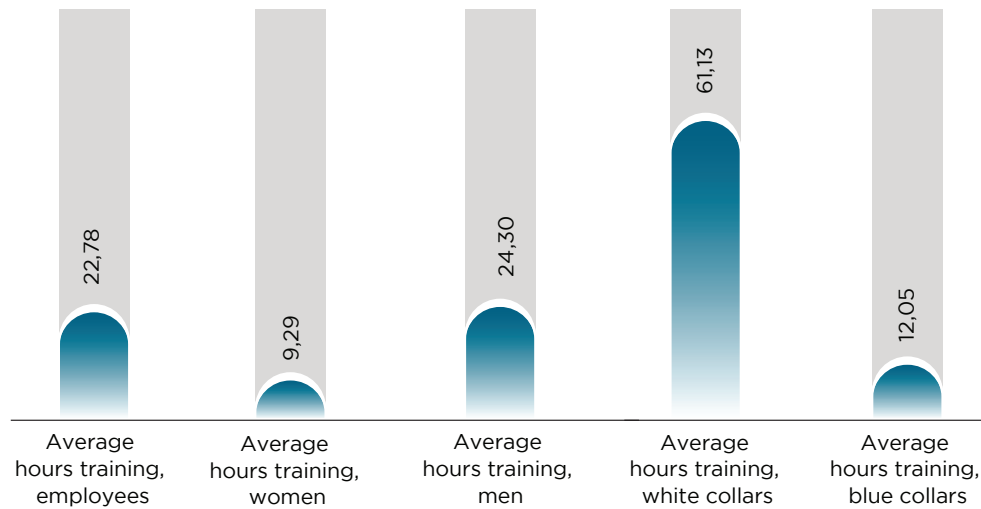
**Average hours training by category and gender 2021**



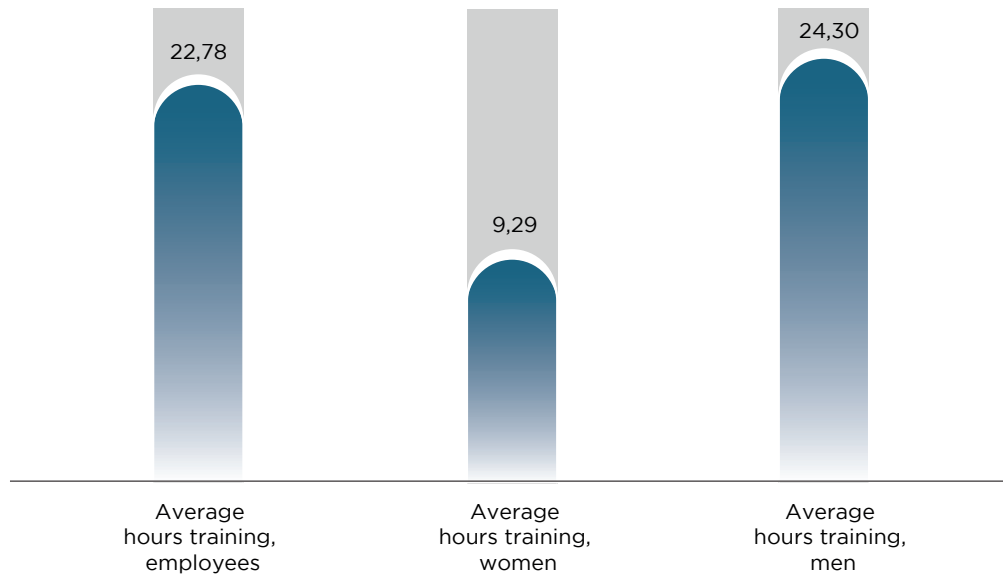
**Average hours training by category and gender 2022**



**Total average hours training and by gender and category 2023**

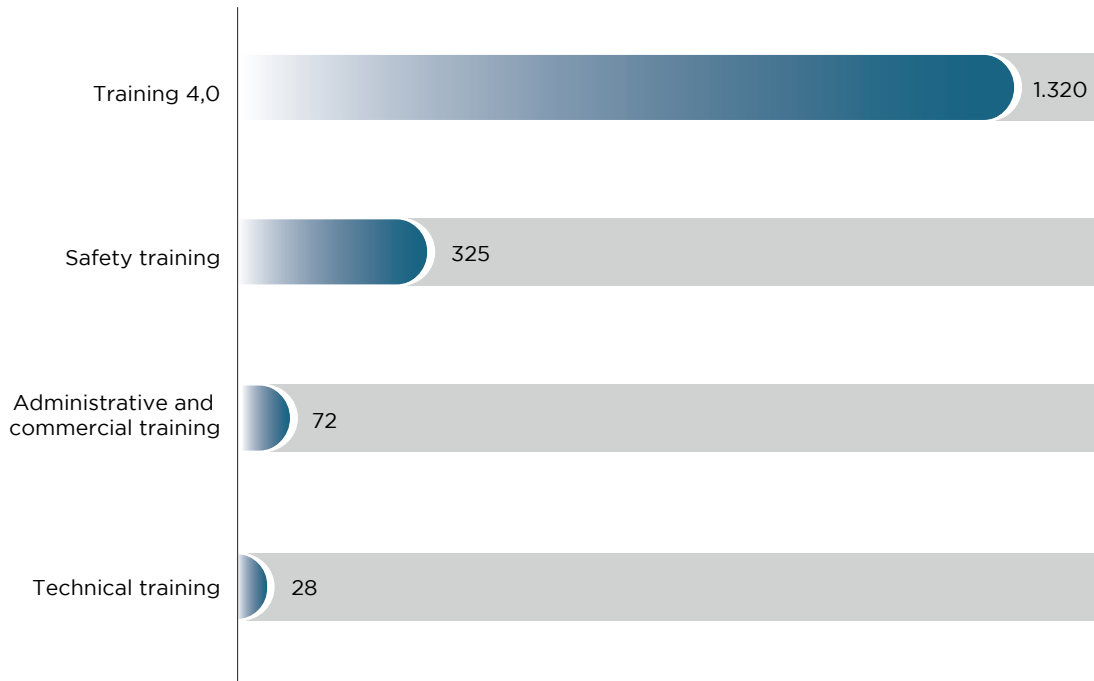


**Average hours training delivered to men and women 2023**



The table shows the different types of courses provided by Italiana Corrugati. The number of employees involved is 31.

**Type of training course**



In 2023, the economic value of the training provided at Italiana Corrugati was **€13,319.27**. It should be noted that although expenditure

**on training has decreased, the number of hours provided has increased.**

|                                 | 2021       | 2022       | 2023       |
|---------------------------------|------------|------------|------------|
| Economic commitment to training | €20,057.00 | €17,370.67 | €13,319.27 |

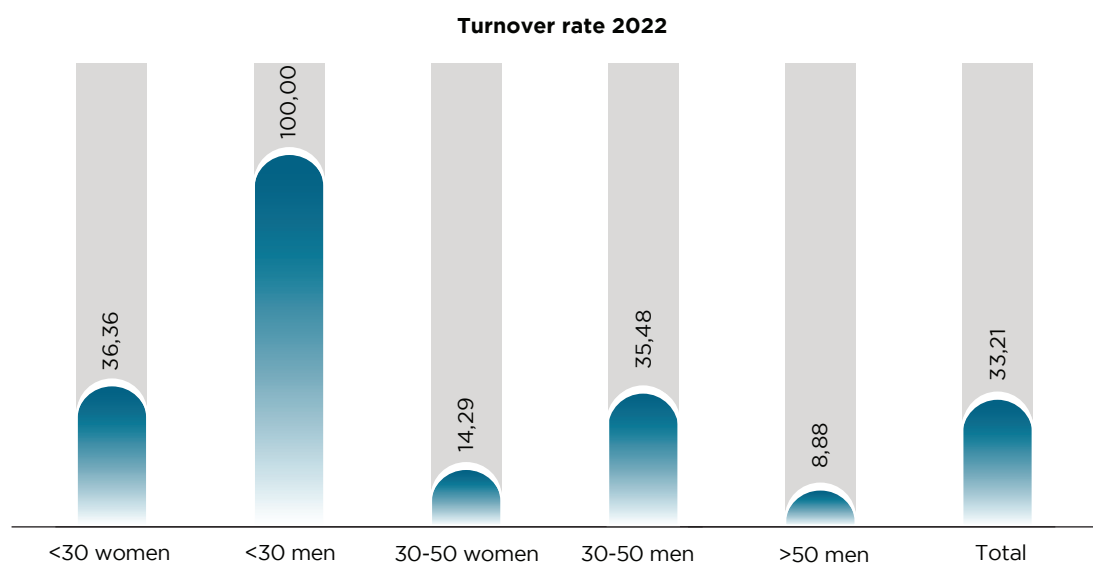
## 5.7.2 Turnover

Turnover refers to all the people who join or leave the company for a variety of reasons (retirement, dismissal, decisions to change, etc.). The table shows the inflow and outflow of

employees by age group and gender. In 2023 the figures remain almost unchanged, with slightly fewer recruitments and redundancies than in the previous year.

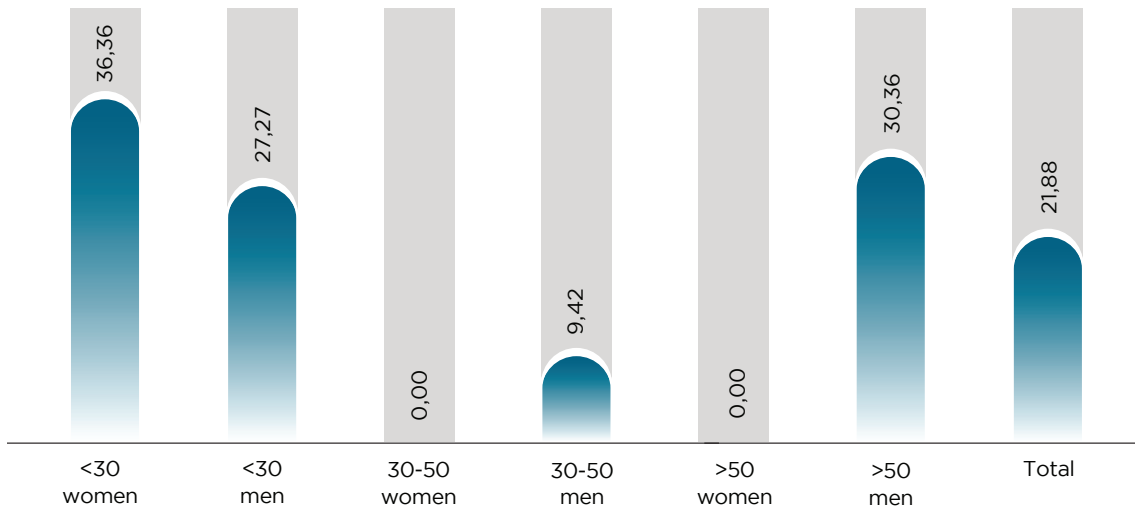
|               | Number at start of period |                | Recruitment |               | Redundancies |           |
|---------------|---------------------------|----------------|-------------|---------------|--------------|-----------|
|               | 2022                      | 2023           | 2022        | 2023          | 2022         | 2023      |
| < 30 women    | 2.75                      | 2.75           | 1           | 1             | 1            | 0         |
| < 30 men      | 9                         | 11             | 9           | 3             | 7            | 6         |
| 30 - 50 women | 7                         | 0              | 1           | 0             | 2            | 0         |
| 30 - 50 men   | 31                        | 21.225         | 11          | 2             | 7            | 1         |
| > 50 women    | 0                         | 6              | 0           | 0             | 0            | 2         |
| > 50 men      | 22.525                    | 35             | 2           | 10.625        | 3            | 7         |
| <b>Total</b>  | <b>72.275</b>             | <b>75.975*</b> | <b>24</b>   | <b>16.625</b> | <b>20</b>    | <b>16</b> |

\* In the 2022 Financial Statement the figure for the end of the period stood at **76.275 FTE**. In 2023 it stood at **75.975 FTE** at the start of the period, because during the year (2023) a full-time employee changed to part-time 70%. This is the reason for the inconsistency of the figure at the beginning of the year.

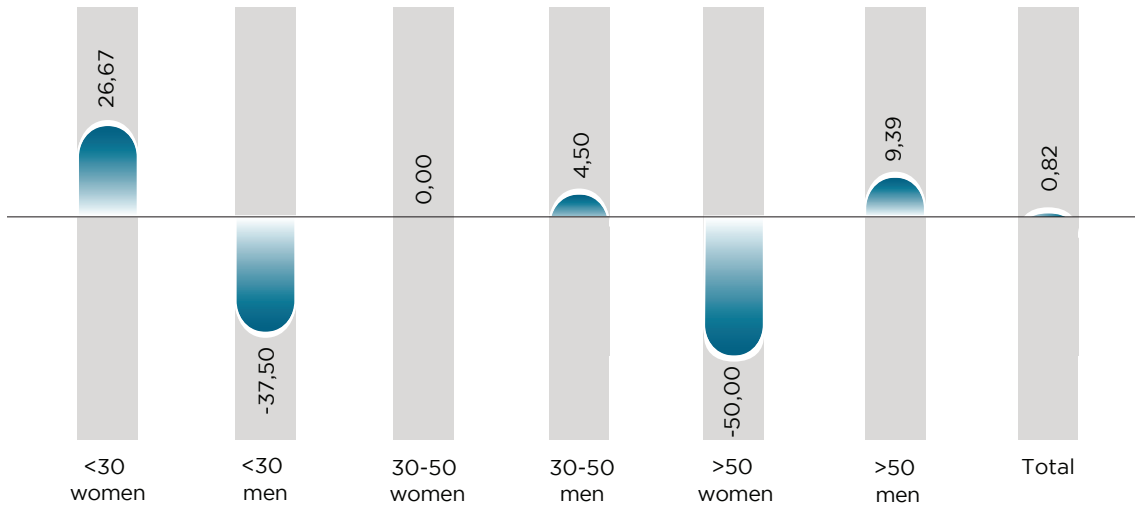




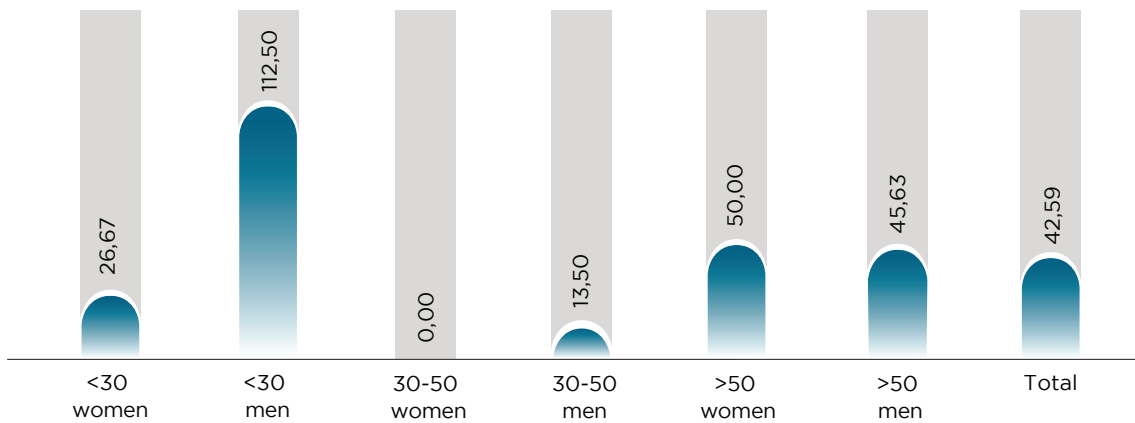
**Turnover rate 2023**



**Overall turnover rate (recruitments - redundancies)**



**Overall turnover rate (recruitments + redundancies)**



### 5.7.3 Parental leave

In 2023 in Italiana Corrugati, four male employees were entitled to, and took, parental leave. All returned to work at the proper time, one terminated employment in

2023. One female employee returned to work in 2023 after taking parental leave for more than 12 months.

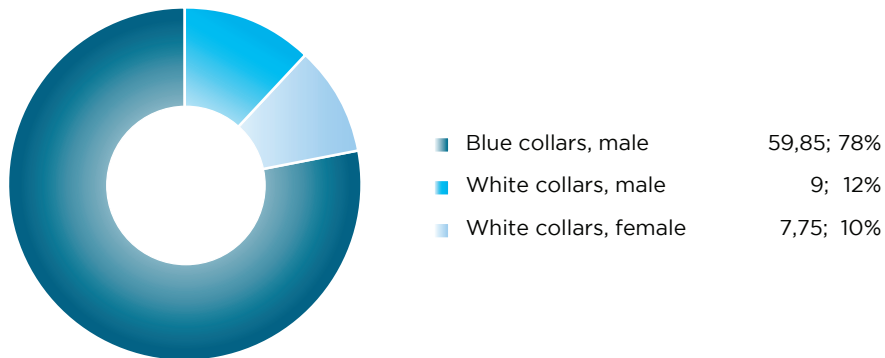
### 5.7.4 Equal Opportunities, Non-Discrimination

#### Equal Opportunities

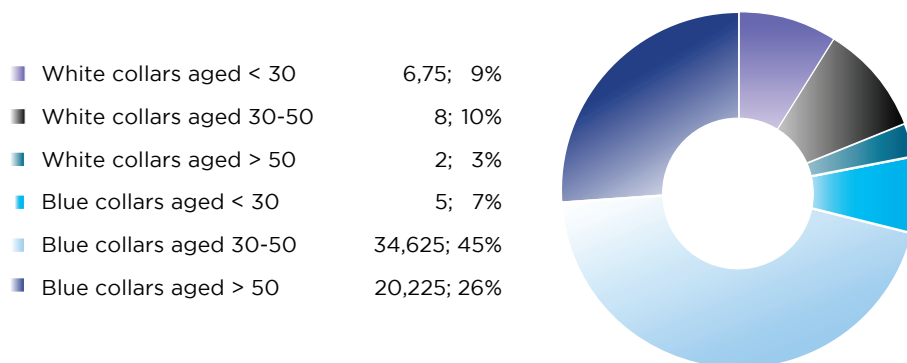
By promoting a corporate culture that values diversity, Italiana Corrugati offers all its employees equal opportunities and supports the full development of professionalism. This approach is aimed at enhancing the skills and professional growth of all its employees.

The proportion of men and women in Italiana Corrugati should be considered in line with the number of people presenting themselves to the company at the recruitment stage.

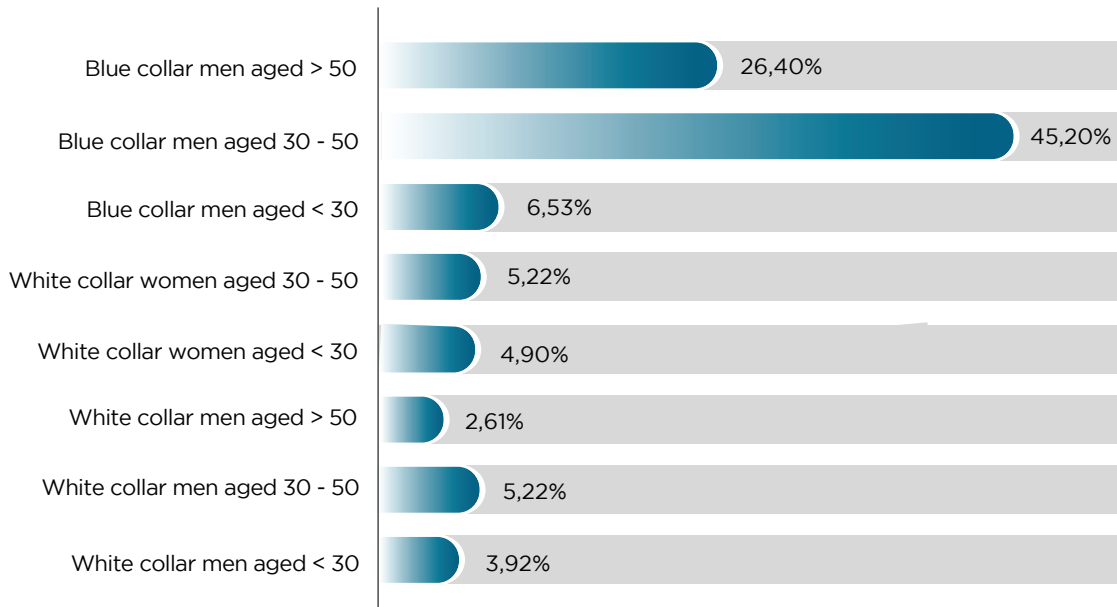
Staff by qualification and gender



Staff by qualification and age range



### Staff by qualification, age and gender



The remuneration of all persons employed in the company references the national collective agreement for the category. Any other forms of remuneration are not affected by criteria such as gender or age.

The criteria for assigning or granting benefits to staff do not concern the type of contract (fixed-term / open-ended, full-time / part-time and other paradigms such as gender and age).

### Composition of the Board of Directors

|                    |       |   |   |
|--------------------|-------|---|---|
| Emiliano Boscarini | 30-50 | m | Chair of the Board of Directors and Managing Director                   |
| Emanuele Boscarini | 30-50 | m | Vice Chair of the Board of Directors and Managing Director for Security |
| Filippo Pini       | 30-50 | m | Board Member  |
| Andrea Romeo       | 30-50 | m | Board Member  |

### NON-DISCRIMINATION

It is hereby declared that no incidents of discrimination based on race, colour, sex,

religion, political opinion ... or other forms of discrimination involving internal and/or external stakeholders occurred and were notified during the reporting period.



## 5.7.5 Health and Safety at Work

In 2023, the hours worked in Italiana Corrugati were **129,535**, while the total number of days absence for injury were **40**, down with respect to 2022. The number of accidents was **3**, down with respect to both 2021 and 2022.

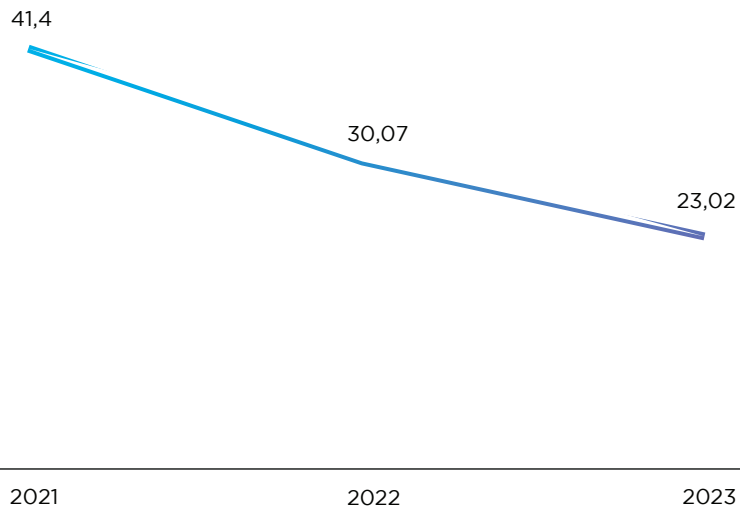
The occupational health and safety management system covers all persons working within its scope.

|  | 2021    | 2022    | 2023           |
|--|---------|---------|----------------|
| Hours worked                                     | 120,913 | 130,162 | <b>129,535</b> |
| Total number of days of absence due to accidents | 315     | 61      | <b>40</b>      |
| Total No. of accidents                           | 5       | 4       | <b>3</b>       |
| Frequency Rate GRI / UNI 7249                    | 41.4    | 30.7    | <b>23.2</b>    |
| Severity rate UNI 7249                           | 2.61    | 0.47    | <b>0.31</b>    |
| Injury rate with serious consequences GRI        | 0       | 0       | <b>0</b>       |
| Death rate                                       | 0       | 0       | <b>0</b>       |

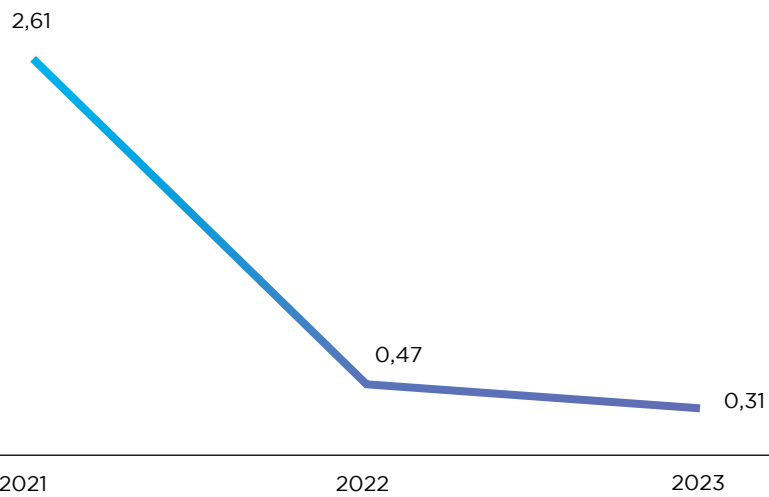
The three accidents that occurred in 2023 were identified as - *low severity* - (B), were mostly caused by inattention, inappropriate behaviour or random events (specifically, a graze to the hand, a foreign body in the eye and a crush injury to the finger). It does not appear possible to identify a common motive or context. In any event, the company has **initiated actions** to improve the level of employee safety by raising employee awareness, with new education and more in-depth training in the use of work tools. More specifically, Italiana Corrugati has updated the General Risk Assessment Document, which envisages the constant renewal of

workplace safety with the assessment of risks from physical and chemical agents, fire risk, health control, and the company doctor; it has updated the emergency and evacuation plan, the declaration of conformity for the electrical and earthing systems, verified the first aid/medication equipment, work equipment, plant and machinery, the use of personal safety devices, horizontal and vertical signs, periodic checks on fire extinguishers and hoses, fine dust measurements, the establishment of internal regulations, training and information (RLS refresher course, forklift truck driver refresher course, First Aid and Fire Fighting course and refresher course, Welders' course).

### Calculating Frequency Rate GRI / UNI 7249



### Calculation of the severity level UNI 7249



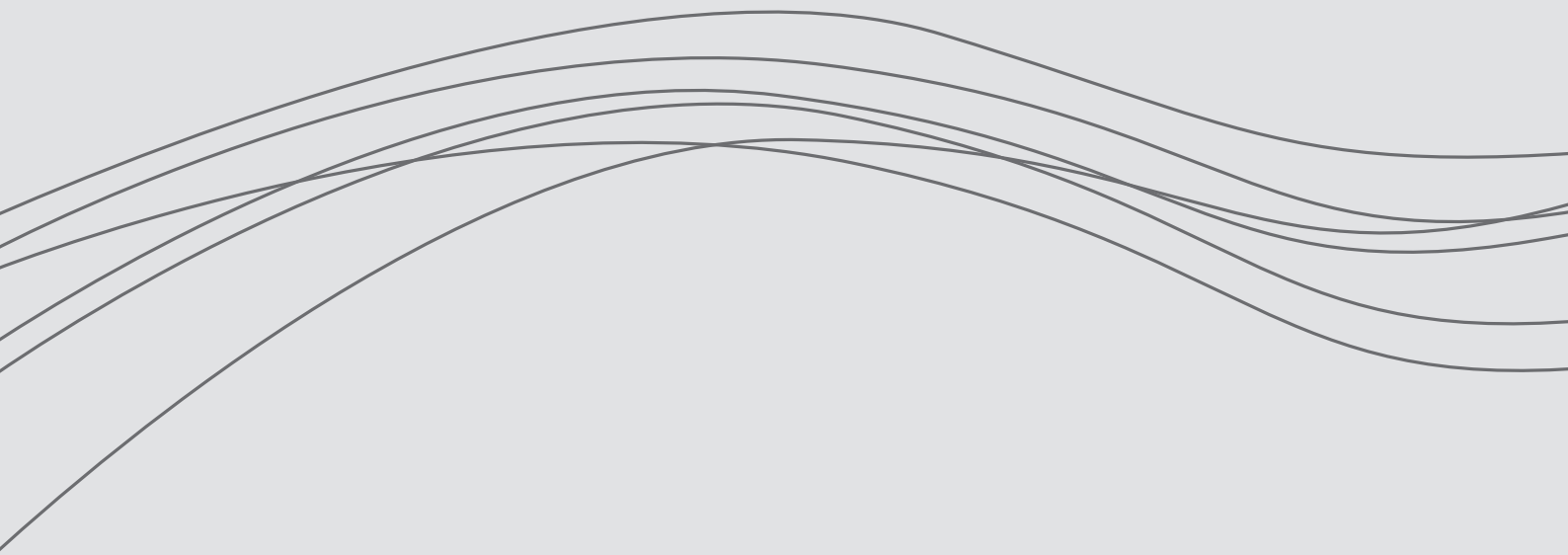
In 2021, 2022 and 2023, no injuries with a prognosis of more than 180 days occurred at Italiana Corrugati.

In the years 2021, 2022 and 2023, there were

no deaths due to accidents.

No cases of occupational diseases occurred or were reported.







**PEBO**  
plastic materials • since 1987



## 6.1. COMPANY PROFILE

### GRI Standard 2 - 1 / 6

PEBO S.P.A. was founded in 1987. The production plant and offices are located at Piego in the hamlet of Monterone in the municipality of Sestino, province of Arezzo. It is the System Group's company specialising in the recovery and recycling of high and low density polyethylene, which comes both from the recovery of production residue and from selected purchases of secondary

raw materials from waste recycling and by-products.

PEBO's geographical location, close to most of the Group's other companies, allows for a significant reduction in the environmental impact of transport.

The workforce consists of 51.775 employees (*Full Time Equivalent*). The total value of production is approximately € 43.6 million.

## 6.2. CORPORATE GOVERNANCE

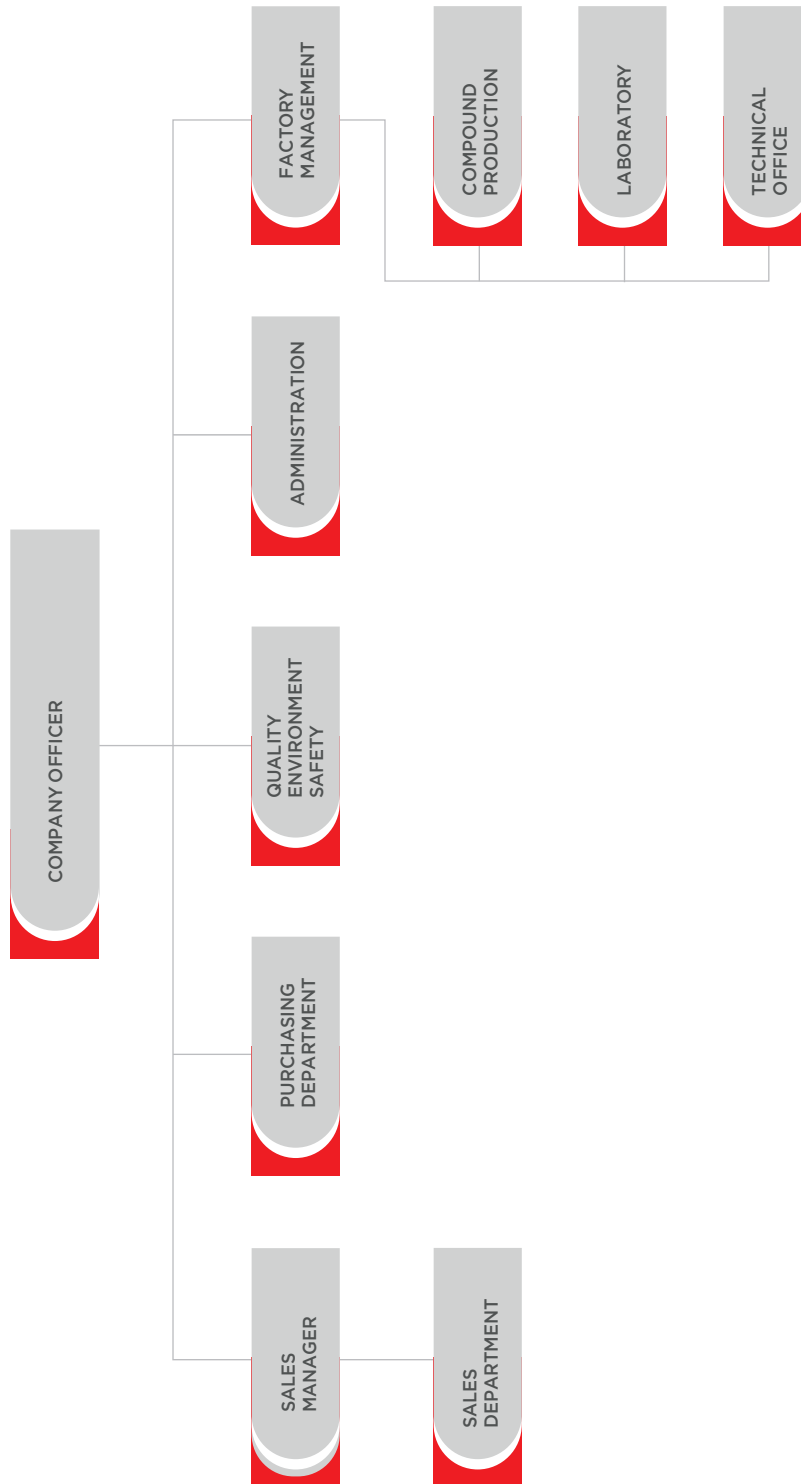
### GRI Standard 2 - 9

The Board of Directors consists of: Emanuele Boscarini (Chair and Managing Director), Marina Boscarini (Vice Chair and Managing Director), Emiliano Boscarini (Director). The Board of Statutory Auditors consists of: Guido Agostini (Chair), Stefano Arcangeli (Full Auditor) and Andrea Ridolfini (Full Auditor)

Following adoption of the Organisation, Management and Control Model, pursuant to Legislative Decree 231/2001, a collegial Supervisory Board was established, made up of Carlo Alberto Campi (Chair), Renato Mancini (member) and Andrea Romeo (member).



# ORGANISATION CHART AS AT 31/12/2023



## 6.3. QUALITY MANAGEMENT AND CERTIFICATION

PEBO operates with the following company management systems: for Quality (UNI EN ISO 9001) and for the Environment (UNI EN ISO 14001), all certified by an independent and accredited third-party body (IIP S.r.l.).

At production level, it offers a wide range of polyethylene compounds for moulding and extrusion defined according to UNI EN ISO 17855-1 and deriving from recycled materials certified according to UNI 10667-2.

## 6.4. THE SIGNIFICANCE OF IMPACTS

### GRI Standard 3 - 3

Among the actual and potential impacts to be considered, also with regard to risks, those related to energy management, material recycling as a focus of company activities, worker health and safety, ethics and business performance are considered important.

Energy consumption mainly concerns industrial manufacturing processes. With regard to these activities, emissions must be kept under control and reduced in line with what can be achieved for them.

Management of waste produced in-house and water resource management are considered marginal while complying with mandatory regulations.

In terms of 'social sustainability', occupational health and safety remains in the foreground along with training.

Other issues identified as relevant are 'anti-corruption' and 'anti-discrimination' safeguards.

On the economic side, Distributed Value and Investments are the main focuses.

Economic and financial management will be an increasingly important issue, especially in terms of resilience in the face of ongoing socio-economic and environmental changes. The Group's due diligence on sustainability for the period 2023 revealed that the significance of impacts for PEBO to the table below. In relation to the source (GRI Standard), only the number is indicated. At the beginning of the sections and in the index of GRI references, the disclosure numbers are also indicated.

All impacts pertaining to the various areas have been treated as indicated in the Methodological Note and the Index of GRI References. The management of certain impacts or areas of impact is described in Chapters 1 and 2.

However, all material topics are reported regardless of their relevance.

| Area of impact                                | GRI Standard      | Significance value |
|---|-------------------|--------------------|
| Economic performance                          | 201               | High               |
| Ethics and Anti-Corruption                    | 205               | Medium             |
| Materials management and recycling            | 301               | High               |
| Energy  | 302               | High               |
| Emissions                                     | 305               | High               |
| Waste Management                              | 306               | Low                |
| Water resource management                     | 303               | Low                |
| Workforce management (employment and welfare) | 2 (7 / 8) and 401 | Medium             |
| Health and safety at work                     | 403               | High               |
| Training and professional development         | 404               | Medium             |
| Diversity and equal opportunities             | 405               | Medium             |
| Non-discrimination                            | 406               | Medium             |
| Customer health and safety                    |                   | 416                |
| Customer privacy                              | 418               | Low                |

## 6.5. THE SOCIO-ECONOMIC CONTEXT

### GRI Standard 201 - 1 / 4

In 2023, PEBO S.p.A. reported a profit for the year of **€2,454,838** a drop compared to 2022.

As at 31.12.2023, PEBO's balance sheet showed total shareholders' equity of **€20,034,367** compared with 2022 (€17,579,529).

The Value of Production is **€43,667,615**, while in 2022 it was €53,232,139.

Pebo S.p.A. is a leading company thanks to investments made in technology and personnel training. The target market is recycled plastics. The main products consist of high- and low-density polyethylene granules made from virgin base materials or

selected industrial waste.

The year 2023 was characterised by continuous fluctuations in demand for regenerated material. To counteract the lack of demand, the company strengthened the area of customer research, which enabled it to intercept the main markets in the world that needed *regenerated granules* and, with targeted commercial policies, managed to maintain market shares and margins. PEBO also did a lot of work on purchasing, engaging in intensive supplier research in order to achieve competitiveness and higher quality in the incoming products and, consequently, also in the finished product. On the industrial side, it has focused on a three-year investment plan to improve the



quality and quantity of products with the aim of improving performance and developing new products to enter alternative markets. It also applied to manage more incoming waste with the possibility of handling 24,000 tonnes of plastic waste material (currently it can handle 12,000 tonnes). PEBO constantly carries out research and development. With regard to technological innovation, it tested a new product originating from waste material and intended for the packaging sector. It is hoped that the positive outcome of these innovations will generate good results in terms of turnover with a favourable impact on the company's economy.

## **RISKS**

### **Credit risk**

The company only works with loyal customers and as a consequence no special guarantees are required on the related receivables.

### **Liquidity risk**

Regular maturity checks are performed on financial assets and liabilities classified in an appropriate number of maturity bands.

### **Market risks**

The company does not operate with countries at political, economic or financial risk and is not exposed to exchange rate risks, as it mainly operates with countries belonging to the European Union. Moreover, in the case of non-EU countries, the

Company protects itself with guaranteed or advance payments.

## **Evolution**

After a period of severe tensions in the raw materials market and energy costs, a turnaround is to be reported, which will contribute to an improvement in margins over the coming months, especially where there is stability in sale prices.

PEBO believes that policies of utmost care are needed for the proper verification and reliability of customers, prudent management of direct and indirect costs, investment procedures and technological innovations.

## **VALUE GENERATED - VALUE DISTRIBUTED - VALUE RETAINED**

Value added is to be understood as a measure of the wealth that an economic entity realises using production factors and how that wealth is distributed among the main stakeholders.

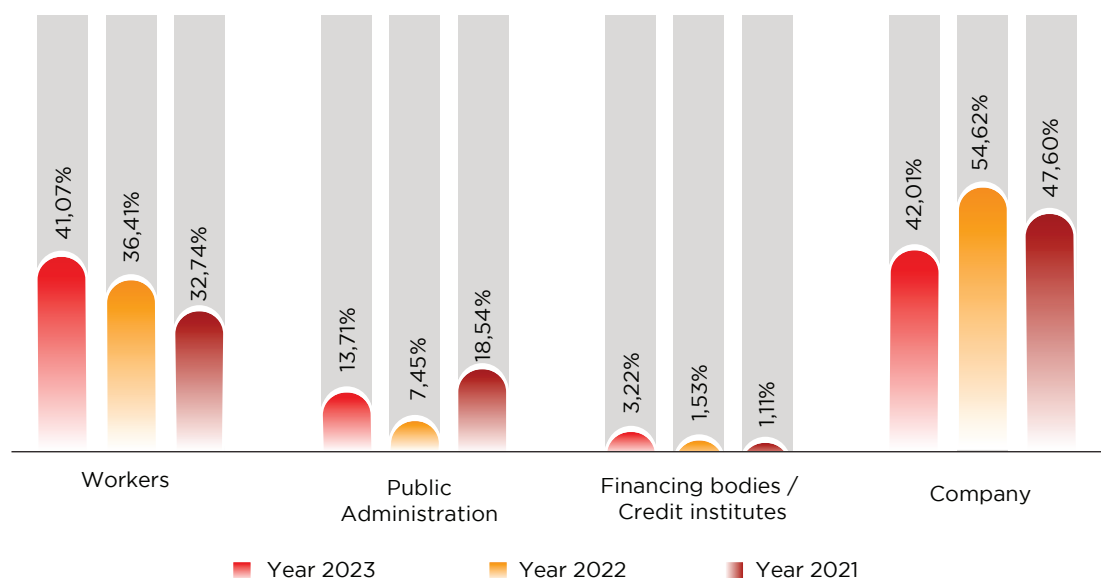
This document does not include the profit and loss and balance sheet statements already prepared and included in the annex to the Annual Report 2023. The Economic Value Generated (Gross Value Added generated by the enterprise) and the Economic Value Distributed (Value Added Distributed) to stakeholders are also described.

The Retained Value is obtained by subtracting the Value Distributed from the Value Generated.

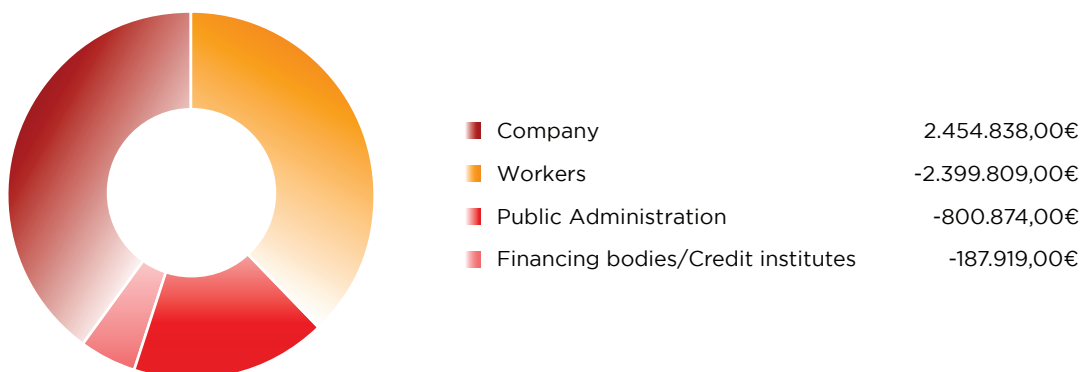
| Determination of Net Global Added Value in € | 2023        | 2022         | 2021        |
|--|-------------|--------------|-------------|
| Overall value of production                  | 43,667,615  | 53,232,139   | 40,161,726  |
| Intermediate costs of production             | -36,969,017 | - 46,150,945 | -32,215,842 |
| Gross characteristic value added             | 6,698,598   | 7,081,194    | 7,945,884   |
| Ancillary management                         | 227,451     | 65,560       | 162,339     |
| Global gross value added                     | 6,926,049   | 7,146,754    | 8,108,223   |
| Depreciation                                 | 1,082,609   | -1,103,584   | -1,141,959  |
| Global net value added                       | 5,843,440   | 6,043,170    | 6,966,264   |

| Breakdown of Global Net Value Added | 2023       | %       | 2022        | %       | 2021        | %       |
|-------------------------------------|------------|---------|-------------|---------|-------------|---------|
| Global net value added              | 5,843,440  | 100.00% | 6,043,170   | 100.00% | 6,966,264   | 100.00% |
| Staff Remuneration                  | -2,399,809 | 41.07%  | € 2,200,019 | 36.41%  | € 2,281,084 | 32.74%  |
| Public Administration Remuneration  | -800,874   | 13.71%  | € 449,999   | 7.45%   | € 1,291,777 | 18.54%  |
| Remuneration of credit capital      | -187,919   | 3.22%   | € 92,264    | 1.53%   | € 77,414    | 1.11%   |
| Company remuneration                | 2,454,838  | 42.01%  | € 3,300,888 | 54.62%  | € 3,315,989 | 47.60%  |

**Distribution of Global Net Value Added  
2021, 2022 and 2023**



### Breakdown of Global Net Value Added in 2023



### COSTS, AID AND SUBSIDIES

During 2023, PEBO benefited from the following government subsidies.

| Measure                 | Project name                                | 2023 Amount        |
|-------------------------|---|--------------------|
| Law 124/2017 Aid scheme | Facilities for energy-intensive businesses. | <b>€631,640.00</b> |
| Law 124/2017 Aid scheme | Enterprise Fund Contribution                | <b>€6,898.00</b>   |

During 2023, PEBO received the following government subsidies.

| Measure   | Project name  | 2023 Amount        |
|---|---|--------------------|
| Training 4.0 tax credit   | Training 4.0 tax credit   | <b>€25,598.00</b>  |
| Automatic tax measures and non-repayable grants to support businesses and the economy                 | Recovery interest declared in the "Exceeding limits in section 3.1 and 3.12 of the temporary framework" section of the tf-covid19 self-declaration. Deduction of recovery interest from Sect. 3.1 post 27.01.2021 | <b>€237.00</b>     |
| Tax exemptions and tax credits adopted following the economic crisis caused by the COVID -19 epidemic | Provisions on the payment of IRAP (Italian Regional tax on manufacturing activities)  | <b>€34,008.00</b>  |
| Facilities for energy-intensive businesses.   | High-energy businesses 2021   | <b>€878,750.93</b> |

## INVESTMENTS

Within the System Group, PEBO has a strong manufacturing focus and has therefore made investments aimed at improving the recycling of plastics.

## PRODUCTION AND WAREHOUSES

The company has taken steps to incorporate advanced systems for processing plastic (polyethylene) waste for regeneration and reintegration into the production cycle. To this end, more modern facilities have been introduced for the collection and treatment of sludge from waste washing and its subsequent transfer to specialised companies. As far as the water used in the production process is concerned, as it is managed in a closed circuit system, consumption is practically zero as there is no need to replace it.

With the exception of one, all forklift trucks are electric.

## WORKER SAFETY

Great emphasis is placed on improving work processes and specific training of workers. Investments have been made to reduce the

The criteria used to purchase goods always include those relating to sustainability in the areas of ESG (Environment, Social, Governance).

manual handling of loads and to collect and store the packaging with which the waste material is delivered and which in turn will be recovered by specialised companies.

The shredding plant for machining waste and materials to be recycled has been encapsulated to reduce noise, and sound-absorbing walls have been applied in some areas of the production cycle.

## ENERGY CONSUMPTION

The company is energy-intensive, registered as an energy-intensive company, so a large part of the investments and technical interventions are aimed at reducing consumption in the plants.

Free-cooling systems were also introduced in PEBO and external and internal lighting fixtures were replaced.

| Amount in € | Description of investments | E | S | G |
|-------------|----------------------------|---|---|---|
| 20,605      | Buildings                  |   |   | x |
| 506,890     | Plant and machinery        | x |   | x |
| 2,350       | Industrial Equipment       |   | x | x |
| 7,935       | Other Assets               | x | x | x |

## 6.6. CARING FOR THE ENVIRONMENT

**GRI Standard 301 - 1 / 2**

**GRI Standard 302 - 1 / 2 / 3**

**GRI Standard 303**

**GRI Standard 305 1 / 2 / 3 / 4 / 5 / 6 / 7**

**GRI Standard 306**

### 6.6.1. Management of energy and emissions

PEBO's products involve considerable electricity consumption during manufacture. The company has no direct energy consumption from fossil fuels.

PEBO is a high-energy company as far as the electricity component is concerned and is registered in the list of high-energy companies with the Fund for Energy and Environmental Services (CSEA), an economic public body subject to the supervision of the Regulatory Authority for Energy Networks and the Environment (ARERA) and the ESD bodies operating in the electricity, gas and water sectors.

PEBO declares that it does not have any litigation and has not faced any fines or other penalties for non-compliance with environmental laws and regulations.

Indirect energy consumption from fossil fuels relates to the transport of raw materials from the production site to the processing company, the transport of finished products to the destination site, the transport of goods and employees' home-work journeys. There is no contribution from self-generation

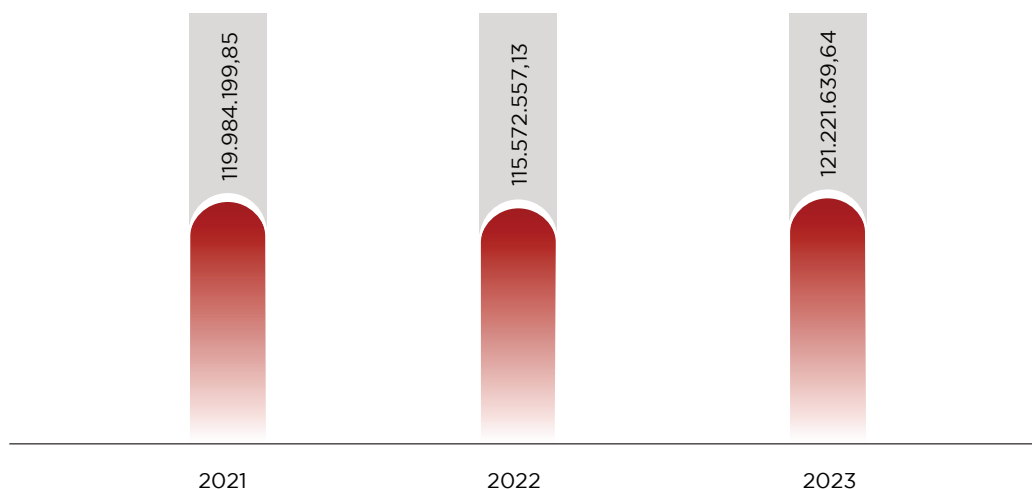
The company does not produce, import or export ODS

of energy. ODS (Ozone Depleting Substances) are those substances that contribute to depleting the ozone layer in the atmosphere. They include, for example, chlorofluorocarbons (CFCs), hydrochlorofluorocarbons (HCFCs) and halon. The following is an overview of PEBO's energy consumption.

| Energy consumption   | Quantity in MJ        |                       |                       |
|--|-----------------------|-----------------------|-----------------------|
|  | 2021                  | 2022                  | 2023                  |
| Total energy from fuels (all fossil) - area 1 - diesel       | 54,000.00             | 0                     | 0                     |
| Electricity - Area 2   | 86,759,276.40         | 83,695,068.00         | 88,737,814.80         |
| <b>Total energy from external fuel (all fossil) - Area 3</b> | <b>33,170,924.05</b>  | <b>31,877,489.13</b>  | <b>32,483,788.84</b>  |
| <b>Total energy consumption</b>                              | <b>119,984,199.85</b> | <b>115,572,557.13</b> | <b>121,221,639.64</b> |



### Total energy consumption



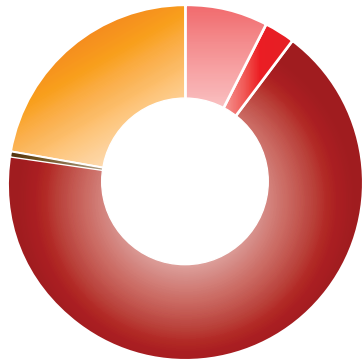
PEBO's greenhouse gas emissions are derived from electricity and fossil fuel consumption in area 3. Small refrigerant gas leaks may occur, but there were no such findings for the current reporting period. PEBO is authorised to emit into the atmosphere from six points subject to periodic analyses. Analyses carried out annually at the localised sources show compliance with the limits set by mandatory legislation for dust and VOCs. There are no other widespread emissions subject to measurement. GHG emissions derive only from the leakage of R407C gas from the

Electricity consumption shows an increase of 6.03%; the fossil fuel consumption component remains zero. Total energy consumption increased by 4.88%.

refrigeration circuits, which are inspected and maintained annually.

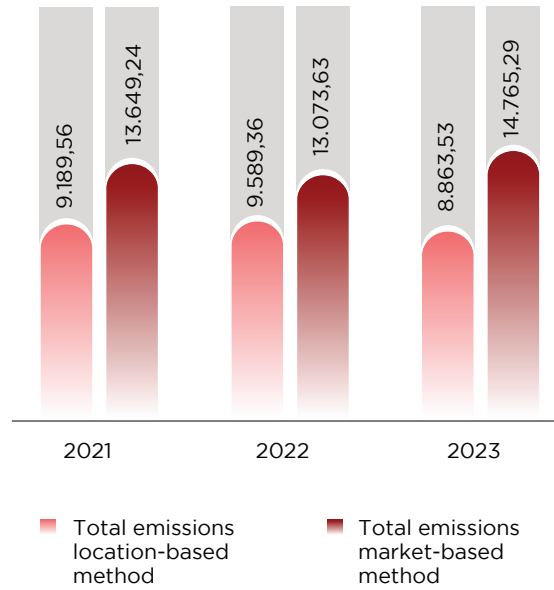
| Emissions                                    | Quantity in t CO <sub>2</sub> eq |                  |                  |
|--|----------------------------------|------------------|------------------|
|  | 2021                             | 2022             | 2023             |
| From domestic fossil fuels - Area 1          | 4.06                             | 0                | 0                |
| From EE location based - Area 2              | 6,543.56                         | 7,143.84         | 6,436.98         |
| From EE market based - Area 2                | 11,003.25                        | 10,628.11        | 12,338.75        |
| From external fossil fuels (Area 3)          | 2,511.73                         | 2,404.19         | 2,426.54         |
| Other emissions (coolant gases)              | 130.21                           | 41.33            | 0.00             |
| <b>Total emissions location-based method</b> | <b>9,189.56</b>                  | <b>9,589.36</b>  | <b>8,863.53</b>  |
| <b>Total emissions market-based method</b>   | <b>13,649.24</b>                 | <b>13,073.63</b> | <b>14,765.29</b> |

**Area 3 emissions**



|                              |        |
|------------------------------|--------|
| Upstream road transport      | 67,44% |
| Upstream transport by ship   | 0,18%  |
| Downstream road transport    | 21,99% |
| Downstream transport by ship | 7,58%  |
| Employee commuting           | 2,81%  |

**Total CO<sub>2</sub> eq emissions in t**



**Energy intensity** is the ratio of total energy consumed (in MJ) to the quantity of product (in kg).

**Emission intensity** is the ratio of greenhouse gas emissions (t CO<sub>2</sub> eq) to the quantity of product (in kg).

They are calculated in order to be able to compare the information for the period with the previous report, therefore without the share of CO<sub>2</sub> eq from the use of plastics. Both show little variation.

The amount of total location-based emissions decreased by 7.57%.

Total market-based emissions increased by 12.93%.

This difference is due to the increase in emissions from electricity consumption, which increased by 16.1% for the market-based value.

| 2023 | Production in kg | Energy intensity         |                  | Emission intensity                                 |                    |
|------|------------------|--------------------------|------------------|--|--------------------|
|      |                  | Energy consumption in MJ | Energy intensity | Emissions in t CO <sub>2</sub> eq (location based) | Emission intensity |
|      | 45,993,461       | 121,221,639.64           | 2.64             | 8,863.53   | 0.00019271         |
| 2022 | Production in kg | Energy intensity         |                  | Emission intensity                                 |                    |
|      |                  | Energy consumption in MJ | Energy intensity | Emissions in t CO <sub>2</sub> eq (location based) | Emission intensity |
|      | 42,878,243       | 115,572,557.13           | 2.70             | 9,589.36   | 0.00022364         |
| 2021 | Production in kg | Energy intensity         |                  | Emission intensity                                 |                    |
|      |                  | Energy consumption in MJ | Energy intensity | Emissions in t CO <sub>2</sub> eq (location based) | Emission intensity |
|      | 42,857,721       | 119,984,200.45           | 2.80             | 9,189.56   | 0.00021442         |

## 6.6.2. Water

The company uses water for civil and industrial purposes. For production activities, water circulates in closed circuits. Consequently, the consumption of water for production only relates to topping up the circuits. The company holds an active concession from the Tuscany Regional Authorities to use public water from wells

for industrial use and monitors the water usage through periodic readings of the meter installed on the groundwater line. PEBO discharges domestic sewage water into the municipal sewage system. The initial component of storm water run-off is treated and discharged into surface water courses, as per the Single Environmental Authorisation.

| Operation  | Quantity in m <sup>3</sup> |
|--|----------------------------|
| Drinking water drawn from the water network**            | 536.0                      |
| Non-drinking water taken from an underground source*     | 4,186.0                    |
| Total water taken from underground source                | 4,722.0                    |
| Estimation of domestic sewage discharge to surface water | 661.2                      |
|  | <b>4,060.8</b>             |

\* Value measured using a dedicated meter

\*\* Estimate as per methodological note

According to GRI standards, the quantity of water is to be calculated in megalitres (MI). One MI is equal to 1,000,000 litres or 1,000 m<sup>3</sup>.

In 2022, water consumption was 1,537.8 m<sup>3</sup>, so there has been a significant increase. This is due to the fact that there has been a change from a system estimating the water taken from the well to a system of continuous

withdrawal metering. New drying processes have also been activated to improve the quality of the finished product with probable higher evaporation losses.



### 6.6.3. Material management

Respecting the environment, PEBO attaches great importance to selection of the materials used to produce quality, highly technical 'compounds', mainly intended for the production of pipes for the electrical and telecommunications sector and water management and treatment products. PEBO compounds are made from materials derived from the recycling of waste from recycled waste collection, industrial waste and by-products, and virgin raw materials and additives. PEBO continuously verifies the recycled plastic content of its materials

PEBO carries out product and packaging material recovery activities.

according to a traceability and monitoring plan in compliance with UNI 10667-2.

The overview of material management is given below.

| Raw materials purchased in 2023 (quantity in kg) |                   |
|--|-------------------|
| Materials to recycle                             | 28,577,365        |
| Polyethylene waste                               | 11,075,614        |
| Regranulates to mix                              | 959,276           |
| In-process codes                                 | 3,346,669         |
| Downgraded                                       | 1,507,856         |
| Dyes and additives                               | 2,455,448         |
| <b>Total</b>                                     | <b>47,922,228</b> |

| Packaging 2023 -Type | Quantity in kg |
|----------------------|----------------|
| Bib bag pp           | 39,239         |
| Ldpe hood            | 196,639        |
| Stretchable ldpe     | 11,976         |
| Adhesive tape        | 476.39         |
| Pallet               | 217,674        |
| Ldpe bag             | 31,843         |
| <b>Total</b>         | <b>497,847</b> |

PEBO purchases two sizes of pallet for storage and transport of its products. These were weighed to obtain an estimate of the

average weight and the total quantity in kilograms was calculated based on this.

## 6.6.4. Waste Management

Waste is registered and monitored using loading and unloading registers and supporting programmes for the management of movements and stock, drawn up in

accordance with current regulations. The Environmental Declaration Form (MUD) is submitted annually.

| Non-hazardous waste sent for recycling or recovery (EWC code)   | Quantity in kg   | Destination  |
|---|------------------|--------------|
| 12 01 15 machining sludge other than that indicated in 12 01 14   | 823,400          | D13, D15     |
| 15 01 01 paper and cardboard packaging  | 7,020            | R13          |
| 15 01 02 plastic packaging  | 181,340          | R3, R13      |
| 15 01 03 wooden packaging   | 564,570          | R3, R13      |
| 15 02 03 absorbents, filter materials, cloths and protective clothing, other than those mentioned in 15 02 02 | 79,750           | R13          |
| 16 02 16 components removed from discarded equipment other than those mentioned in 16 02 15                   | 490              | R13          |
| 17 04 05 iron and steel   | 76,760           | R13          |
| 17 04 07 mixed metals   | 960              | R13          |
| 17 09 04 mixed construction and demolition waste other than that mentioned in 17 09 01, 17 09 02 and 17 09 03 | 9,880            | R13          |
| 19 12 04 plastic and rubber   | 1,100,050        | R3, R12, R13 |
| <b>Total</b>  | <b>2,844,220</b> |              |

| Hazardous waste sent for recycling or recovery with EWC code | Quantity in kg | Destination |
|--|----------------|-------------|
| 13 02 08* other engine, gear and lubrication oils            | 760            | R13         |

| Hazardous waste sent for disposal with EWC code                | Quantity in kg | Destination |
|--|----------------|-------------|
| 16 10 01* aqueous liquid waste containing dangerous substances | 64,740         | D15         |
| 20 01 21* fluorescent tubes and other mercury-containing waste | 1,740          | D15         |
| <b>Total</b>   | <b>66,480</b>  |             |

|   | 2021             | 2022             | 2023             |
|---|------------------|------------------|------------------|
| <b>Total waste</b>                                | <b>3,355,840</b> | <b>3,258,320</b> | <b>2,911,460</b> |
| <b>Total waste sent for recycling or recovery</b> | <b>2,439,270</b> | <b>2,821,640</b> | <b>2,021,580</b> |



## 6.7. CARING FOR OUR PEOPLE

**GRI Standard 2 - 7 / 8 / 30**

**GRI Standard 401**

**GRI Standard 403 - 9 / 10**

**GRI Standard 404 - / 2**

**GRI Standard 405**

**GRI Standard 406**

**GRI Standard 407**

PEBO recognises the value of human resources as fundamental to development of the company and promotes the professional growth of employees to expand the pool of skills.

In 2023 the number of employees in PEBO increased from 44.275 to 51.775 F.T.E. (16.94%

more than the previous year). 79.24% have a permanent contract and 94.64% work full time. PEBO has adopted the regulations relating to *Whistleblowing*<sup>1</sup>.

**Information on employees** (their number is calculated as Full Time Equivalent persons)<sup>2</sup>.

|                            | 2021         |              |               | 2022      |              |               | 2023          |              |               |
|----------------------------|--------------|--------------|---------------|-----------|--------------|---------------|---------------|--------------|---------------|
|                            | Men          | Women        | Total         | Men       | Women        | Total         | Men           | Women        | Total         |
| <b>Total FTE employees</b> | <b>42.00</b> | <b>4.275</b> | <b>46.275</b> | <b>39</b> | <b>5.275</b> | <b>44.275</b> | <b>46.750</b> | <b>5.025</b> | <b>51.775</b> |
| Fixed-term employees FTE   | 1            | 1            | 2             | 3         | 1.000        | 4             | 10            | 0.750        | 10.750        |
| Permanent employees FTE    | 41           | 3.275        | 44.275        | 36        | 4.275        | 40.275        | 36.750        | 4.275        | 41.025        |
| Full-time employees        | 42           | 3            | 45            | 39        | 4            | 43            | 46            | 3            | 49            |
| Part-time employees        | 0            | 1.275        | 1.275         | 0         | 1.275        | 1.275         | 0.75          | 2.025        | 2.775         |

1. **Whistleblowing is a fundamental corporate compliance tool**, through which employees or third parties (e.g. a supplier or customer) of a company may **report, in a confidential and protected manner**, any possible **offences** encountered in the course of their activities.

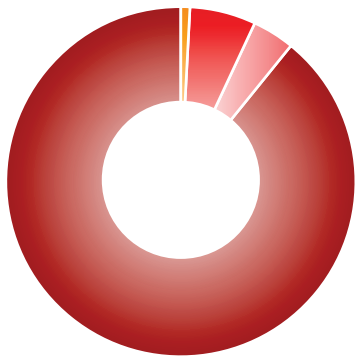
The **“whistleblower”** (reporter) is therefore a person working in a company (public or private) who decides to **report an offence**, fraud or danger that he/she has detected in the course of his/her work (or, in the case of a client, in the course of his/her experience as a client of a company).

Accordingly, **whistleblowing is the practice of reporting violations of laws or regulations, crimes and cases of corruption or fraud, as well as situations of danger to public health and safety.**

In addition to the intrinsic utility of preventing wrongdoing, the additional and valuable utility of whistleblowing is that of involving and raising awareness among citizens in the fight against illegality, empowering them and requiring their active participation to improve society.

2. FTE (Full Time Equivalent) defines the total workforce described in terms of 'persons employed full time' (e.g. 2 persons part time 50% = 1 person FTE). In Italian, the acronym ETP (full-time equivalent) is also used.

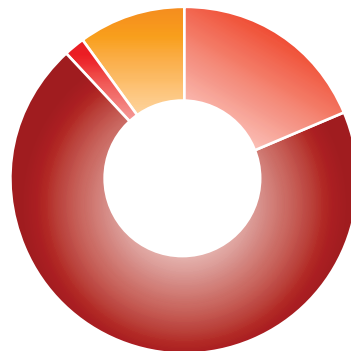
### Part time - full time



|                          |           |
|--------------------------|-----------|
| Full-time workers, men   | 46; 89%   |
| Part-time workers, men   | 0,75; 1%  |
| Full-time workers, women | 3; 6%     |
| Part-time workers, women | 2,025; 4% |

### Tipologia di contratto

|                             |             |
|-----------------------------|-------------|
| Fixed term contracts, men   | 10,000; 19% |
| Permanent contracts, men    | 36,750; 71% |
| Fixed term contracts, women | 0,750; 2%   |
| Permanent contracts, women  | 4,275; 8%   |



There are no unemployed staff in the company; all workers have a fixed-term or open-ended contract. In 2023 PEBO had no staff leasing contracts in force. All persons working at the company are employed under National Collective Labour Agreements; as a result, any salaries are not influenced by gender or other parameters not

provided for in the regulations. PEBO also guarantees freedom of association to all personnel, informing its employees about legally recognised forms of representation and maintaining open and transparent relations with the main trade union representatives.

## 6.7.1. Professional development and growth

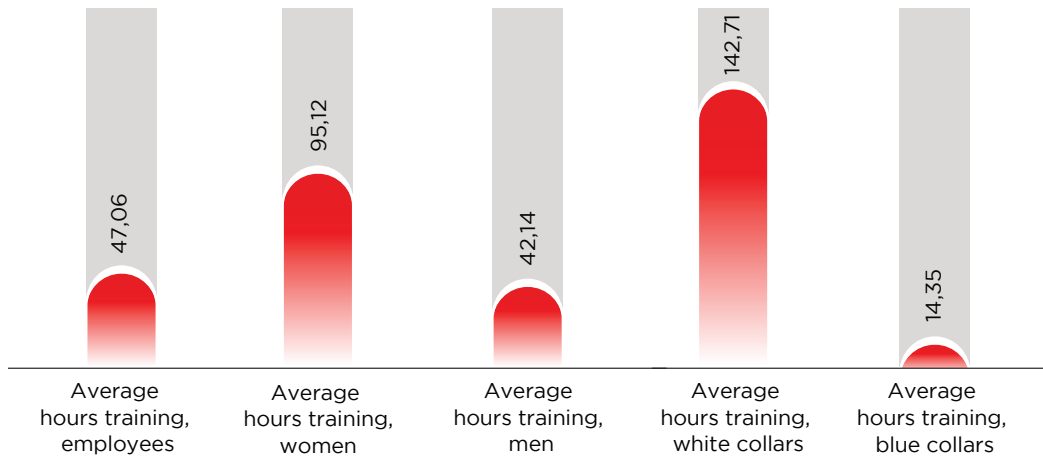
In 2023 PEBO delivered a total of **1,511** hours of training as follows: 1,115 of 4.0 training, 368 of safety training, 24 of technical training and 4 of administrative and commercial training, a decrease from the previous year.

The training provided by PEBO includes: compulsory training under Leg. Dec. 81/08 Art. 36 and 37, Continuing Education updates and Continuing Education related to Industry 4.0.

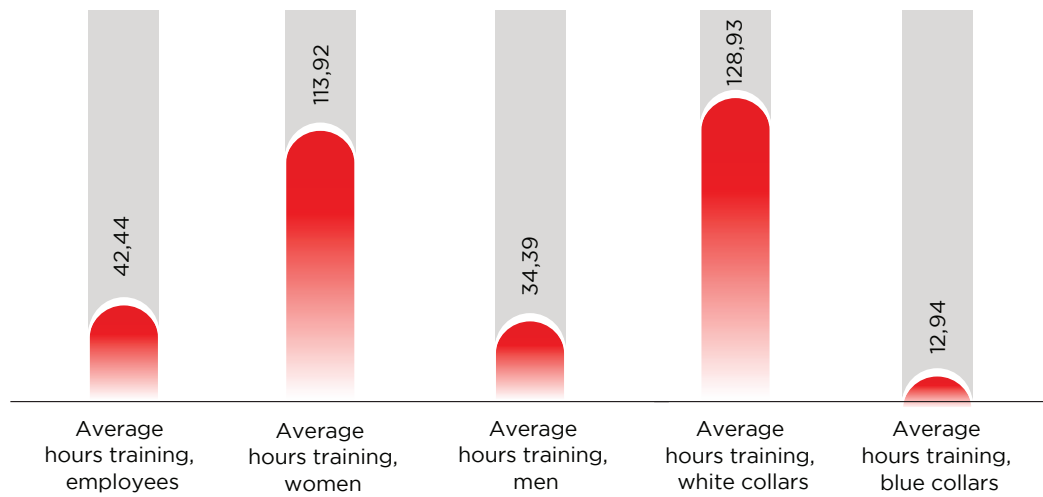
| PEBO                           | 2021  | 2022  | 2023  |
|--------------------------------|-------|-------|-------|
| Total Training Hours Delivered | 2,179 | 1,794 | 1,511 |



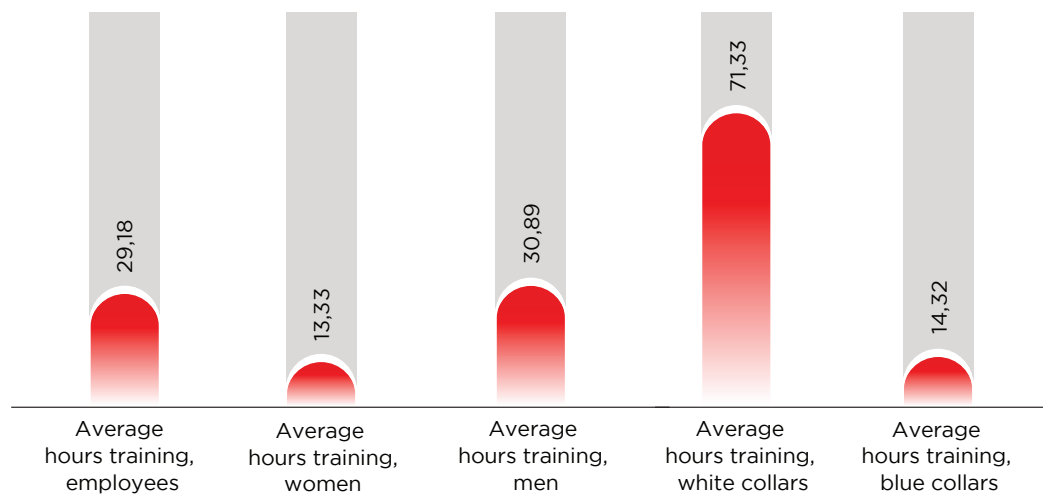
**Average hours training by category and gender 2021**



**Average hours training by category and gender 2022**

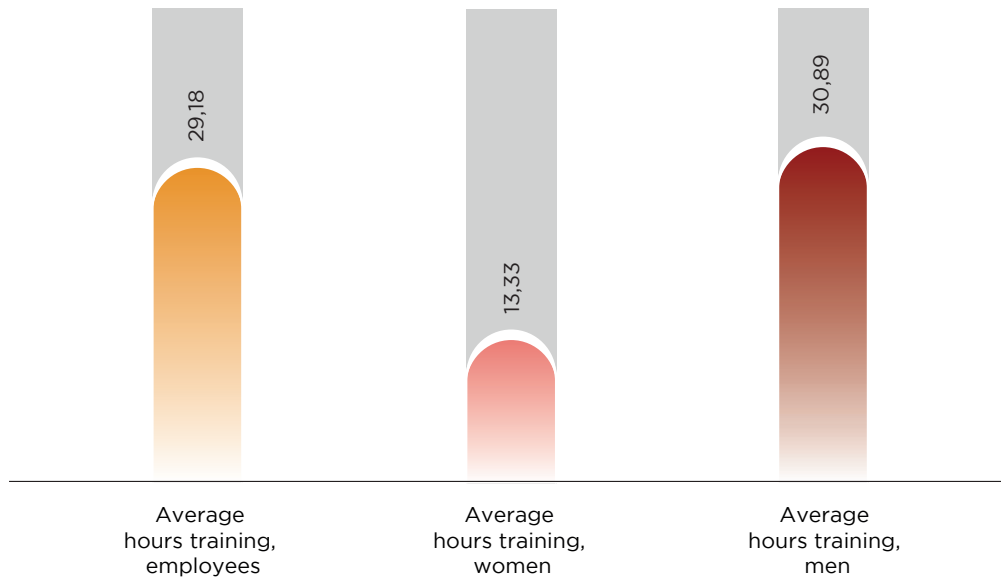


**Total average hours training and by gender and category 2023**





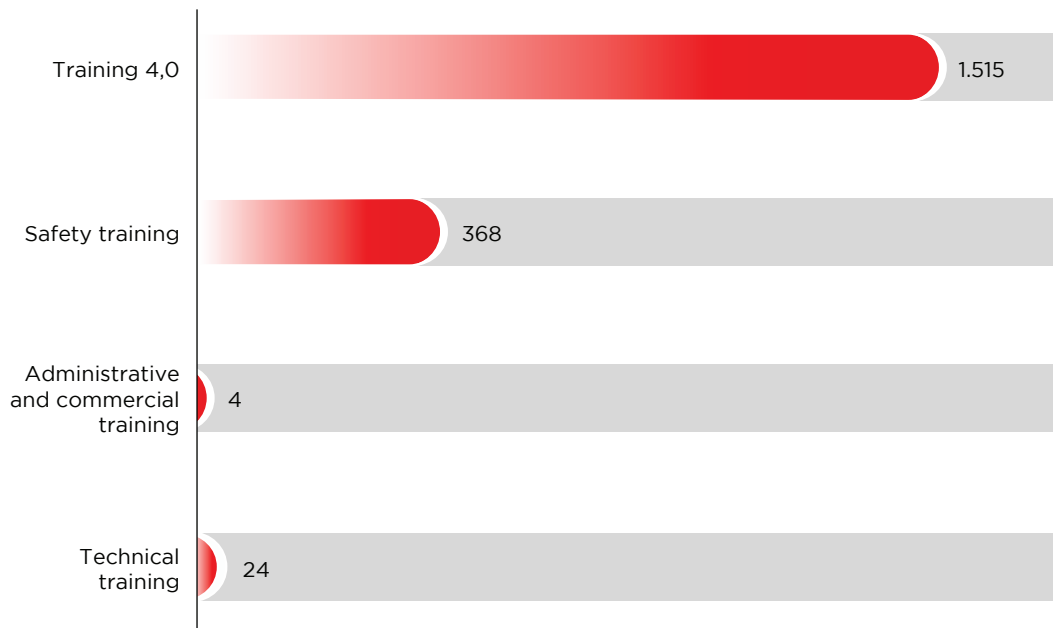
**Average hours training delivered to men and women 2023**



The company carried out Training 4.0 activities to acquire and/or consolidate knowledge of the technologies envisaged by the National Industry 4.0 Plan applied to the business areas

defined in Appendix A to Law 205/2017. The different types of courses provided are shown in the table. The number of employees involved is 26.

**Training by type of course**



In 2023, the economic value of the training provided at PEBO was **€27,882.34** a slight decrease compared to the previous year.

In 2021 the economic value of training was €4,445.00, in 2022 €32,753.19.

|                                 | 2021      | 2022       | 2023       |
|---------------------------------|-----------|------------|------------|
| Economic commitment to training | €4,445.00 | €32,753.19 | €27,882.34 |

## 6.7.2. Turnover

Turnover refers to all the people who join or leave the company for a variety of reasons (retirement, dismissal, decisions to change, etc.).

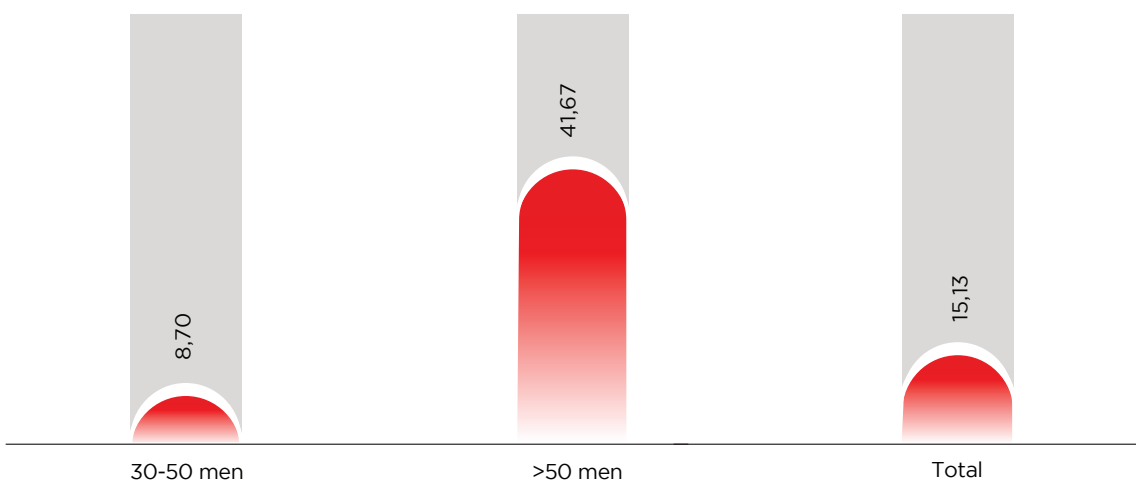
The table shows the inflow and outflow of PEBO employees by age group and gender.

|               | Number at start of period |                | Recruitment |              | Redundancies |           |
|---------------|---------------------------|----------------|-------------|--------------|--------------|-----------|
|               | 2022                      | 2023           | 2022        | 2023         | 2022         | 2023      |
| < 30 women    | 2.0                       | 1.0            | 0.0         | 0.0          | 2.0          | 0.0       |
| < 30 men      | 6.0                       | 6.0            | 0.0         | 10.0         | 1.0          | 8.0       |
| 30 - 50 women | 2.75                      | 3.75           | 0.0         | 0.0          | 0.0          | 1.0       |
| 30 - 50 men   | 23.0                      | 22.0           | 2.0         | 9.0          | 3.0          | 4.0       |
| > 50 women    | 0.525                     | 0.525          | 0.0         | 0.75         | 0.0          | 0.0       |
| > 50 men      | 12.0                      | 10.750         | 5.0         | 3.0          | 3.0          | 2.0       |
| <b>Total</b>  | <b>46.275</b>             | <b>44.025*</b> | <b>7</b>    | <b>22.75</b> | <b>9</b>     | <b>15</b> |

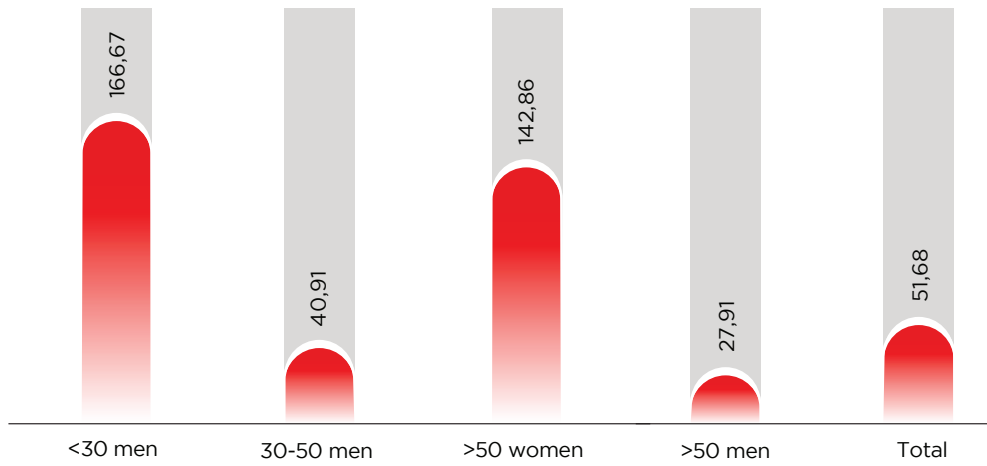
\* The starting number of employees in 2023 (44.025) differs slightly from the closing number in 2022 (44.275) because one employee changed his contract from full-time to part-time during the year.

In 2023 there were 22.75 hirings and 15 terminations in the company (compared to 7 hirings and 9 terminations in the previous year).

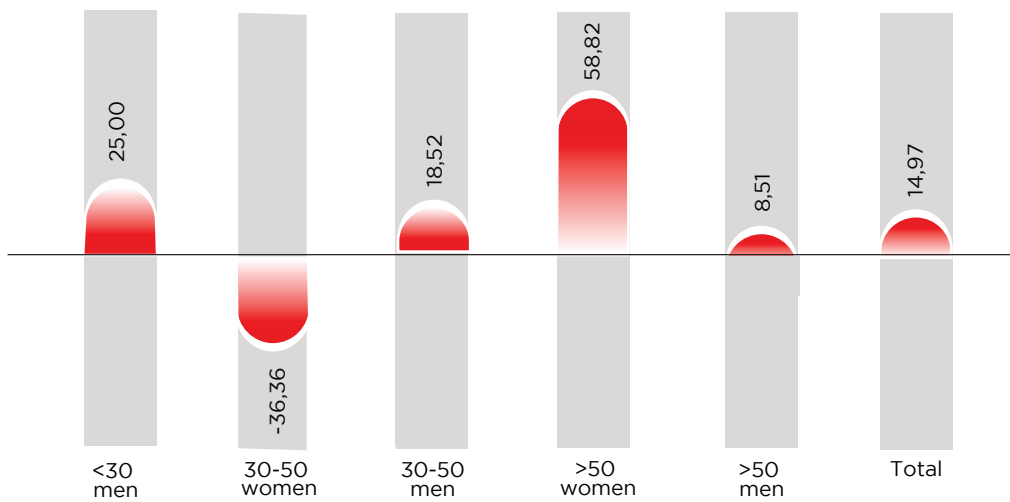
Turnover rate 2022



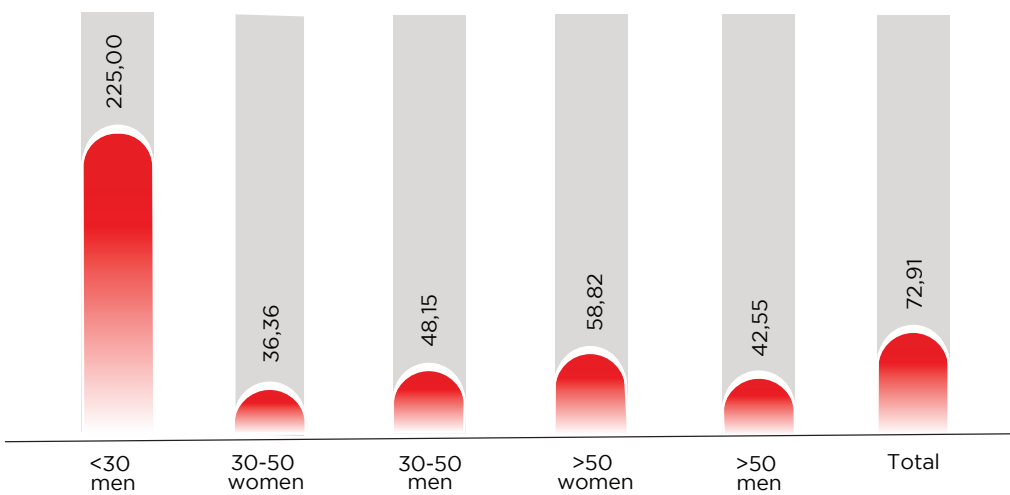
### Turnover rate 2023

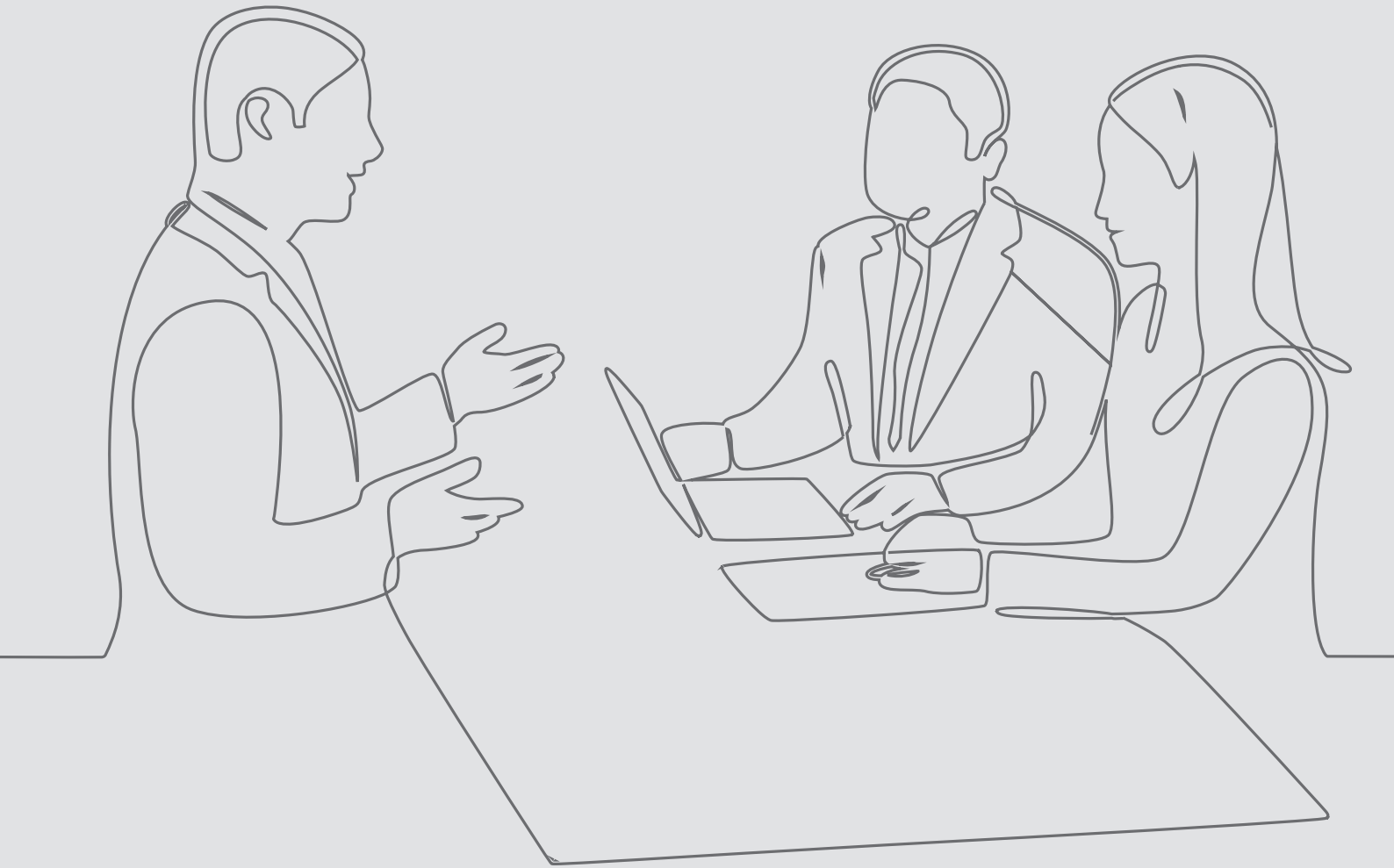


### Overall turnover rate (recruitments - redundancies)



### Overall turnover rate (recruitments + redundancies)

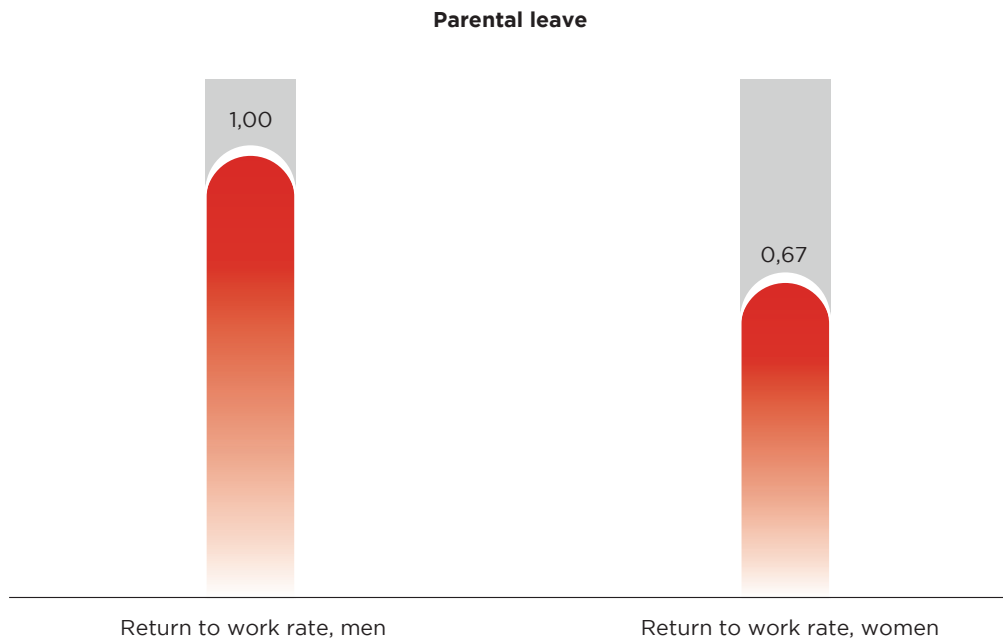




### 6.7.3. Parental leave

In 2022, no employee in PEBO took parental leave, while in 2023, three men and three women were entitled to and took it. Three men and two women returned to work after the stipulated period; one woman is scheduled to return to work in September 2024.

The criteria for assigning or granting benefits to staff do not concern the type of contract (fixed-term / open-ended, full-time / part-time and other paradigms such as gender and age).



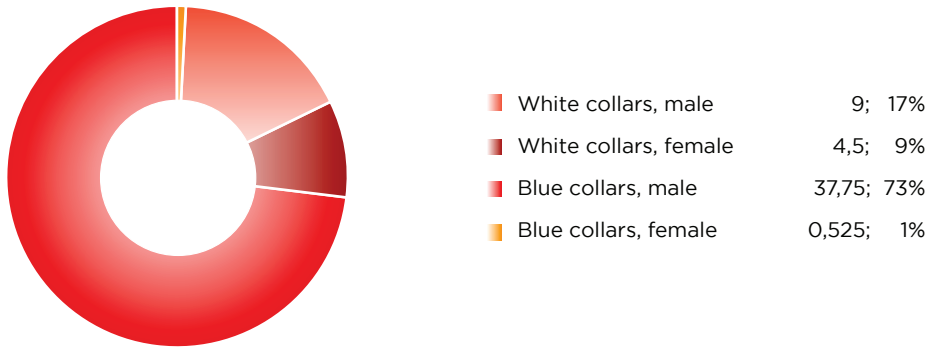
### 6.7.4. Equal Opportunities, Non-Discrimination

#### Equal Opportunities

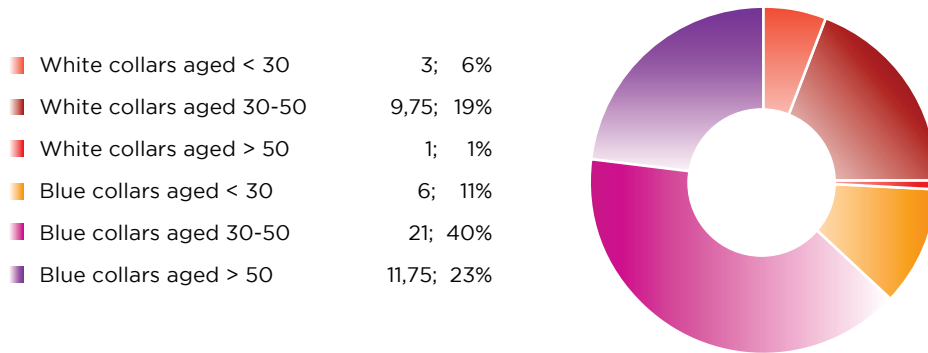
PEBO recognises 'Equal Opportunities' and eliminates any kind of discriminatory

difference in access to and participation in the social, economic and political dimension of company life.

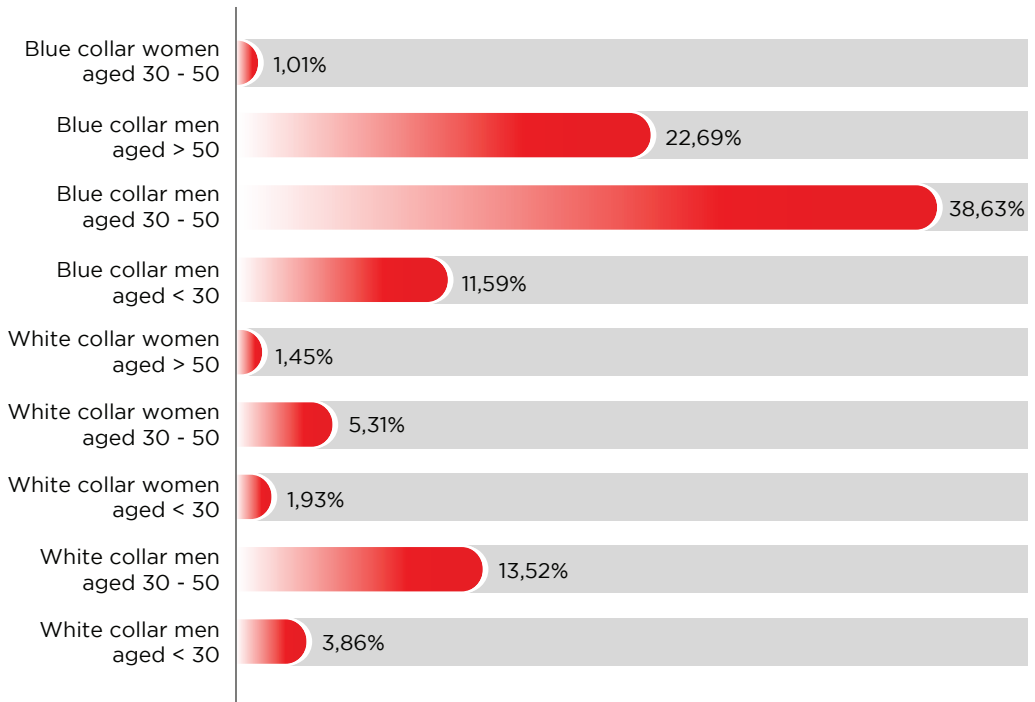
**Percentage staff by qualification and gender**



**Staff by qualification and age range**



**Staff by qualification, age and gender**



The number of women remains almost unchanged from the previous year, and the number of men in the company has increased.

The remuneration of all persons employed in the company references the national collective agreement for the category. Any

other forms of remuneration are not affected by criteria such as gender or age. The criteria for assigning or granting benefits to staff do not concern the type of contract (fixed-term / open-ended, full-time / part-time and other paradigms such as gender and age).

#### Composition of the Board of Directors

|                    |       |   |  |
|--------------------|-------|---|--|
| Emanuele Boscarini | 30-50 | m | Chair of the Board of Directors and Managing Director      |
| Marina Boscarini   | >50   | F | Vice Chair of the Board of Directors and Managing Director |
| Emiliano Boscarini | 30-50 | m | Board Member   |

The members of the Board of Directors from the previous year are confirmed.

#### Non-discrimination

It is hereby declared that no incidents of

discrimination based on race, colour, sex, religion, political opinion or other forms of discrimination involving internal and/or external stakeholders occurred and were reported during the reporting period.

## 6.7.5. Health and Safety at Work

In 2023, the hours worked in PEBO were **82,386**, an increase compared to the previous year (74,120). Accidents decreased from three to two; total days of absence due to accidents were **30**, down from the previous year (413).

Accident Frequency Rates and Accident Severity Rates decreased.

The occupational health and safety management system covers all persons working within its scope.

|   | 2021   | 2022   | 2023   |
|---|--------|--------|--------|
| Hours worked                                  | 79,192 | 74,120 | 82,386 |
| Total number of days of absence due to injury | 14     | 413    | 30*    |
| Total No. of accidents                        | 2      | 3      | 2      |
| Frequency Rate GRI / UNI 7249                 | 25.3   | 40.5   | 24.3   |
| Severity rate UNI 7249                        | 0.18   | 5.57   | 0.36   |
| Accident rate with serious consequences GRI   | 0      | 13.5   | 0.0    |
| Death rate                                    | 0      | 0      | 0      |

\* Part of the accident that occurred in 2022 is included in the calculation of accident absence days for 2023.

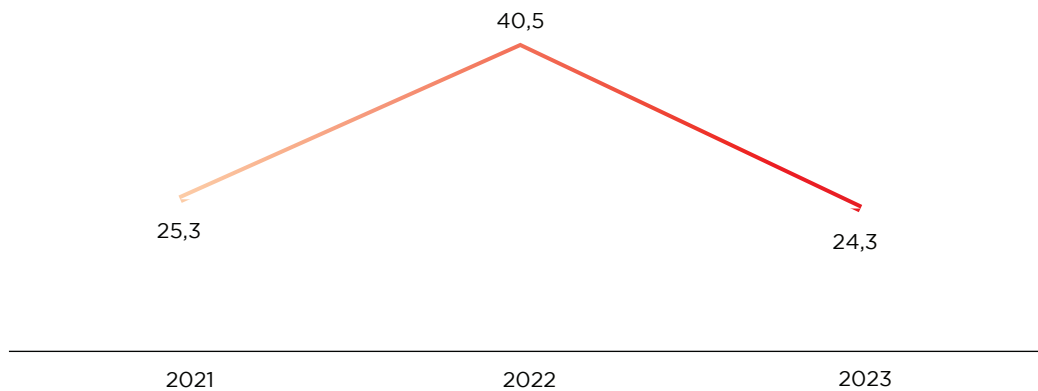


In 2023 there were 2 accidents identified as - *low severity* - (B). The first involved a cut to the hand, the other a crush injury to the 1st and 2nd phalanx of the hand. The days of absence are also shown for an injury that began in 2022 and continued in 2023 due to a fractured ankle, already described in the previous report.

The company has **initiated actions** to improve the level of employee safety through a specific safety procedure with correct traffic rules in areas where pedestrians and forklifts mix, and for the use of forklifts, as well as the renovation of horizontal safety signs. PEBO continues its commitment to ensuring safety. More specifically, by updating the General Risk Assessment Document, which

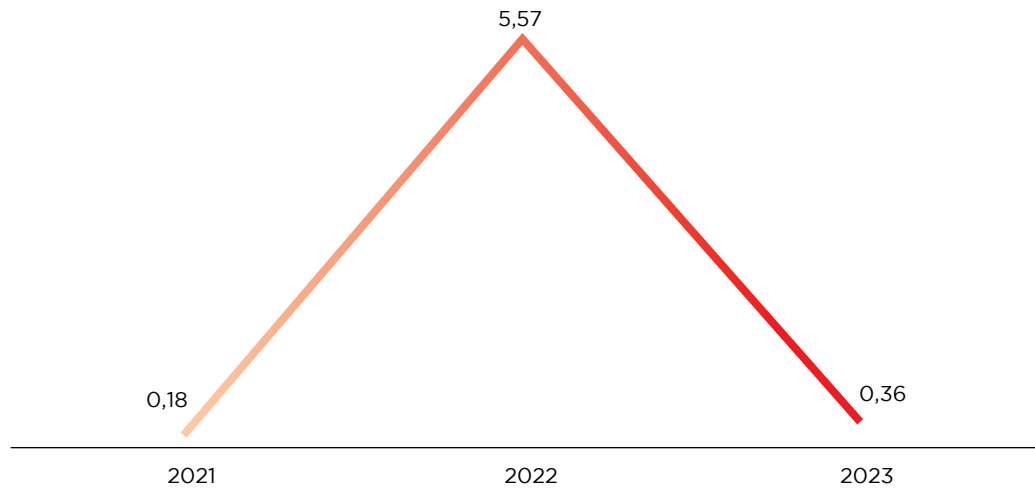
envisages the constant renewal of workplace safety, assessment of risks from physical and chemical agents, fire risk, health control, assistance from the company doctor, updating of the emergency and evacuation plan, the declaration of conformity for the electrical and earthing systems, verification of the first aid equipment, work equipment, plant and machinery, the use of personal safety devices, horizontal and vertical signs, periodic checks on fire extinguishers and hoses, fine dust measurements, the establishment of internal regulations, and finally, training and information (RLS refresher course, forklift truck driver refresher course, First Aid and Fire Fighting course and refresher course).

**Calculating Frequency Rate GRI / UNI 7249**



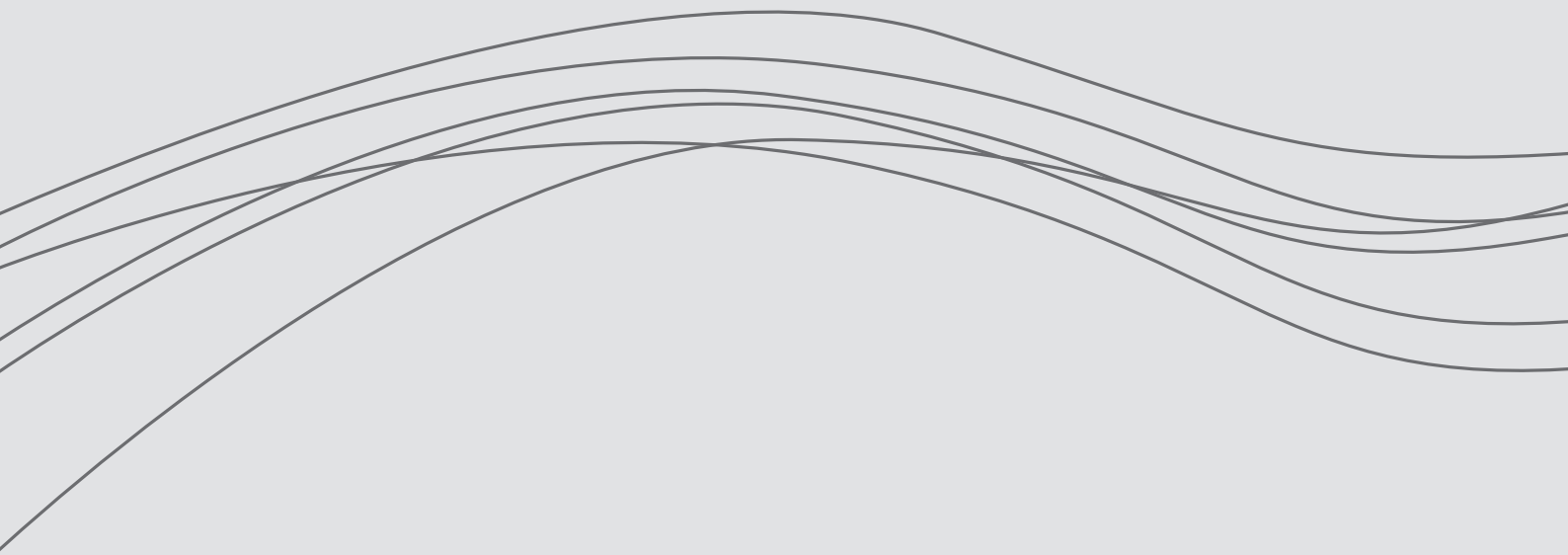


### Calculation of the severity level UNI 7249



In 2023, no injuries with a prognosis of more than 180 days occurred in PEBO.  
In the years 2020, 2021, 2022 and 2023, there

were no deaths due to accidents.  
No cases of illness occurred or were reported.





**ROTQTEC**



## 7.1. COMPANY PROFILE

### GRI Standard 2 - 1 / 6

Rototec S.p.A. was founded in 1999. This is the Group company specialising in the production of polyethylene containers made using rotational moulding technology<sup>1</sup>.

The registered offices and production site is located in Lunano, in the province of Pesaro Urbino, at Via dell'Artigianato, 6 (production and offices) and Via Foglia 11 (warehouse); a second production site has been in operation since the end of 2022 and is located at Via Attilio Romanini 2, 8, 10, in Sant'Angelo in Vado (PU). The latter became fully operational in the last quarter of 2023.

The workforce consists of 102.15 employees (*Full Time Equivalent*) and the total value of production is over € 35 million.

The company is constantly growing; it is present throughout Italy and in some foreign countries (France, Spain, Hungary ...). Over

the years, it has felt the need to stand out on the markets by investing its own resources into research and adapting its production to European standards, in order to offer its customers reliable, quality products.

Specifically, the product lines cover treatment (grease separators, Imhoff tanks, treatment filters, etc.), water resource management (tanks, rainwater recovery systems, chambers, etc.) and building systems (chemical toilets, containers and tanks, deterrent systems, etc.).

The company provides a free library of BIM objects for system design and management, and also provides on-site assistance on request. It also provides applications, for example, one that is dedicated to calculating the dimensions of the rainwater storage volume.

## 7.2. CORPORATE GOVERNANCE

### GRI Standard 2 - 9

The Board of Directors consists of: Marina Boscarini (Chair and Managing Director), Mario Falconi (Vice Chair and Managing Director), Emiliano Boscarini (Managing Director).

The Board of Statutory Auditors consists of: Simone Spinaci (Chair), Amedeo Raggi Decio (Full Auditor) and Alessandro Cicolella (Full Auditor).

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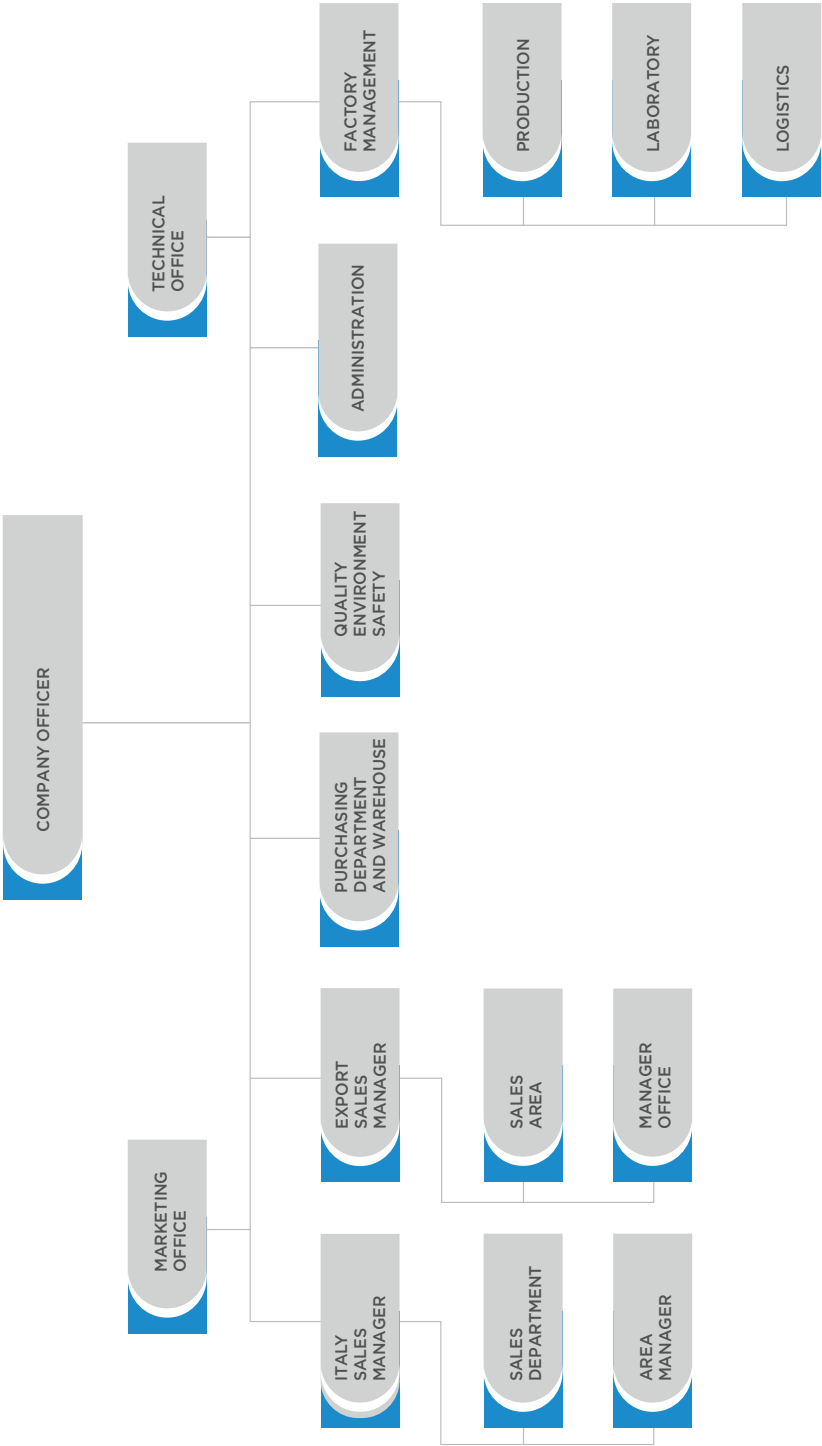
1. Rotational moulding, or rotary moulding, is a low-pressure, high-temperature production method for the manufacture of hollow articles, which do not require subsequent welding and assembly steps and are virtually stress-free. The process can be used to make elements with simple shapes (cylindrical containers or tanks) or more complex ones with wall thicknesses ranging from 2 to 15 millimetres. In this type of application, the technology is a viable alternative to blow moulding, thermoforming and injection moulding, allowing low cost manufacture in small and medium production runs of objects, even of very large dimensions.

An important advantage of rotational moulding is the low percentage of by-products generated by the transformation of polyethylene. In fact, approximately 96% of the plastic loaded into the moulds is used to manufacture quality products.

Following the adoption of the Organisation, Management and Control Model, pursuant to Legislative Decree 231/2001, a collegial

Supervisory Board was established, made up of Giovanni Orciani (Chair), Giovanni Curzi (member) and Antonio Mazza (member).

# ORGANISATION CHART AS AT 31/12/2023



## 7.3. QUALITY MANAGEMENT AND CERTIFICATION

All activities performed by Rototec, from design to production, installation and sales and after-sales services, are carried out in accordance with an ISO 9001:2015 certified Management System.

The products are tested and certified with respect to all their functional characteristics: from resistance to physical and chemical agents to durability, ergonomics and safety, in accordance with applicable international standards, as specified below.

Products intended for waste water purification are tested and certified:

- sand and grease separators according to standard UNI EN 1825-1,
- septic tanks according to standard UNI EN 12566-1,
- purification systems in the 'Depuro' range according to EN 12566-3.

- Light liquid separators for platform storm water are certified according to EN 858-1.

The suitability of the storage systems for contact with water intended for human consumption, food and beverages is ensured by means of laboratory tests in accordance with Regulation (EC) No. 1935/2004 and Regulation (EU) 10/2011, as well as Ministerial Decree 21/3/1973 and Presidential Decree No. 777 of 23/8/1982.

Rototec is currently undergoing a feasibility study to make its corporate environmental management system compliant with the requirements of UNI EN ISO 14001:2015, with the aim of achieving compliance and obtaining this certification by 2025. Rototec is in the process of upgrading its company safety management system under UNI ISO 45001 with the aim of achieving compliance and obtaining this certification by 2024.

## 7.4. THE SIGNIFICANCE OF IMPACTS

### GRI Standard 3 - 3

Among the actual and potential impacts to be considered, also with regard to risks, those related to energy management, worker health and safety, ethics and business performance are considered important.

Energy consumption mainly concerns industrial manufacturing processes. With regard to these activities, emissions must be kept under control and reduced in line with what can be achieved with regard to energy consumption. Waste management and

water resource management are considered marginal while complying with mandatory regulations.

In terms of 'social sustainability', occupational health and safety remains in the foreground along with training.

Other issues identified as relevant are 'anti-corruption' and 'anti-discrimination' safeguards.

On the economic side, Distributed Value and Investments are the main focuses.

Economic and financial management will be an increasingly important issue, especially in terms of resilience in the face of ongoing socio-economic and environmental changes. The Group's due diligence on sustainability for the period 2023 revealed that the significance of impacts for Rototec corresponds to the table below. In relation to the source (GRI Standard), only the number is indicated. At the beginning of the sections

and in the index of GRI references, the disclosure numbers are also indicated. All impacts pertaining to the various areas have been treated as indicated in the Methodological Note and the Index of GRI References. The management of certain impacts or areas of impact is described in Chapters 1 and 2. However, all material topics are reported regardless of their relevance.

| Area of impact                                | GRI Standard      | Significance value |
|---|-------------------|--------------------|
| Economic performance                          | 201               | High               |
| Ethics and Anti-Corruption                    | 205               | Medium             |
| Materials management and recycling            | 301               | High               |
| Energy  | 302               | High               |
| Emissions                                     | 305               | High               |
| Waste Management                              | 306               | Low                |
| Water resource management                     | 303               | Low                |
| Workforce management (employment and welfare) | 2 (7 / 8) and 401 | Medium             |
| Health and safety at work                     | 403               | High               |
| Training and professional development         | 404               | Medium             |
| Diversity and equal opportunities             | 405               | Medium             |
| Non-discrimination                            | 406               | Medium             |
| Customer health and safety                    | 416               | Medium             |
| Customer privacy                              | 418               | Low                |

## 7.5. THE SOCIO-ECONOMIC CONTEXT

### GRI Standard 201 - 1 / 4

In 2023, Rototec S.p.A. reported a profit for the year of **€3,815,335**, an increase of 41.6% compared to 2022 (€2,693,977).

As at 31.12.2023, Rototec's balance sheet showed total shareholders' equity of **€18,843,750** an increase of 22.12% over 2022 (€15,430,460).

The Value of Production is **€35,403,507**, while in 2022 it was €33,824,425.

Rototec manufactures products for waste water purification and rainwater recovery/storage at its Lunano and Sant'Angelo in Vado sites, to which the data in this Sustainability Report refer.

The company uses HDPE (high density), LDPE (low density), LLDPE (linear low density) polyethylene in its production cycle. The raw material used is an oil derivative and, for this reason, strongly influenced by fluctuating prices on international markets. Good stock management is just as crucial as close collaboration with suppliers to keep material consumption as a percentage of product sold within budget. Considering that the value of raw material consumption fluctuates between 60 and 70% of the volume of net sales, depending on the products for which they are used, the importance of the impact that even not very significant fluctuations in absolute value in the price of raw materials can have on the company's profit and loss accounts becomes evident. Approximately 12% of sales were directed to foreign markets, down slightly from the previous year, and the remaining 88% to the domestic market. Promotional activities aimed at technical offices (engineers,

surveyors, geologists, etc.) is continuing, generating a significant increase in sales and an important recognition of 'Rototec' as a company attentive to design and service relating to *environmental questions*.

The company is working ever more strategically on digital marketing and promotional activities.

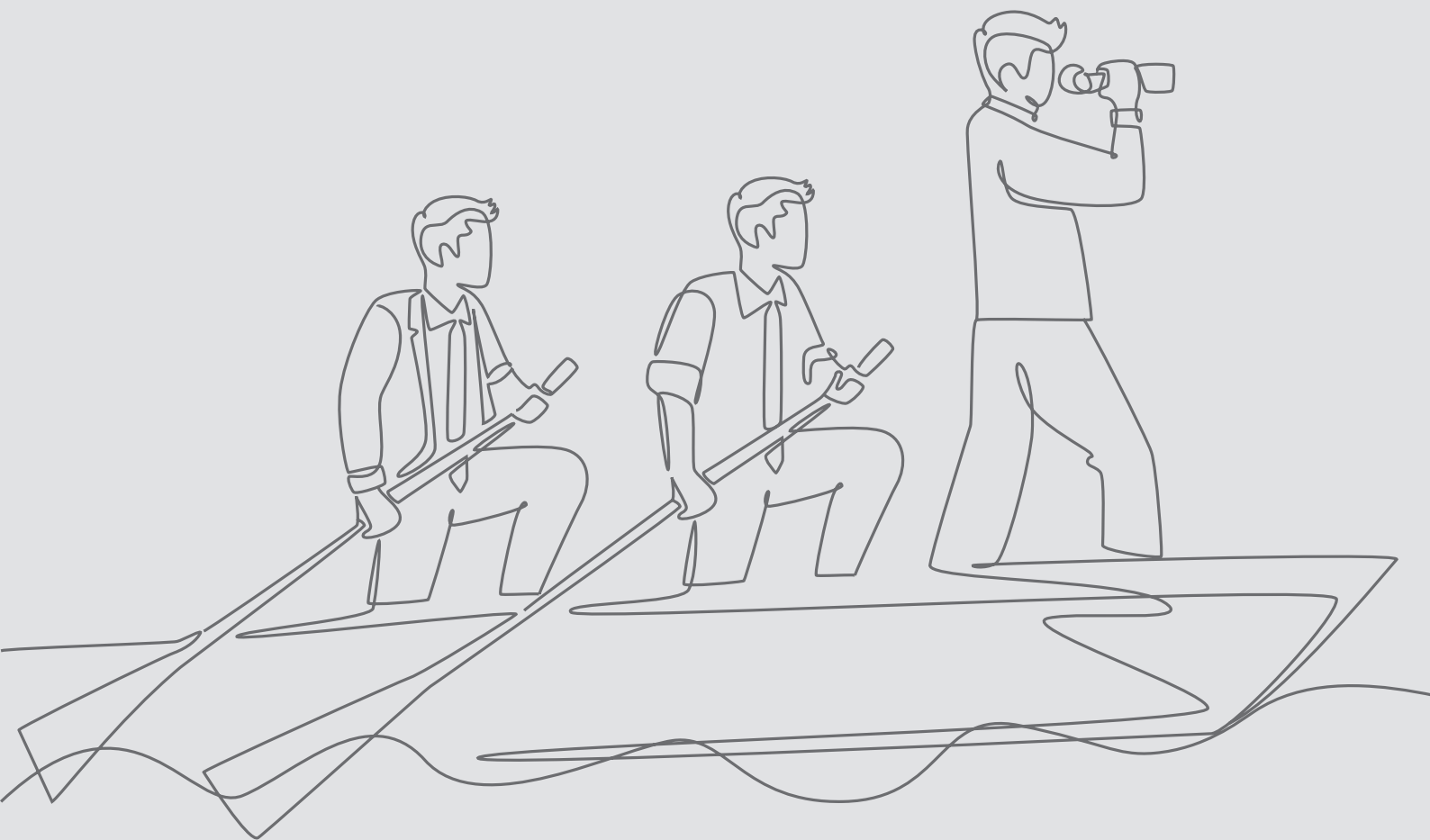
Despite the complexity of the market and rising inflation, Rototec has kept its volumes stable. The company confirms the solidity and quality of its production, commercial, equity and financial structure.

The company organisation was improved by shifting more production to the sister company Lucania Resine for the southern Italian market and by increasingly developing a joint venture with a strategic Croatian partner to serve the Eastern European market. The in-house production capacity was implemented with the completion of a yard (about 6000 square metres) adjacent to a new factory purchased in the municipality of Sant'Angelo in Vado, an active site that is generating important logistical and manufacturing synergies. In addition to this, in 2023 the Sant'Angelo in Vado plant finally started to manufacture new types of products with high technological content and sizes designed to satisfy the market for large-volume water containment.

Research and development makes a decisive contribution to the continuous improvement of total quality that is a company goal.

In the year under review, energy consumption did not change substantially (due to the type of machines used in the production process, gas had the highest incidence), thanks also to strategies implemented together with the central purchasing department. Raw materials





did not rise much; instead, there was a slight decline towards the end of the year. The potential applications of the company's products are wide and diverse because they include the use of tanks in various sectors:

- Water treatment
- Drinking water storage
- Rainwater storage and reuse
- Fire-fighting/car-washing systems
- Portable toilet division
- Construction site-specific products division

An important project on worker safety was concluded, also thanks to application of the **231 Organisation Model** which is now fully operational, and is also useful for re-organisation of the company and its processes.

In 2023, the company carried out activities that fall within the eligibility criteria of Law 160/2019, as amended, in particular:

- *Project 1* - Technological innovation activities with reference to the outdoor water product line
- *Project 2* - Technological innovation activities with reference to the treatment product line
- *Project 3* - Technological innovation activities with reference to the underground tanks product line

- *Project 4* - Technological innovation activities - digitisation 4.0 - aimed at process digitisation.

As part of the continuous R&S activity carried out within the Group, these projects feature a search for solutions that enable high levels of innovation and quality to be maintained in Rototec products.

## VALUE GENERATED - VALUE DISTRIBUTED - VALUE RETAINED

Value added is to be understood as a measure of the wealth that an economic entity realises using production factors and how that wealth is distributed among the main stakeholders.

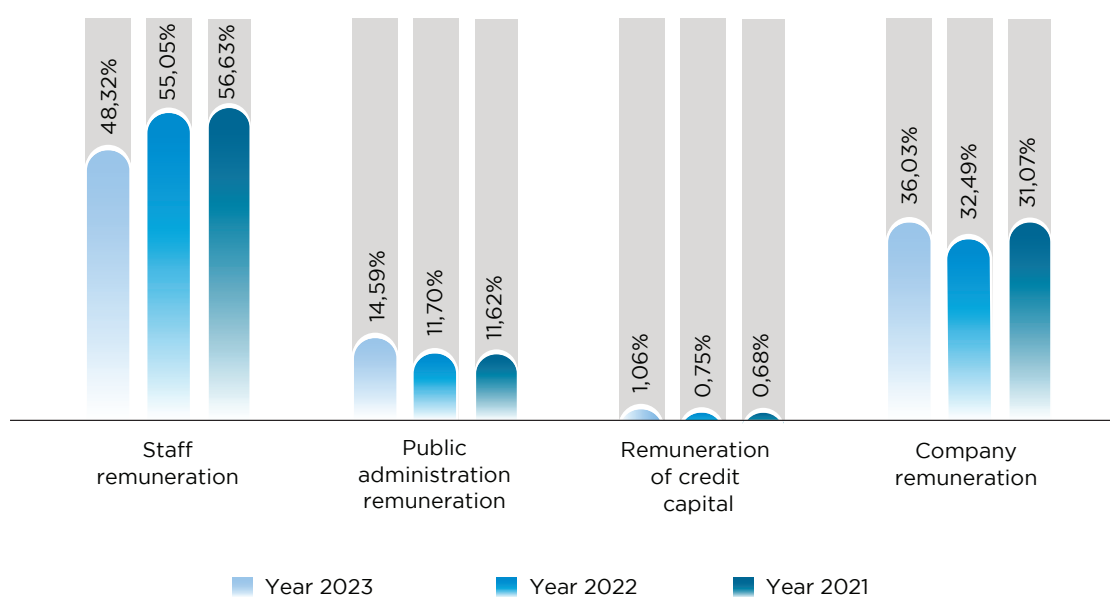
This document does not include the profit and loss and balance sheet statements already prepared and included in the annex to the Annual Report 2023. The Economic Value Generated (Gross Value Added generated by the enterprise) and the Economic Value Distributed (Value Added Distributed) to stakeholders are also described.

The Retained Value is obtained by subtracting the Value Distributed from the Value Generated.

| Determination of Net Global Added Value in Euro |             |             |             |
|---|-------------|-------------|-------------|
|   | 2023        | 2022        | 2021        |
| Overall value of production                     | 35,140,645  | 33,819,543  | 29,777,150  |
| Intermediate costs of production                | -23,746,856 | -24,769,745 | -21,719,423 |
| Gross characteristic value added                | 11,393,789  | 9,049,798   | 8,057,727   |
| Ancillary management                            | -29,392     | -81,375     | -125,185    |
| Global gross value added                        | 11,364,397  | 8,968,423   | 7,932,542   |
| Depreciation                                    | -776,322    | -677,558    | -606,014    |
| Global net value added                          | 10,588,075  | 8,290,865   | 7,326,528   |

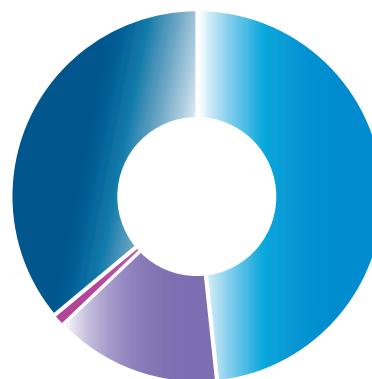
| Breakdown of Global Net Value Added |            |        |            |        |            |        |
|-------------------------------------|------------|--------|------------|--------|------------|--------|
|                                     | 2023       | %      | 2022       | %      | 2021       | %      |
| Global net value added              | 10,588,075 | 100%   | 8,290,865  | 100%   | 7,326,528  | 100%   |
| Staff Remuneration                  | -5,115,863 | 48.32% | -4,564,333 | 55.05% | -4,149,073 | 56.63% |
| Public Administration Remuneration  | -1,544,370 | 14.59% | -970,102   | 11.70% | -851,253   | 11.62% |
| Remuneration of credit capital      | -112,507   | 1.06%  | -62,453    | 0.75%  | -49,850    | 0.68%  |
| Company remuneration                | 3,815,335  | 36.03% | 2,693,977  | 32.49% | 2,276,352  | 31.07% |

**Determination of Global Net Value Added  
2021, 2022 and 2023**



### Breakdown of Global Net Value Added in 2023

|   |               |
|---|---------------|
| ■ Staff Remuneration                        | 5.115.863,00€ |
| ■ Remuneration of Credit Capital            | 112.507,00€   |
| ■ Remuneration of the Public Administration | 1.544.370,00€ |
| ■ Company remuneration                      | 3.815.335,00€ |



## COSTS, AID AND SUBSIDIES

During 2023, Rototec benefited from the following government subsidies.

| Measure   | Project name        | Amount             |
|---|---------------------|--------------------|
| Aid Scheme - Article 1 paragraph 125a, Law No. 124 of 4 August 2017 | Energy Bonus        | <b>€96,721</b>     |
| Aid Scheme - Article 1 paragraph 125a, Law No. 124 of 4 August 2017 | Capital Goods Bonus | <b>€223,764.00</b> |

During 2023, Rototec received the following government subsidies.

| Measure   | Project Name  | Aid Element       |
|---|---|-------------------|
| Automatic tax measures and non-repayable grants to support businesses and the economy   | Recovery interest declared in the "Exceeding limits in section 3.1 and 3.12 of the temporary framework" section of the tf-covid19 self-declaration. Deduction of recovery interest from Sect. 3.1 post 27/01/2021 | <b>€455.00</b>    |
| Regulation for inter-professional funds for continuing training for the grant of exempted state aid under Regulation (EC) No 651/2014 and 'de minimis' aid under Regulation (EC) No 1407/2013 | F.A.R.E. + D. 'Adequate Training for Economic + Digital Restart'  | <b>€2,243.30</b>  |
| Tax exemptions and tax credits adopted following the economic crisis caused by the COVID -19 epidemic   | Provisions on the payment of IRAP (Italian Regional tax on manufacturing activities)  | <b>€65,324.00</b> |

## INVESTMENTS

Rototec's production cycle differs substantially from the rest of the Group in that it predominantly adopts rotational moulding instead of extrusion. The raw material is always plastic materials, in this case in the form of powders that are then cast and injected into the processing moulds.

## PRODUCTION AND WAREHOUSES

The energy used by Rototec to mould its products is mainly methane gas. Improvements focused on the purchase of new rotational moulding machines for the new factory, as well as the construction of a brand new industrial building to replace the previous one.

Also with regard to the water used in the production cycle, it is channelled into a closed circuit system that returns it to the production cycle, reducing its consumption and dispersion.

The company is working on obtaining ISO 14001 environmental certification. Among other things, this certification includes the installation of a storm water run-off treatment plant to serve the storage yard.

## WORKER SAFETY

Also in the area of occupational health and safety, Rototec has structured itself to achieve UNI ISO 45001 certification in 2024.

## ENERGY CONSUMPTION

In the last months of 2023, incandescent lamps were replaced in the factory and outdoor areas of the Lunano production site with more modern, energy-efficient lighting systems.

A photovoltaic system was installed on the entire available roof surface of the new manufacturing plant. Also at the new site, both a lamination plant and a water treatment plant for water run-off from the yard were installed.

## MAIN INVESTMENTS FOR 2023

| Amount in € | Description of Investments | E | S | G |
|-------------|----------------------------|---|---|---|
| 279,230     | Moulds                     |   |   | x |
| 21,151.69   | Office machines            |   |   | x |
| 14,489      | Furniture and furnishings  |   | x |   |
| 144,500     | Product certification      |   |   | x |
| 142,568     | Software Development       |   |   | x |
| 4,712       | Installations              |   | x |   |
| 6,000       | Installations              |   |   | x |
| 208,304     | Equipment                  |   |   | x |
| 2,200       | Machinery                  |   |   | x |
| 309,951     | Installations              |   | x | x |
| 36,192      | Installations              |   |   | x |
| 20,800      | Infrastructure             |   |   | x |
| 694,937     | Industrial building        |   |   | x |



## 7.6. CARING FOR THE ENVIRONMENT

**GRI Standard 301 - 1 / 2**

**GRI Standard 302 - 1 / 2 / 3**

**GRI Standard 303**

**GRI Standard 305 - 1 / 2 / 3 / 4 / 6 / 7**

**GRI Standard 306**

Rototec's environmental impacts are represented by the consumption of natural gas needed to heat the moulds in order to melt the polyethylene powder and consumption of electricity to operate the rotational moulding machines, the resulting emissions, the use of plastic materials, water and waste management. This energy consumption has economic significance. The company operates in the field of domestic sewage water purification and proper storm water management; it manufactures products for hydraulic, construction and civil engineering applications, also in the nautical field. As regards materials, Rototec has started a certification process for products moulded using recycled plastic with the **Remade in Italy** mark.

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Rototec declares that it does not have any litigation and has not faced any fines or other penalties for non-compliance with environmental laws and regulations.

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Water consumption is optimised and kept under control although water management does not have a major impact. Waste is managed in compliance with statutory regulations and with the utmost commitment to the recycling of materials.

### 7.6.1 Management of energy and emissions

The manufacture of Rototec's products is particularly energy-intensive, particularly in the thermal component. Regarding electricity, most of the energy consumed is absorbed by the rotational moulding machines fed by the medium voltage line. Other uses at the Lunano and Sant'Angelo in Vado plants each account for about 5% of total consumption. Electricity use comes from grid withdrawals only, and the electricity purchased represents all the electricity consumed, with no self-production contribution from the photovoltaic plant in

Sant'Angelo in Vado, for the year 2023. Diesel fuel is used to fuel combustion engine forklifts. Natural gas is taken from the grid; it is used for space heating, for the production of domestic hot water and for heating the moulds used to form polyethylene products; the latter item accounts for approximately 98%. Energy consumption related to the transport of goods and products is a particularly significant item. Consumption for employees' home-work journeys was also taken into account.



The company does not produce, import or export ODS

ODS (Ozone Depleting Substances) are those substances that contribute to depleting the ozone layer in the atmosphere. They include, for example, chlorofluorocarbons (CFCs), hydrochlorofluorocarbons (HCFCs) and halon.

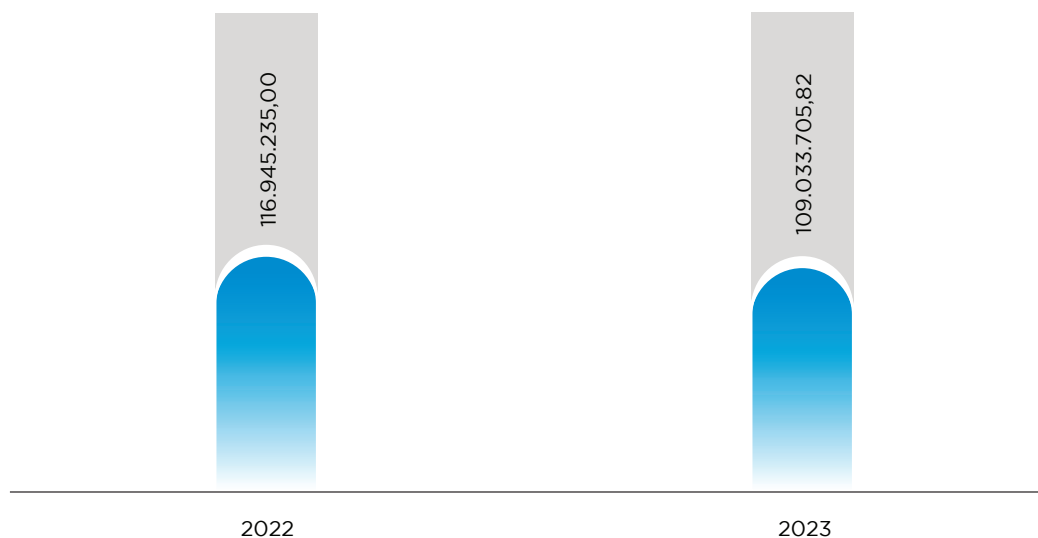
The following is an overview of Rototec's energy consumption.

| Energy consumption   | Quantity in MJ        |                       |
|--|-----------------------|-----------------------|
|  | 2022                  | 2023                  |
| Diesel   | 324,000.00            | 360,000.00            |
| Methane  | 32,394,912.05         | 34,708,041.79         |
| Total energy from fuels (all fossil) - Area 1                | 32,718,912.00         | 35,068,041.79         |
| Electricity - Area 2   | 3,017,682.00          | 4,029,634.80          |
| <b>Total energy from external fuel (all fossil) - Area 3</b> | <b>81,208,641.00</b>  | <b>69,936,029.00</b>  |
| <b>Total energy consumption</b>                              | <b>116,945,235.00</b> | <b>109,033,705.82</b> |

Energy consumption from fossil fuels shows an increase of 7.18%. Electricity consumption increased by 33.53%. The 13.88% decrease

in Area 3 fossil fuel consumption leads to a reduction in total reported consumption of 6.77%.

**Total energy consumption**





Rototec's greenhouse gas emissions are derived from electricity and fossil fuel consumption.

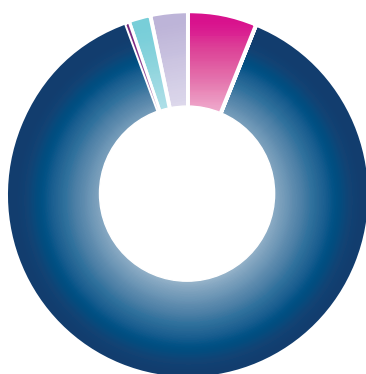
Emissions from fossil fuels outside the organisation (area 3) are estimated by taking into account:

- the transport of raw materials from the production site to the processing company;
- the transport of finished products to the destination site;
- employees' home-work journeys.

At the Rototec production site in Via dell'Artigianato 6, Lunano (PU), there are nine active and authorised atmospheric emission points, which are subject to periodic analysis. Analyses carried out annually at localised sources show compliance with the limits set by mandatory legislation for TOC and NOx, formaldehyde and acetaldehyde. The Single Environmental Authorisation was obtained for the Sant'Angelo in Vado production site in 2023. This site also has three ducted emission points that, like the previous one, comply with the limits set by mandatory legislation.

| Emissions                                    | Quantity in t CO <sub>2</sub> eq |                 |
|--|----------------------------------|-----------------|
|  | 2022                             | 2023            |
| From internal fossil fuels (Area 1)          | 1,849.52                         | 1,988.26        |
| From EE location based - Area 2              | 258.93                           | 292.31          |
| From EE market based - Area 2                | 383.2                            | 560.31          |
| From external fossil fuels (Area 3)          | 6,094                            | 5,242           |
| <b>Total emissions location-based method</b> | <b>8,202.86</b>                  | <b>7,523.04</b> |
| <b>Total emissions market-based method</b>   | <b>8,327.13</b>                  | <b>7,791.04</b> |

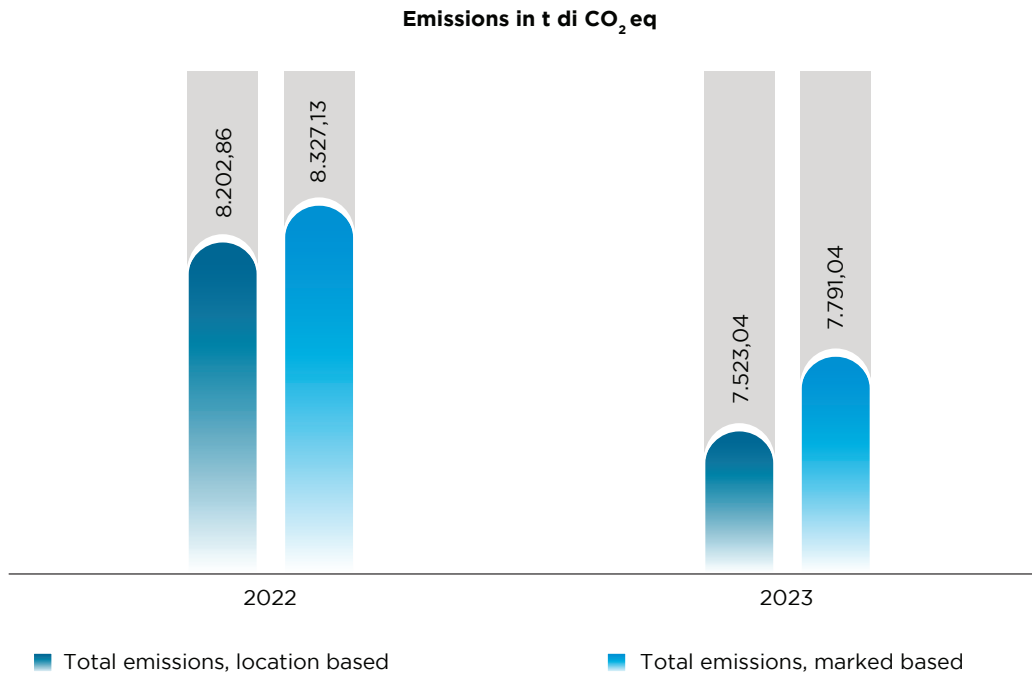
### Area 3 emissions



|                                |        |
|--------------------------------|--------|
| ■ Upstream road transport      | 6,28%  |
| ■ Upstream transport by ship   | 0,03%  |
| ■ Downstream road transport    | 88,64% |
| ■ Downstream transport by ship | 1,94%  |
| ■ Employee commuting           | 3,11%  |

This difference is due to the increase in emissions from electricity consumption, which increased by 46.22% for the market-based value.

The amount of total location-based emissions decreased by 8.29%. Total market-based emissions decreased by 6.44%.



For Rototec, considering the complexity of the products and the diversity in their range, it was decided to provide data on energy and

emission intensity by relating consumption and emissions to the economic value of production.

| Year | Value of production in € | Energy intensity         |                  | Emission intensity                                 |                    |
|------|--------------------------|--------------------------|------------------|--|--------------------|
|      |                          | Energy consumption in MJ | Energy intensity | Emissions in t CO <sub>2</sub> eq (location based) | Emission intensity |
| 2023 | 35,502,284               | 109,033,705.82           | 3.07             | 7,523.04   | 0.00021190         |
| 2022 | 33,819,543               | 116,945,235.20           | 3.46             | 8,202.86   | 0.00024255         |

## 7.6.2 Water

The Municipality of Lunano is served by the former Piandimeleto consortium aqueduct, which supplies water from springs located mainly in the Frontino and Carpegna municipalities, with additions from springs and local sub-surface wells (source: Arpam). The municipality of Sant'Angelo in Vado is served by the Alto Metauro aqueduct that draws the water supply for the area from local springs.

The AATO1 Marche territory in which the municipality of Lunano falls is classified as low water severity (source: Marche Region). Rototec adopts a company policy focused on saving water, minimising waste and maximising reuse, which mainly relates to

civil purposes, as moulds are mostly cooled by air, with minimal amounts of water that are recovered and reused through a closed resource management cycle. Consequently, the consumption of water only relates to topping up the circuits. Water consumption is divided between the Lunano and Sant'Angelo in Vado plants.

Rototec discharges domestic sewage water into the municipal sewage system.

Rainwater is always discharged into the sewer system as storm water.

The company holds an active concession from the Marche Regional Authorities to use public water from a well for the irrigation of private green spaces.

| Operation                                    | Quantity in m <sup>3</sup> |
|--|----------------------------|
| Withdrawal at the Lunano plant*              | 801                        |
| Withdrawal at the Sant'Angelo in Vado* plant | 150                        |
| Drinking water taken from the water network  | 951                        |
| Estimated domestic sewage water              | 750                        |
| Estimated water consumption                  | 201                        |

\* Withdrawal items are estimated from data invoiced by the service provider

According to GRI standards, the quantity of water is to be calculated in megalitres (MI). One MI is equal to 1,000,000 litres or 1,000m<sup>3</sup>.

## 7.6.3 Material management

Respecting the environment, Rototec attaches great importance to the quality of materials chosen for its production and to recovery of processing waste and other material that has reached the end of its life cycle. It recovers waste from production processes, sorts it and delivers it as by-products to third-party companies to obtain

high-performance materials.

Rototec does not carry out significant product and packaging material recovery activities.

Wooden materials are to be considered renewable, for the rest, the materials used to package Rototec products are non-renewable.



The overview of material management is given below.

| <b>Raw materials purchased in 2023 (quantity in kg)</b> |                  |
|---|------------------|
| Virgin polyethylene                                     | 4,494,556        |
| Virgin polypropylene                                    | 50,900           |
| Recycled polyethylene                                   | 678,981          |
| <b>Total plastics</b>                                   | <b>5,224,437</b> |
| Percentage of recycled plastics to total for 2023       | 13.0%            |
| Percentage of recycled plastics to total for 2022       | 15.8%            |

| <b>2023 Packaging and other - Type</b>                        | <b>U. M.</b>   | <b>Quantity</b> |
|---|----------------|-----------------|
| Complete moulds for new products                              | No.            | 2               |
| Pumps and pressurisation units                                | No.            | 2,478           |
| Management and/or alarm panels                                | No.            | 1,235           |
| PP filter media for biological treatment systems              | m <sup>3</sup> | 4,173           |
| Oxygen blowers for biological treatment                       | No.            | 1,847           |
| Stainless steel components for oil separators                 | No.            | 1,007           |
| Filters and filtration units                                  | No.            | 2,313           |
| Chemical toilets, toilets, cisterns, washbasins, shower trays | No.            | 4,372           |
| Rubber seals  | No.            | 70,608          |
| Rubber diffusers for biological treatment systems             | No.            | 3,050           |
| Pallet  | kg             | 13,400          |
| Polyethylene packing caps                                     | No.            | 14,859          |
| Stretchable PE  | kg             | 8,129           |
| Plastic cable ties (pp, nylon)                                | No.            | 31,500          |
| Galvanised cable ties   | No.            | 13,000          |
| Cardboard boxes   | No.            | 952             |
| Catalogues, price lists and printed manuals                   | No.            | 89,130          |

Rototec hands over part of its production residues to PEBO as a by-product for subsequent recycling. In 2023, 470 bags with

a total weight of approximately 282,918.79 kg were handed over.

## 7.6.4 Waste Management

Rototec pursues good practices to minimise paper waste from advertising material, technical and commercial documentation through a process of educating customers and users of its products and a project to digitise information that is made available and constantly updated on its corporate website.

Waste is registered and monitored using loading and unloading registers and supporting programmes for the management of movements and stock, drawn up in accordance with current regulations. The Environmental Declaration Form (MUD) is submitted annually.

| Non-hazardous waste sent for recycling or recovery (EWC code)                         | Quantity in kg | Destination |
|---|----------------|-------------|
| 15 01 01 paper and cardboard packaging  | 22,740         | R13         |
| 15 01 02 plastic packaging  | 30,600         | R13         |
| 15 01 03 wooden packaging   | 28,440         | R13         |
| 15 01 06 mixed material packaging   | 79,520         | R13         |
| 17 04 05 iron and steel   | 3,520          | R13         |
| 17 06 03* other insulation materials containing or consisting of hazardous substances | 520            | D15         |
| 17 06 04 insulation materials other than those mentioned in 17 06 01 and 17 06 03     | 340            | R13         |
| 17 08 02 gypsum-based construction materials other than those mentioned in 17 08 01   | 2180           | R13         |
| Total waste sent for recycling or recovery  | 167,340        |             |
| <b>Total</b>  | <b>167,860</b> |             |

## 7.7. CARING FOR OUR PEOPLE

**GRI Standard 2 - 7 / 8 / 30**

**GRI Standard 401 - 1 / 3**

**GRI Standard 403 9 / 10**

**GRI Standard 404 - 1**

**GRI Standard 405**

**GRI Standard 406**

**GRI Standard 407**

People are a subject close to Rototec's heart. By enhancing its human capital, the Company helps to an increase workers' well-being and development. Training and professional development are crucial to increase and enhance talents and skills, also through specific programmes in line with their expectations. The management of Rototec's human resources is a fundamental element for the company, and this drives it to ensure an inclusive and stimulating working environment in order to enhance the know-how of each individual and the ability to implement ways of interacting and listening. The company has focused heavily on training,

doubling its investment and the number of hours it provides.

Rototec has adopted the regulations relating to *Whistleblowing*<sup>2</sup>.

In 2023 Rototec had a total of **103.15** employees, 12.85% more than in the previous year. Of these, 93.15 are men and 10 women. 96.94% of employees have a full-time contract, with 75.15% on permanent contracts and an increase in fixed-term contracts compared to 2022.

**Information on employees** (their number is calculated as Full Time Equivalent persons<sup>3</sup>)

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2. **Whistleblowing is a fundamental corporate compliance tool**, through which employees or third parties (e.g. a supplier or customer) of a company may **report, in a confidential and protected manner**, any possible **offences** encountered in the course of their activities.

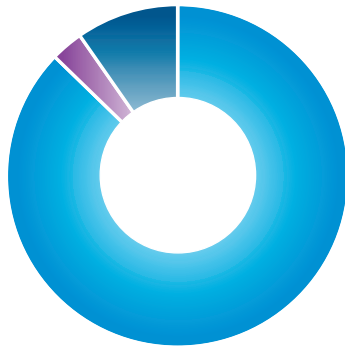
The **"whistleblower"** (reporter) is therefore a person working in a company (public or private) who decides to **report an offence**, fraud or danger that he/she has detected in the course of his/her work (or, in the case of a client, in the course of his/her experience as a client of a company).

Accordingly, **whistleblowing is the practice of reporting violations of laws or regulations, crimes and cases of corruption or fraud, as well as situations of danger to public health and safety.**

In addition to the intrinsic utility of preventing wrongdoing, the additional and valuable utility of whistleblowing is that of involving and raising awareness among citizens in the fight against illegality, empowering them and requiring their active participation to improve society.

3. FTE (Full Time Equivalent) defines the total workforce described in terms of 'persons employed full time' (e.g. 2 persons part time 50% = 1 person FTE).

|                          | 2022   |       |        | 2023   |       |        |
|--------------------------|--------|-------|--------|--------|-------|--------|
|                          | Men    | Women | Total  | Men    | Women | Total  |
| Total FTE employees      | 82.4   | 9     | 91.4   | 93.15  | 10    | 103.15 |
| Fixed-term employees FTE | 11.625 | 2     | 13.625 | 23.625 | 2     | 25.625 |
| Permanent employees FTE  | 70.775 | 7     | 77.775 | 69.525 | 8     | 77.525 |
| Full-time employees      | 80     | 9     | 89     | 90     | 10    | 100    |
| Part-time employees      | 2.4    | 0     | 2.4    | 3.15   | 0     | 3.15   |

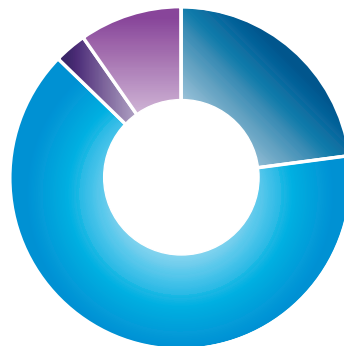


#### Part time - full time

|                          |          |
|--------------------------|----------|
| Full-time workers, men   | 90; 87%  |
| Part-time workers, men   | 3,15; 3% |
| Full-time workers, women | 10; 10%  |
| Part-time workers, women | 0; 0%    |

#### Type of contract

|                             |             |
|-----------------------------|-------------|
| Fixed term contracts, men   | 23,625; 23% |
| Permanent contracts, men    | 69,525; 67% |
| Fixed term contracts, women | 2; 2%       |
| Permanent contracts, women  | 8; 8%       |



There are no unemployed staff in the company; all workers have a fixed-term or open-ended contract.

Rototec also guarantees freedom of association to all personnel, informing its

employees about legally recognised forms of representation and maintaining open and transparent relations with the main trade union representatives.

## 7.7.1 Professional development and growth

In 2023 Rototec delivered a total of 978 hours of training.

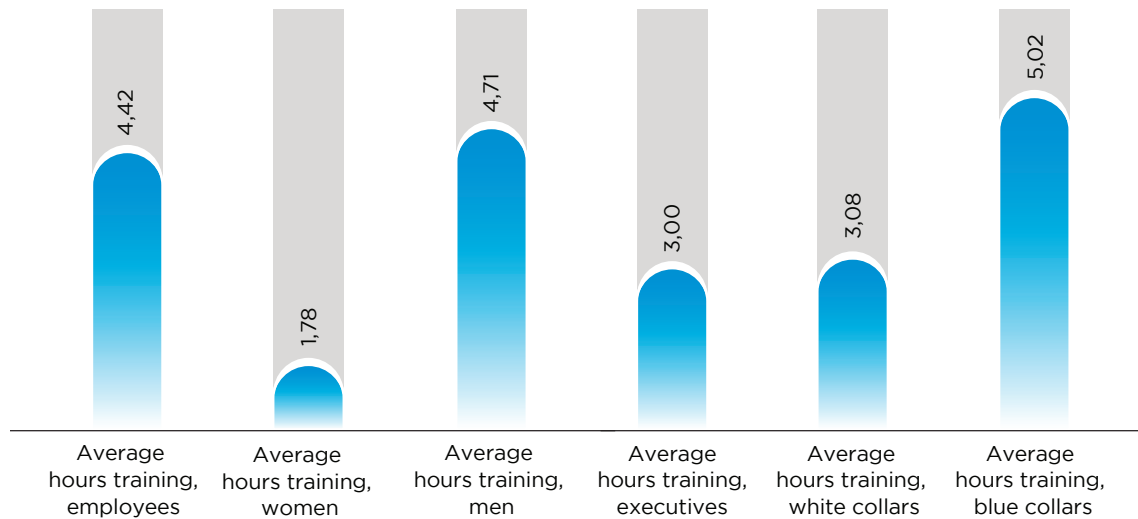
The hours are subdivided as follows: compulsory training under Leg. Dec. 81/08

Art. 36 and 37, Continuing Education updates, Administrative and Accounting Training, and Technical Training.

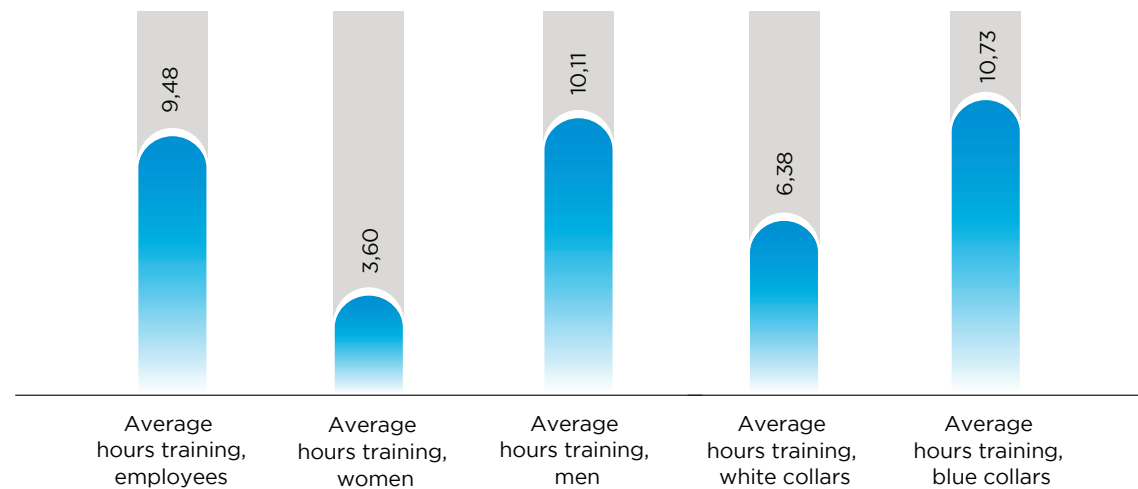
|                                | 2022 | 2023 |
|--------------------------------|------|------|
| Total Training Hours Delivered | 404  | 978  |

**Total training hours increased by 142.01% compared to the previous year.**

**Total average hours training and by category and gender 2022**

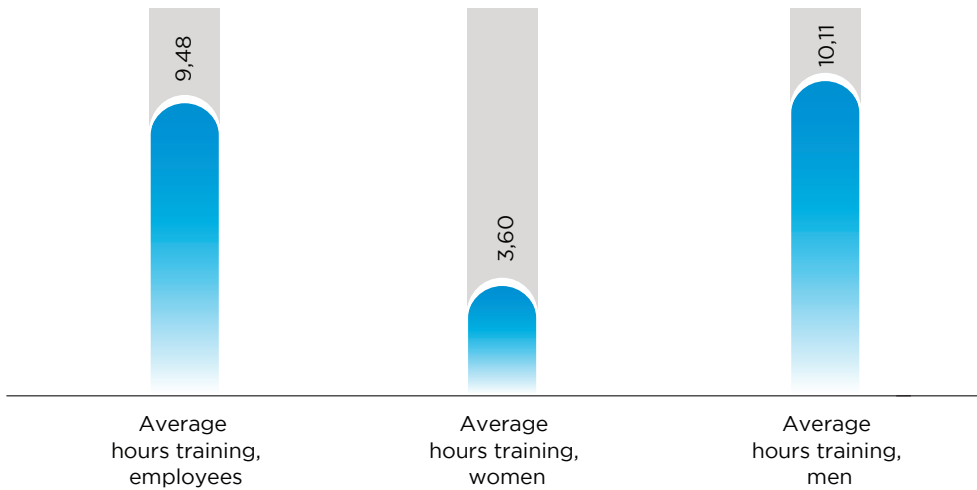


**Total average hours training and by category and gender 2023**



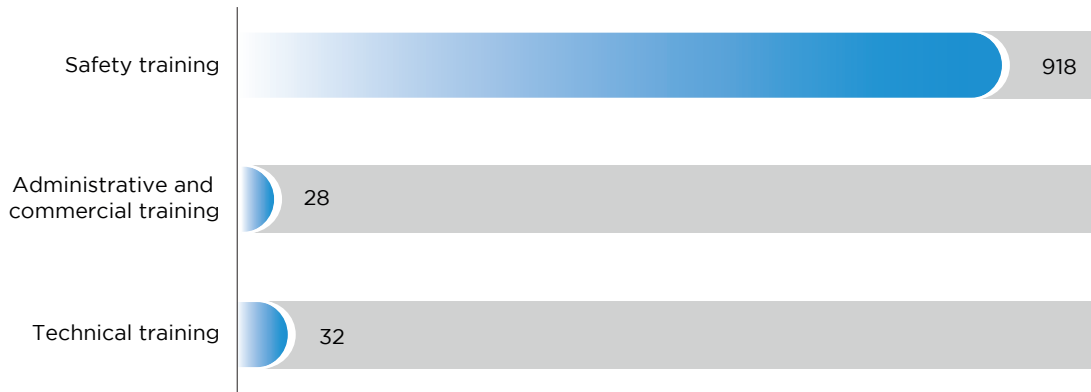


**Average hours training, men and women**



The table shows the different types of courses provided by Rototec. The number of employees involved is 50.

**Training by type of course 2023**



In 2023, the economic value of the training provided at Rototec was €19,422.97, an increase of 89.94% compared to the previous year.

|                                 | 2022       | 2023       |
|---------------------------------|------------|------------|
| Economic commitment to training | €10,225.75 | €19,422.97 |

**7.7.2 Turnover**

Turnover is defined as all people joining or leaving the company for a variety of reasons (retirement, dismissal, resignation, etc.). The table shows the inflow and outflow

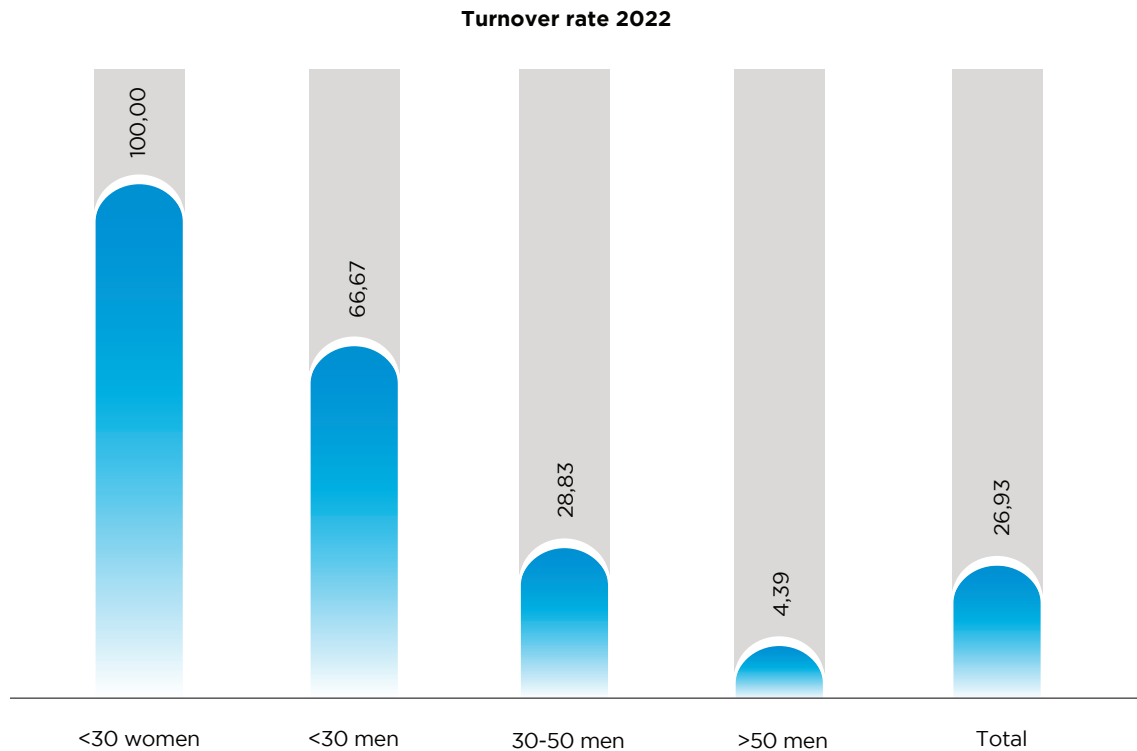
of employees by age group and gender. There were 38.625 recruitments and 26.625 terminations.



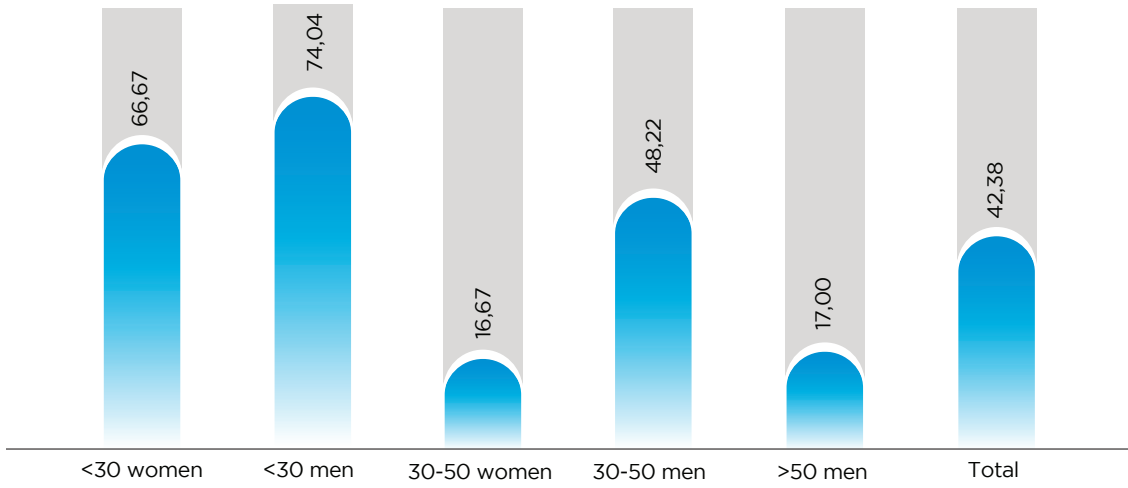
|               | Number at start of period |              | Recruitment |               | Redundancies |               |
|---------------|---------------------------|--------------|-------------|---------------|--------------|---------------|
|               | 2022                      | 2023         | 2022        | 2023          | 2022         | 2023          |
| < 30 women    | 2                         | 3            | 2           | 2             | 1            | 1             |
| < 30 men      | 12                        | 13           | 8           | 9.625         | 8            | 4             |
| 30 - 50 women | 7                         | 6            | 0           | 1             | 1            | 1             |
| 30 - 50 men   | 41.625                    | 45.625       | 12          | 22            | 6            | 17            |
| > 50 women    | 0                         | 0            | 0           | 0             | 0            | 0             |
| > 50 men      | 22.775                    | 23.525       | 1           | 4             | 1            | 3.625         |
| <b>Total</b>  | <b>85.4</b>               | <b>91.15</b> | <b>23</b>   | <b>38.625</b> | <b>17</b>    | <b>26.625</b> |

The criteria for assigning or granting benefits to staff do not concern the type of contract

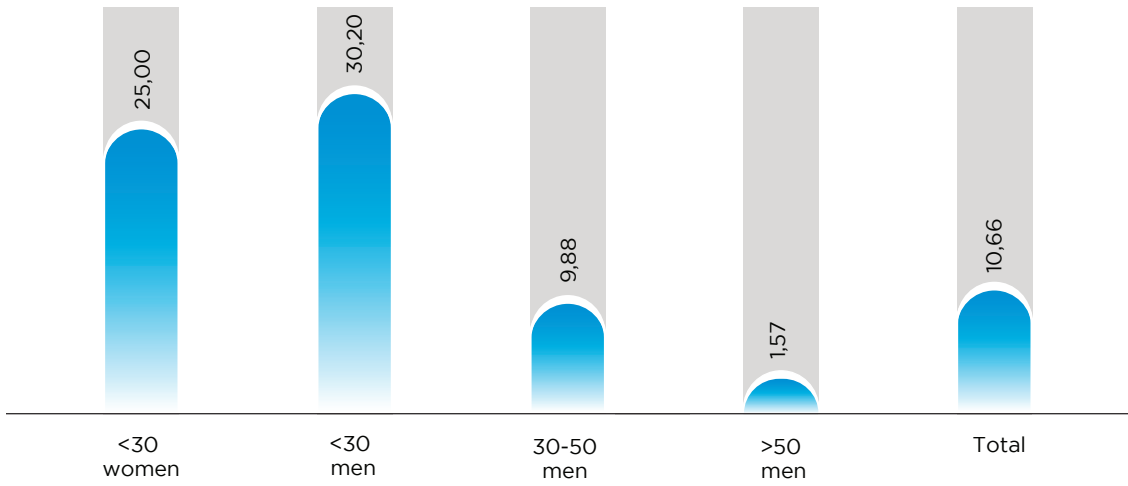
(fixed-term / open-ended, full-time / part-time and other paradigms such as gender and age).



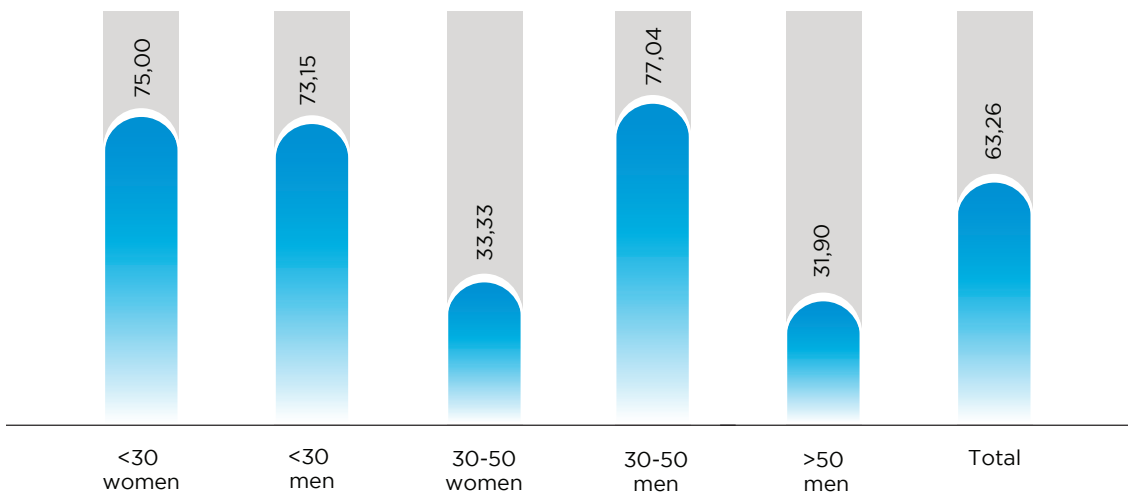
**Turnover rate 2023**



**Overall turnover rate (recruitments - redundancies)**



**Overall turnover rate (recruitments + redundancies)**



### 7.7.3. Parental leave

In 2023 at Rototec 5 men took parental leave as they were entitled to it, all of whom returned to work. One woman, having taken

parental leave in the previous year, returned to work after 12 months.

### 7.7.4. Equal Opportunities, Non-Discrimination

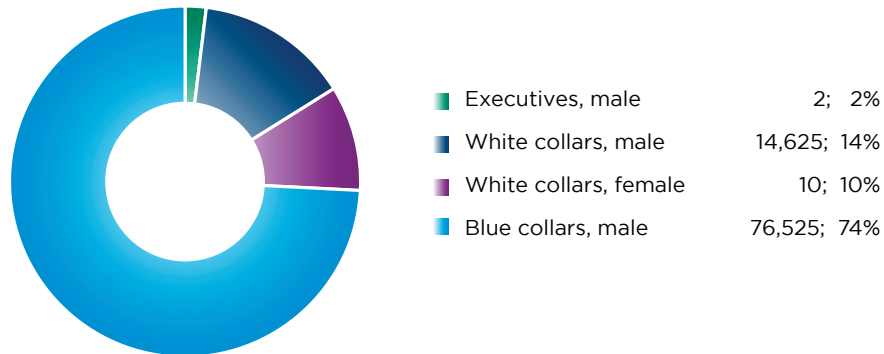
Rototec is a company with a limited female presence due to the type of work, which is predominantly aimed at a male workforce. The percentage of men and women in the company's workforce is consistent with the percentage of men and women who applied at the recruitment stage.

The remuneration of all persons employed in the company references the national

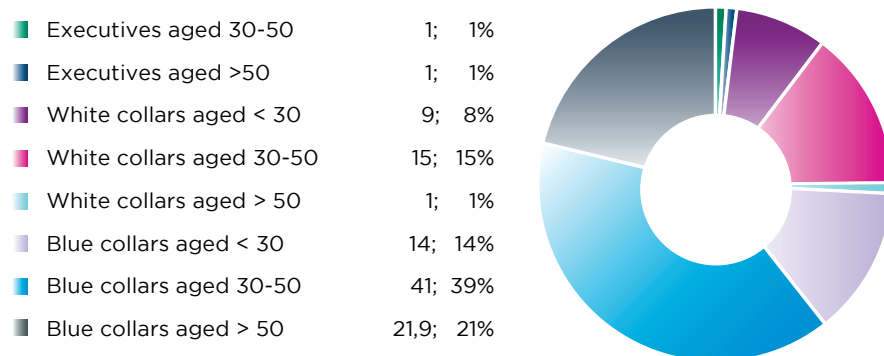
collective agreement for the category. Any other forms of remuneration are not affected by criteria such as gender or age.

The criteria for assigning or granting benefits to staff do not concern the type of contract (fixed-term / open-ended, full-time / part-time and other paradigms such as gender and age).

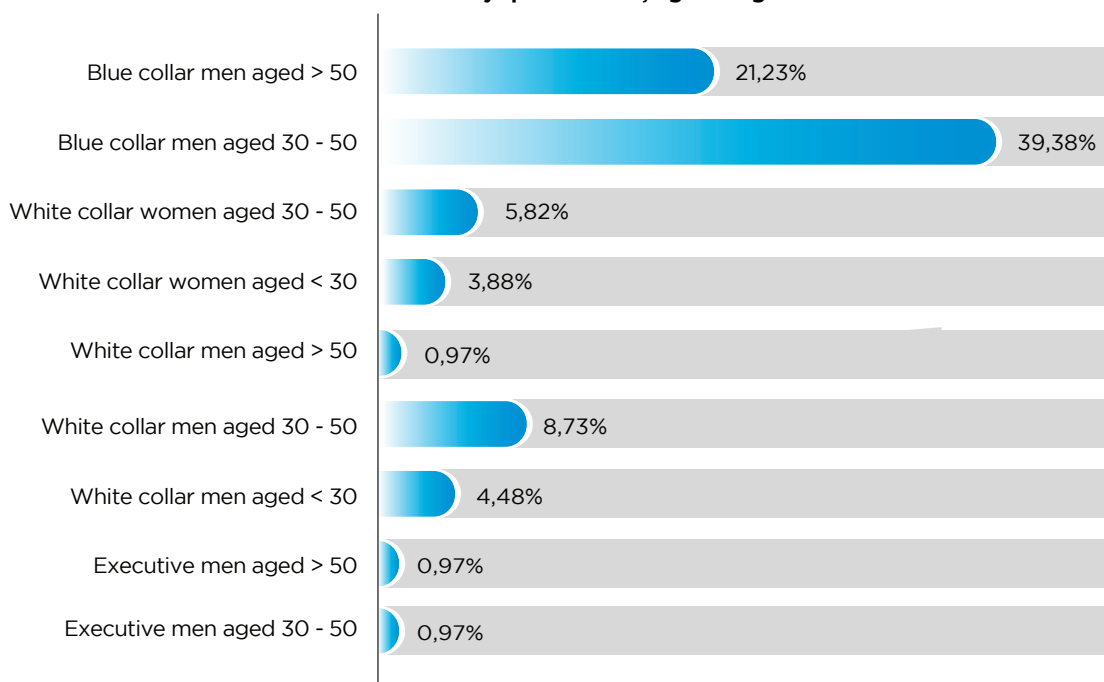
**Staff by qualification and gender**



**Staff by qualification and age range**



### Staff by qualification, age and gender



### Composition of the Board of Directors

|                    |       |   |  |
|--------------------|-------|---|--|
| Marina Boscarini   | >50   | F | Chair of the Board of Directors and Managing Director      |
| Mario Falconi      | >50   | m | Vice Chair of the Board of Directors and Managing Director |
| Emiliano Boscarini | 30-50 | m | Managing Director for Security                             |

### Non-discrimination

It is hereby declared that no incidents of discrimination based on race, colour, sex,

religion, political opinion or other forms of discrimination involving internal and/or external stakeholders occurred and were reported during the reporting period.

### Composition of governing bodies



|                             |           |
|-----------------------------|-----------|
| Directors, women aged > 50  | 1; 33,33% |
| Directors, men aged 30 - 50 | 1; 33,33% |
| Directors, men aged > 50    | 1; 33,33% |

## 7.7.5 Health and Safety at Work

### The occupational health and safety management system covers all persons working within its scope.

In 2023, the hours worked in Rototec were

**179,550.5** (158,311 in 2022), 13.4% more than in the previous year. Eight accidents occurred. The total days of absence due to accidents were 211, up from the previous year (88).

|   | 2021    | 2022    | 2023      |
|---|---------|---------|-----------|
| Hours worked                                  | 152,269 | 158,311 | 179,550.5 |
| Total number of days of absence due to injury | 61      | 88      | 211       |
| Total No. of accidents                        | 6       | 5       | 8         |
| Frequency Rate GRI / UNI 7249                 | 39.4    | 31.6    | 44.6      |
| Severity rate UNI 7249                        | 0.40    | 0.56    | 1.18      |
| Accident rate with serious consequences GRI   | 0       | 0       | 0         |
| Death rate                                    | 0       | 0       | 0         |

Note: 61 days were counted with reference to the accident to a temporary worker. The period from the date of the event until the date of expiry of the employment contract between the company and the agency was used as a reference.

In 2023, as in the previous year, accidents occurred in production and were identified as - *low severity* - (B). They were mostly caused by inattention, inappropriate behaviour or chance events (cuts, small fractures or minor injuries). It does not appear possible to identify a common reason or context. With regard to two minor injuries, one did not require reporting, and another related to an agency worker for whom reporting is a requirement of the staffing agency.

The company has taken steps to improve the level of employee safety by raising employee awareness, with new training and more in-depth training in the use of work tools (on cutting tools). This resulted in updating of the General Risk Assessment Document, which

envisages the constant renewal of workplace safety, with assessment of risks from physical and chemical agents, fire risk, health control, confirmation of the company doctor, updating of the emergency and evacuation plan, the declaration of conformity for the electrical and earthing systems, verification of the first aid/medication equipment, work equipment, plant and machinery, the use of personal safety devices, horizontal and vertical signs, periodic checks on fire extinguishers and hoses, fine dust measurements, the establishment of internal regulations, training and information (RLS refresher course, forklift truck driver refresher course, First Aid and Fire Fighting course and refresher course, Welders' course).

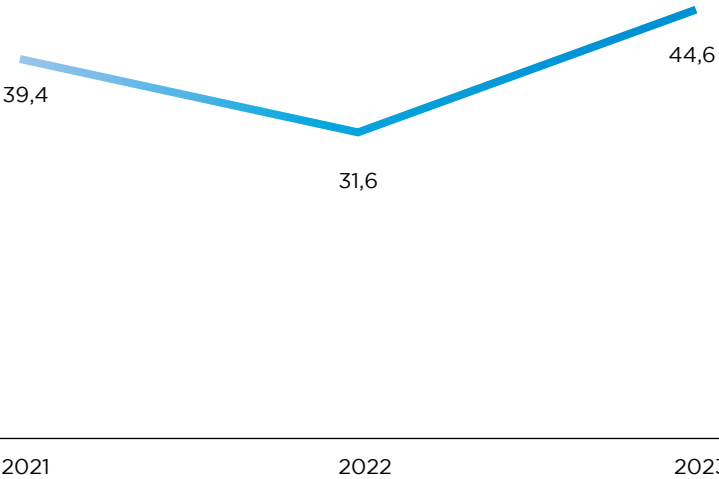
The Frequency Rate and Severity Rate increased compared to the previous year, albeit within decidedly good values.

**In 2021, 2022 and 2023 accidents with a prognosis of more than 180 days occurred in Rototec**

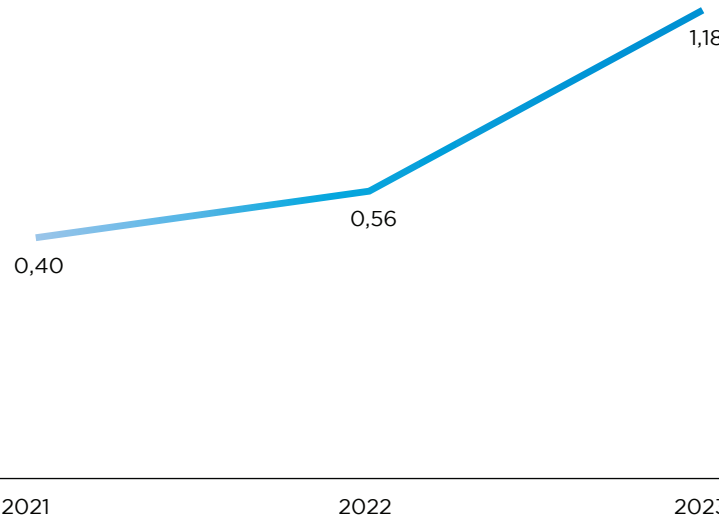
**In the years 2021, 2022 and 2023, there were no deaths due to accidents.**

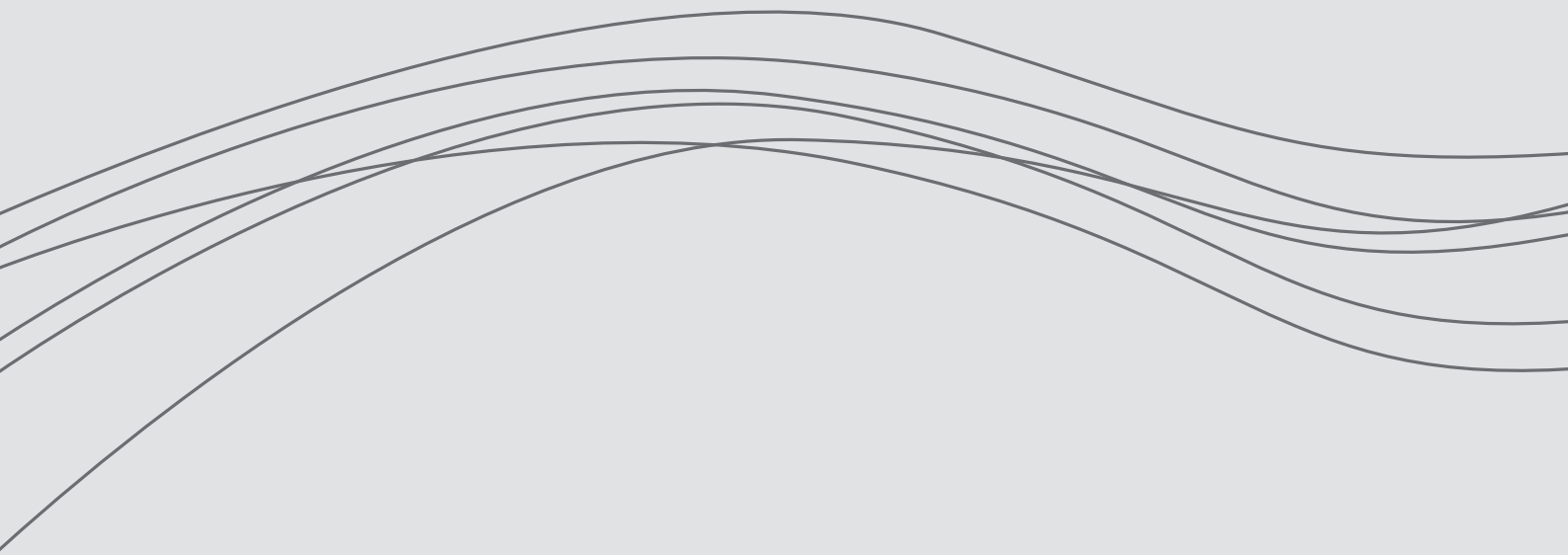
No cases of occupational diseases occurred or were reported.

**Calculating Frequency Rate GRI / UNI 7249**



**Calculation of the severity level UNI 7249**









 *Futura*



## 8.1. COMPANY PROFILE

### GRI Standard 2 - 1 / 6

Founded in 1991, Futura S.p.A is a well-established Italian company. It is highly specialised in the production and installation of manholes and fittings in HDPE and special components in HDPE and PP.

The operational headquarters is in Via Mattei, 15, 61026 Belforte all'Isauro (PU).

The daily commitment of the staff to solve the problems presented by their customers, the creation of different types of solution that have been followed from the design phase, the equipment with modern processing machinery and ongoing staff training, have led to the acquisition of high skills in the processing of plastic products and a significant technical growth of the company, which has allowed it to expand its fields

of activity even into sectors not related to piping, such as the construction of working boats, floating docks and service supply columns for marinas and marine applications. Futura provides systems to repair faults in operating pipelines, and, using a sustainable approach, the range of repair collars allows interventions on pipelines to avoid replacement and extend their working life. The technical, production and commercial synergies that are achieved with the companies in the System Group, of which it is a part, allow it to offer complete, homogeneous, integrated, coordinated and guaranteed options.

## 8.2. CORPORATE GOVERNANCE

### GRI Standard 2 - 9

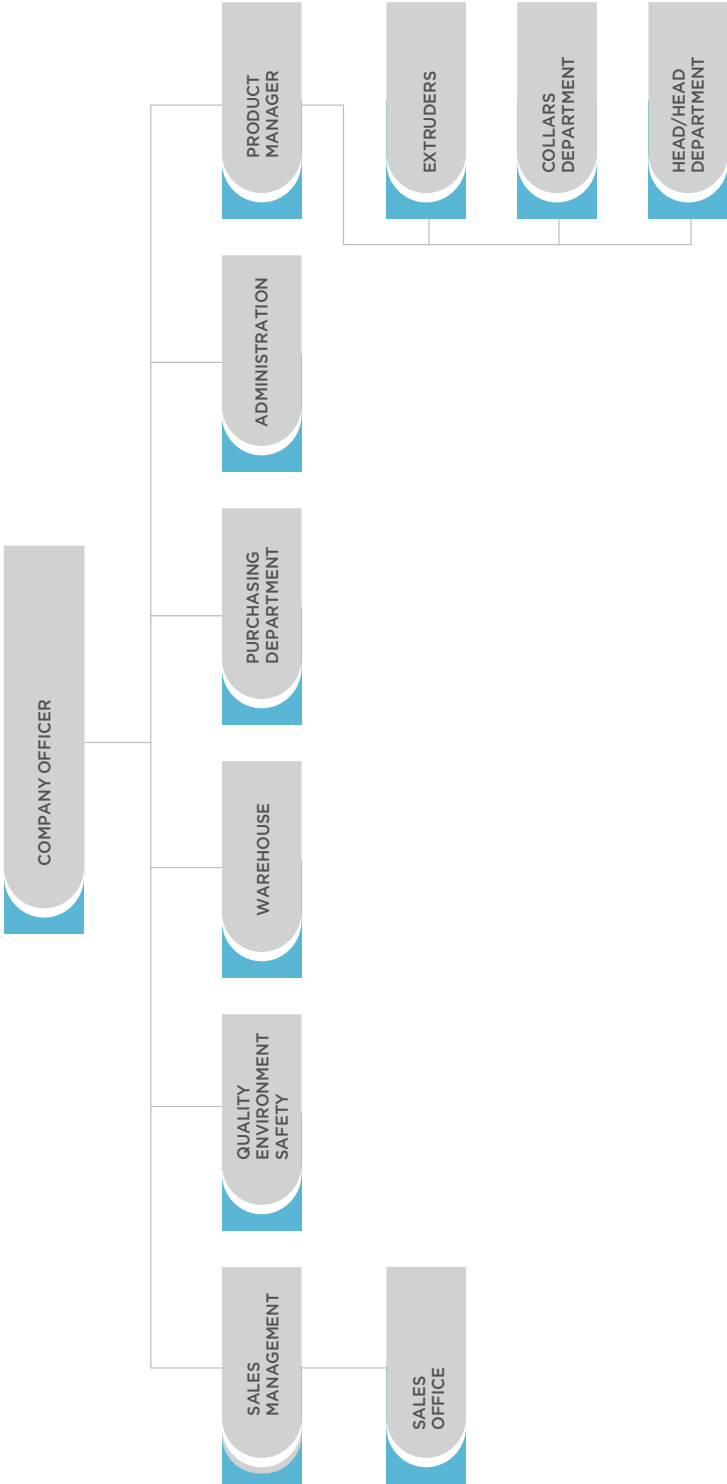
The Board of Directors consists of: Emanuele Boscarini (Chair and Managing Director), Emiliano Boscarini (Vice Chair and Managing Director), Andrea Romeo (Director).

The Board of Statutory Auditors consists of: Gabriele Grassi (Chair), Amedeo Raggi Decio (Full Auditor) and Loretta Ferri (Full Auditor).

During 2024, Futura will adopt Model 231 (ex Legislative Decree 231/2001), with the simultaneous appointment of the Supervisory Board and adoption of the Ethics Code.

Futura takes sustainability decisions independently.

# ORGANISATION CHART AS AT 31/12/2023



## 8.3. QUALITY MANAGEMENT AND CERTIFICATION

The company's Quality Management System complies with UNI EN ISO 9001 - 2015 and is certified by a third-party body. The various

products bear quality seals from national and international bodies (Applus; SII - Standards Institute of Israel).

## 8.4. THE SIGNIFICANCE OF IMPACTS

### GRI Standard 3 - 3

Among the actual and potential impacts to be taken into account, also in terms of risks, environmental ones are not considered particularly relevant and above all urgent. Unlike the other organisations, the significance of the energy impact area was considered medium.

Ethics and business performance are considered to be a priority. Emissions must be kept under control and reduced, in line with what can be achieved given recent European regulations on the subject.

Waste management and water resource management are considered marginal while complying with mandatory regulations.

In terms of social sustainability, occupational health and safety remains in the foreground along with training.

Anti-corruption and anti-discrimination safeguards are other issues identified as relevant.

On the economic side, Distributed Value and

investments are the main focuses.

Economic and financial management will be an increasingly important issue, especially in terms of resilience in the face of ongoing socio-economic and environmental changes.

The Group's due diligence on sustainability for the period 2023 revealed that the significance of impacts for Futura corresponds to the table below. In relation to the source (GRI Standard), only the number is indicated. At the beginning of the sections and in the index of GRI references, the disclosure numbers are also indicated.

All impacts pertaining to the various areas have been treated as indicated in the Methodological Note and the Index of GRI References. The management of certain impacts or areas of impact is described in Chapters 1 and 2.

However, all material topics are reported regardless of their relevance.

| Area of impact                                | GRI Standard      | Significance value |
|---|-------------------|--------------------|
| Economic performance                          | 201               | High               |
| Ethics and Anti-Corruption                    | 205               | Medium             |
| Materials management and recycling            | 301               | High               |
| Energy  | 302               | Medium             |
| Emissions                                     | 305               | Medium             |
| Waste Management                              | 306               | Low                |
| Water resource management                     | 303               | Low                |
| Workforce management (employment and welfare) | 2 (7 / 8) and 401 | Medium             |
| Health and safety at work                     | 403               | High               |
| Training and professional development         | 404               | Medium             |
| Diversity and equal opportunities             | 405               | Medium             |
| Non-discrimination                            | 416               | Medium             |
| Customer health and safety                    | 406               | Medium             |
| Customer privacy                              | 418               | Low                |

## 8.5. THE SOCIO-ECONOMIC CONTEXT

### GRI Standard 201 - 1 / 4

In 2023, Futura S.p.A. reported a profit for the year of **€2,815,758** an increase of **243%** compared to 2022 (€820,716).

As at 31.12.2023, Futura's balance sheet showed total shareholders' equity of **€8,182,286** an increase of **52.46%** over 2022 (€5,366,527).

The Value of Production in 2023 is **€17,043,510**; while in 2022 it was €10,411,101.

In legal terms, the company is controlled by Centrotubi S.p.A..

In 2023, Futura set itself two ambitious challenges:

- the first, to achieve a growing budget while facing an increasingly complicated

geopolitical situation (the continuation of the Russian-Ukrainian conflict with the addition of the Israeli-Palestinian conflict), which has continued to generate increases in the costs of energy and raw materials that are not always available, in addition to the inexorable rise in transport costs;

- the second, to consolidate a new technical-commercial team whose members have completely renewed assignments and who in some cases are new to the market sector.

Futura was able to respond effectively and reach all the expected results by achieving a turnover in excess of € 17 Mln, 30% over budget, across all market segments: Italy Business - Italy Retail - but especially

abroad. More specifically, important business management activities were perfected that allowed precise control of warehouse purchases and market sales prices. By monitoring these strategic areas, it was possible to build a steady growth in margins, contributing positively to the economic result. In detail, the activities pursued are:

- Monitoring of daily margins and orders;
- Weekly monitoring and trends of sectors and products;
- Review of pricing policy for each individual product;
- Management of price fluctuations on valuations and inventories;
- Management of strategic suppliers.

The market responded well to the activities undertaken by generating a steady flow of negotiations that were passed into the order portfolio for all products. The main staple categories (Manholes - Shaped Fittings - Repair Collars) were confirmed as the driving force behind turnover and margins, and a new product, the 'NRG sleeve joint', which generates a good margin, was created. In addition, two major projects involving different company production areas (Head/Head and Extruders department) were developed, which generated 37% of the turnover volume. These, together with productivity and purchasing management policies, contributed to the economic result. 2023 was, therefore, a markedly positive year in terms of both margins and productivity with growth achieved in all manufacturing departments: Extruders +77%, Heads/heads +72%, Presses +17%.

There was no lack of internal projects involving the different Areas: *the Industrial Area* (with training in all departments,

continuous improvement activities, management and monitoring, etc.); *the Commercial Area* (with strategic review of the entire portfolio, strategic partnership with Deriplast on the dredging and fittings sector, Lean office, etc.) and *the Digital Area* (with greater product visibility through the Digital strategy, creation of a dashboard for company performance analysis).

Futura continued its research and development activities by implementing development of the Marine Division with the application for a patent entitled: "*Marine Electrode and Marine Electrode Support Frame*".'

## RISKS

**Credit risk:** the company, operating mainly with loyal customers, does not present this category of risk. With new customers, it is standard practice to carry out all the checks required.

**Liquidity risk:** regular checks and analyses are carried out to keep assets and liabilities monitored.

**Market risk:** the company does not operate with countries at risk of default and is not exposed to currency risks.

**Corporate evolution and objectives:** The company's main objective is to safeguard margins and market share with a focus on niche and foreign markets. Controls on important expenditure lines were tightened and cost containment policies implemented. However, uncertainty will undoubtedly persist at least through 2024. Fortunately, energy and raw material costs have decreased, but attention must remain high due to uncertain macroeconomic scenarios.

## VALUE GENERATED - VALUE DISTRIBUTED - VALUE RETAINED

Value Added is a measure of the wealth that an economic entity realises using production factors and how that wealth is distributed among the main stakeholders.

This document does not include the profit and loss and balance sheet statements already prepared and included in the annex to

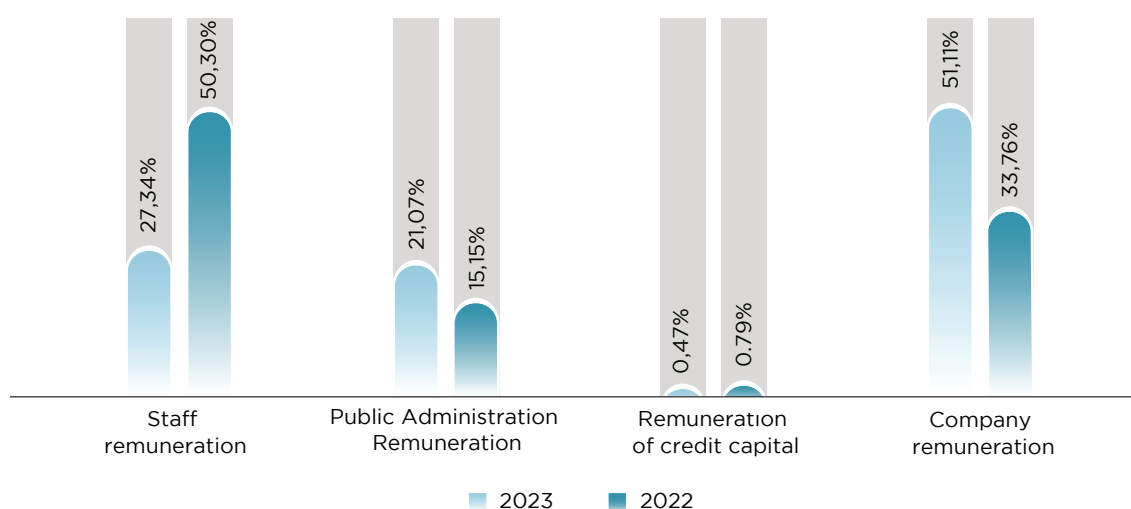
the Annual Report 2023. The Economic Value Generated (Gross Value Added generated by the enterprise) and the Economic Value Distributed (Value Added Distributed) to stakeholders are also described.

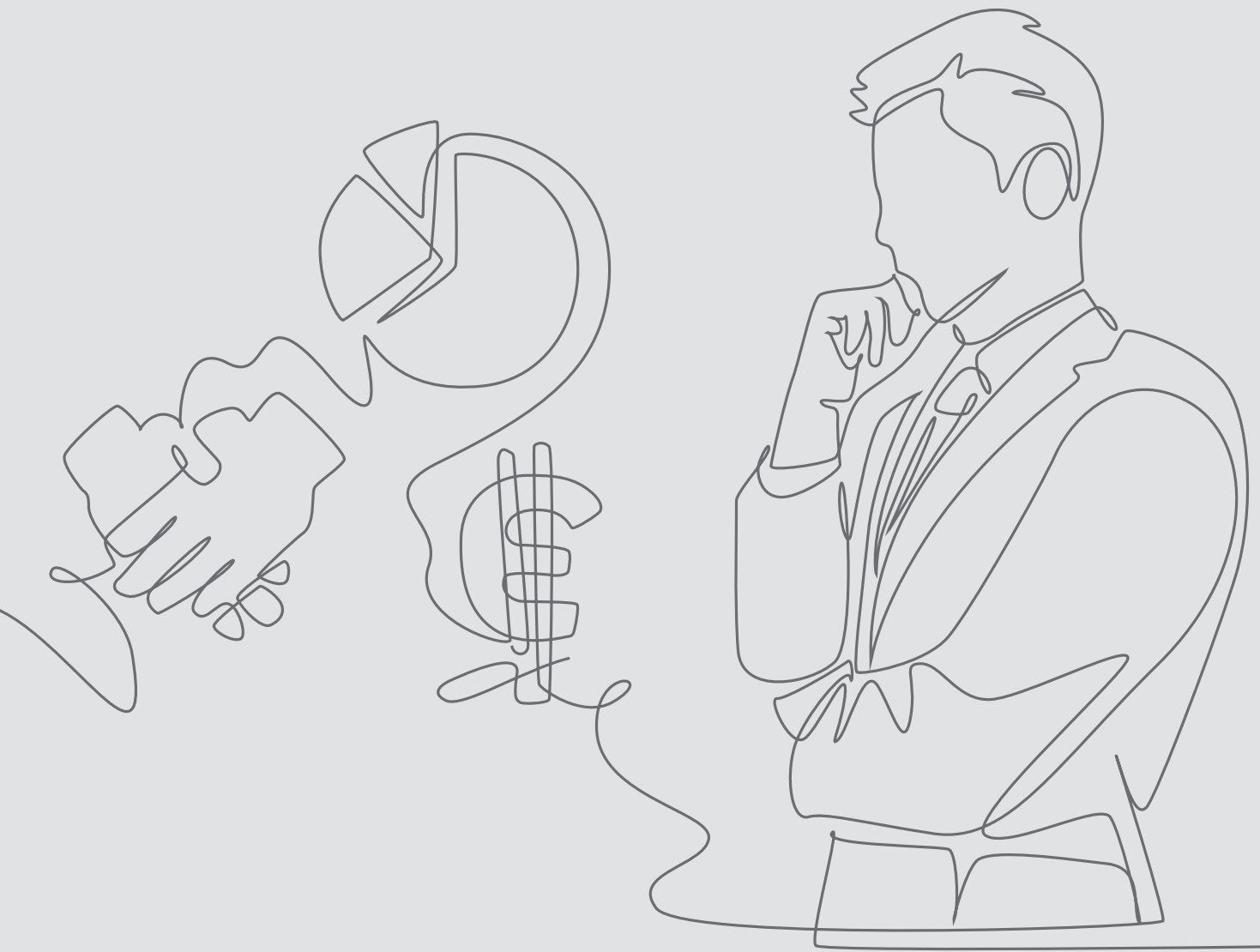
The Retained Value is obtained by subtracting the Value Distributed from the Value Generated.

| Determination of Net Global Added Value in Euro | 2023        | 2022       |
|---|-------------|------------|
| Overall value of production                     | 17,043,510  | 10,411,101 |
| Intermediate costs of production                | -11,313,233 | -7,752,489 |
| Gross characteristic value added                | 5,730,277   | 2,658,612  |
| Ancillary management                            | -41,494     | -74,352    |
| Global gross value added                        | 5,688,783   | 2,584,260  |
| Depreciation                                    | -179,675    | -153,434   |
| Global net value added                          | 5,509,108   | 2,430,826  |

| Breakdown of Global Net Value Added | 2023       | %      | 2022       | %      |
|-------------------------------------|------------|--------|------------|--------|
| Global net value added              | 5,509,108  | 100%   | 2,430,826  | 100%   |
| Staff Remuneration                  | -1,506,192 | 27.34% | -1,222,614 | 50.30% |
| Public Administration Remuneration  | -1,161,032 | 21.07% | -368,278   | 15.15% |
| Remuneration of credit capital      | -26,126    | 0.47%  | -19,218    | 0.79%  |
| Company remuneration                | 2,815,758  | 51.11% | 820,716    | 33.76% |

Breakdown of Global Net Value Added 2022 and 2023

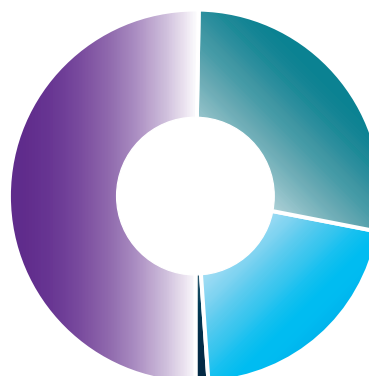






### Breakdown of Global Net Value Added in 2023

|   |                |
|---|----------------|
| ■ Staff Remuneration                        | -1.506.192,00€ |
| ■ Remuneration of the Public Administration | -1.161.032,00€ |
| ■ Remuneration of credit capital            | -26.126,00€    |
| ■ Company remuneration                      | 2.815.758,00€  |



### COSTS, AID AND SUBSIDIES

During 2023, Futura benefited from the following government subsidies.

| Measure    | Project name  | Amount    |
|------------|---|-----------|
| Aid scheme | Training 4.0 tax credit   | €6,118.00 |
| Aid scheme | Facilities for companies with high electricity and gas consumption. | €7,458.35 |

During 2023, Futura received the following government subsidies.

| Measure   | Project Name  | Aid Element |
|---|---|-------------|
| Training 4.0 tax credit   | Training 4.0 tax credit   | €4,876.00   |
| Automatic tax measures and non-repayable grants to support businesses and the economy                 | Recovery interest declared in the "Exceeding limits in section 3.1 and 3.12 of the temporary framework" section of the "tf-covid19 self-declaration". Deduction of recovery interest from Sect. 3.1 post 27/01/2021 | €80.00      |
| Tax exemptions and tax credits adopted following the economic crisis caused by the COVID -19 epidemic | Provisions on the payment of IRAP (Italian Regional tax on manufacturing activities)  | €11,331.00  |

### INVESTMENTS

In 2023, Futura invested in order to pursue its goals of production efficiency and reduction of its impact on the environment through investments in several sectors, from the strictly technological-manufacturing sector to operator safety, process improvement and energy efficiency.

### PRODUCTION AND WAREHOUSES

Purchase of laboratory machinery, the benefits of which will lead to improved production processes and greater operator safety.



## WORKER SAFETY

Futura maintains its commitment to guaranteeing safety through the continuous renewal of workplace safety, with the evaluation of risks for physical and chemical agents, fire risk, atmospheric emissions, acoustic impact assessment, health surveillance, updating of the emergency and evacuation plan, periodic verification of the first aid/medication package, of work equipment, plant and machinery, the adoption of individual safety devices including category three for confined spaces,

horizontal and vertical signs, periodic checks of fire extinguishers and sprinkler hoses, measurement of fine dust, the establishment of internal regulations, staff training and information.

## DIGITISATION

Drafting of the Digital Plan took place, with creation of Dashboards to monitor and analyse company performance. The DiBa/ technical drawings automation system was developed.

## MAJOR INVESTMENTS IN 2023

| Amount in € | Description of investments | E | S | G |
|-------------|----------------------------|---|---|---|
| 125         | Licences                   |   |   | x |
| 15,200      | Equipment                  |   | x |   |
| 2,520       | Office machines            |   |   | x |
| 69,950      | Plant and machinery        |   | x | x |
| 224,999     | Equipment                  |   |   | x |
| 225,000     | Moulds                     |   |   | x |

## 8.6. CARING FOR THE ENVIRONMENT

**GRI Standard 3 - 3**

**GRI Standard 301**

**GRI Standard 302 - 1 / 2 / 3**

**GRI Standard 303**

**GRI Standard 305**

**GRI Standard 306**

The environmental impacts of Futura are connected to fossil fuel consumption necessary for the manufacturing processes and for transport of goods, resulting emissions, use of plastics, water and waste management.

This energy consumption does not have a particular economic significance. The company operates in the field of storm water and waste water management. It also provides solutions for the nautical sector and manufactures products for

hydraulic, construction and civil engineering applications, also in the nautical field. As far as materials are concerned, Futura is committed to using as much recycled plastic as possible by entering into stable agreements with its suppliers, but the type of process and product do not allow the large-scale use of recycled materials. Water consumption is optimised and kept under control although water management does not have a major impact. Waste is managed in compliance with

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Futura declares that it does not have any litigation and has not faced any fines or other penalties for non-compliance with environmental laws and regulations.

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statutory regulations and with the utmost commitment to the recycling of materials.

## 8.6.1 Management of energy and emissions

The manufacture of Futura's products is not particularly energy-intensive. As far as electrical energy is concerned, most of the consumption is determined by the welding of pipes and special pieces with butt welding technology and of manholes and sheet-formed elements by means of manual extruders. Electricity use comes from grid withdrawals and photovoltaic self-generation, which covers about 30% of the total electricity demand. The photovoltaic system produced 79,436.4 kWh in the year 2023, of which 26,878.0 kWh were fed into the grid and 52,558 kWh were consumed in house. With regard to the feeding into the grid of self-produced electricity that is not consumed in house, Futura has signed an agreement with the GSE no. JO4129621807, granting incentive tariffs for electricity produced by photovoltaic conversion of sunlight. The value of the incentive for 2023 amounts to €38,518.20. Diesel fuel is used to fuel combustion engine forklifts, for the service cars used by company

staff and for the service vehicles on the construction site. Natural gas is taken from the grid; it is used for space heating and domestic hot water production. Energy consumption related to the transport of goods and products is a particularly significant item. Consumption for employees' home-work journeys was also taken into account. The company has not implemented any particular measures to reduce energy consumption or emissions.

### **THE COMPANY DOES NOT PRODUCE, IMPORT OR EXPORT ODS.**

ODS (Ozone Depleting Substances) are those substances that contribute to depleting the ozone layer in the atmosphere. They include, for example, chlorofluorocarbons (CFCs), hydrochlorofluorocarbons (HCFCs) and halon. The following is an overview of Futura's 2023 energy consumption.



| Energy consumption   | Quantity in MJ       |
|--|----------------------|
| Diesel   | 546,905.52           |
| Methane  | 891,388.98           |
| <b>Total energy from fuels (all fossil) - Area 1</b>         | <b>1,438,294.50</b>  |
| Imported electricity - area 2                                | 448,081.20           |
| Self-consumed electricity*                                   | 189,210.10           |
| Electricity sold to the grid*                                | 96,759.50            |
| <b>Total electricity consumed by the organisation</b>        | <b>637,291.30</b>    |
| <b>Total energy from external fuel (all fossil) - Area 3</b> | <b>30,050,348.15</b> |
| <b>Total energy consumption</b>                              | <b>32,125,933.95</b> |

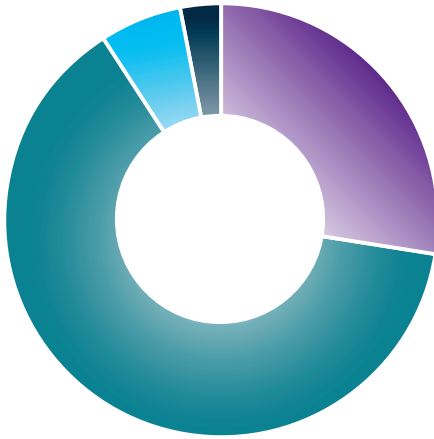
\* Data from internal self-readings of official meters tend to be consistent with data extrapolated from the GSE portal.

Futura greenhouse gas emissions are derived from electricity and fossil fuel consumption. Emissions from fossil fuels outside the organisation (area 3) are estimated by taking into account:

- the transport of incoming finished and semi-finished products;
- the transport of finished products to the destination site;
- the consumption of company service cars, the service vehicle and internal handling vehicles;
- employees' home-work journeys.

| Emissions                                    | Quantity in t CO <sub>2</sub> eq |
|--|----------------------------------|
| From domestic fossil fuels - Area 1          | 90.78                            |
| From EE location based - Area 2              | 32.50                            |
| From EE market based - Area 2                | 62.30                            |
| From external fossil fuels (Area 3)          | 2238.08                          |
| <b>Total emissions location-based method</b> | <b>2,361.36</b>                  |
| <b>Total emissions market-based method</b>   | <b>2,391.17</b>                  |

### Area 3 emissions



- Upstream road transport 28,00%
- Downstream road transport 64,08%
- Downstream transport by ship 5,69%
- Employee commuting 2,24%

For Futura, considering the complexity of the products and the diversity in their range, it was decided to provide data on energy and emission intensity by relating consumption and emissions to the value of production. The

total production value is calculated as the sum of the compliant products registrations on the company management database in the year under analysis. The figures for 2023 are given below.

| Value of production in € | Energy intensity         |                  | Emission intensity                                 |                    |
|--------------------------|--------------------------|------------------|--|--------------------|
|                          | Energy consumption in MJ | Energy intensity | Emissions in t CO <sub>2</sub> eq (location based) | Emission intensity |
| 6,261,277                | 32,125,933.95            | 5.131            | 2,391.17   | 0.0003771          |

## 8.6.2 Water

| Operation                          | Quantity in m <sup>3</sup> |
|------------------------------------|----------------------------|
| Withdrawal from the water network* | 153                        |
| Estimated domestic sewage water    | 150                        |
| Estimated water consumption        | 3                          |

\* Value estimated from local water service provider invoices

According to GRI standards, the quantity of water is to be calculated in megalitres (MI). One MI is equal to 1,000,000 litres or 1,000m<sup>3</sup>.



### 8.6.3 Material Management

Respecting the environment, Futura attaches great importance to the quality of materials chosen for its production and to recovery of processing waste and other material that has reached the end of its life cycle. It recovers waste from production processes, sorts it and delivers it as by-products to third-party companies to obtain high-performance materials.

Wooden materials are to be considered

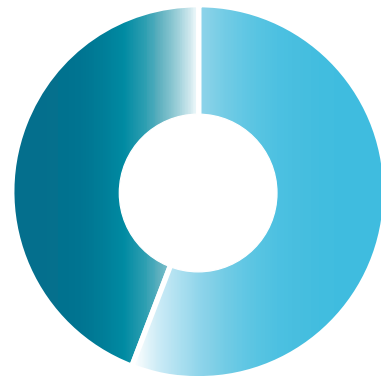
Futura does not carry out significant product and packaging material recovery activities.

renewable, for the rest, the materials used to manufacture and package Futura products are non-renewable.

The overview of material management is given below.

| Raw materials purchased in 2023 (quantity in t)   |        |
|---|--------|
| Virgin polyethylene                               | 15,900 |
| Recycled polyethylene                             | 12,500 |
| Total plastics                                    | 28,400 |
| Percentage of recycled plastics to total for 2023 | 44%    |

- Virgin polyethylene 12.500; 44,01%
- Regenerated polyethylene 15.900; 55,99%



| 2023 Packaging and other - Type   | U. M.  | Quantity  |
|---|--------|-----------|
| PE moulded fittings for pressure applications: caps, stubs, crosses, bends, elbows, reductions, tees  | pieces | 29,251    |
| PE moulded fittings for non-pressure applications: sockets, spacers, sleeves, reductions, tees  | pieces | 54,554    |
| Pvc fittings and special pieces: risers, elbows, bends, shunts, plugs, inspection hatches, sleeves, single joints, reductions, siphons, caps, tees  | pieces | 17,175    |
| Electrowelded fittings for polyethylene pipes: caps, collars, elbows, sleeves, reductions, tees   | pieces | 65,643    |
| PP and PE compression fittings and plug&play  | pieces | 34,082    |
| Plastic-coated metal fittings: transition fittings, bracket sockets and adapters  | pieces | 5,356     |
| Stainless steel and cast iron components: fire-fighting boxes, shunt collars, intake and repair collars, couplings, coupling assemblies, hydrants, gate valves, operating rods, vents, tees, butterfly and check valves, manholes | pieces | 2,499     |
| Flanges: steel, aluminium, PP-coated steel  | pieces | 7,930     |
| Moulded modules for polyethylene drainage manholes: bases, gully traps for fire breaks, cones, monobloc chambers, extensions  | pieces | 9,707     |
| Structured polyethylene and polypropylene pipes for drainage applications: corrugated and spiral  | m      | 7,744     |
| Solid-wall polyethylene pipes   | m      | 40,121    |
| Rubber and epdm* rubber components: compensating joints, universal joints, pipe gaskets, gaskets with plate for repair collars, gaskets for couplings, plug balls   | pieces | 346,823   |
| Drainage channels: channels, viaduct channels, gratings, accessories for channels   | pieces | 5,650     |
| Welding components  | pieces | 817       |
| Hardware: bolts, bearings, nuts, cup mills, hooks, eyebolts, bolt kits, profiles, iron tubes, knobs, washers, screws  | pieces | 1,066,411 |
| Nautical: supply columns, floats, buoys, pontoons and accessories   | pieces | 708       |
| Polyethylene and polypropylene sheets   | pieces | 461       |
| Wooden packaging  | pieces | 10        |
| Electrical components   | pieces | 381       |
| Other: warning tapes, bentonite seals, cleaning agents  | pieces | 1,199     |

\* Synthetic rubber with good weathering, ozone and water resistance properties. EPDM rubbers are a family of synthetic rubbers of group M according to DIN/ISO 1629 and ASTM D 1418-19 classification.



## 8.6.4 Waste Management

Futura pursues good practices to minimise paper waste from advertising material, technical and commercial documentation through a process of educating customers and users of its products and a project to digitise information that is made available and constantly updated on its corporate website.

Waste is registered and monitored using

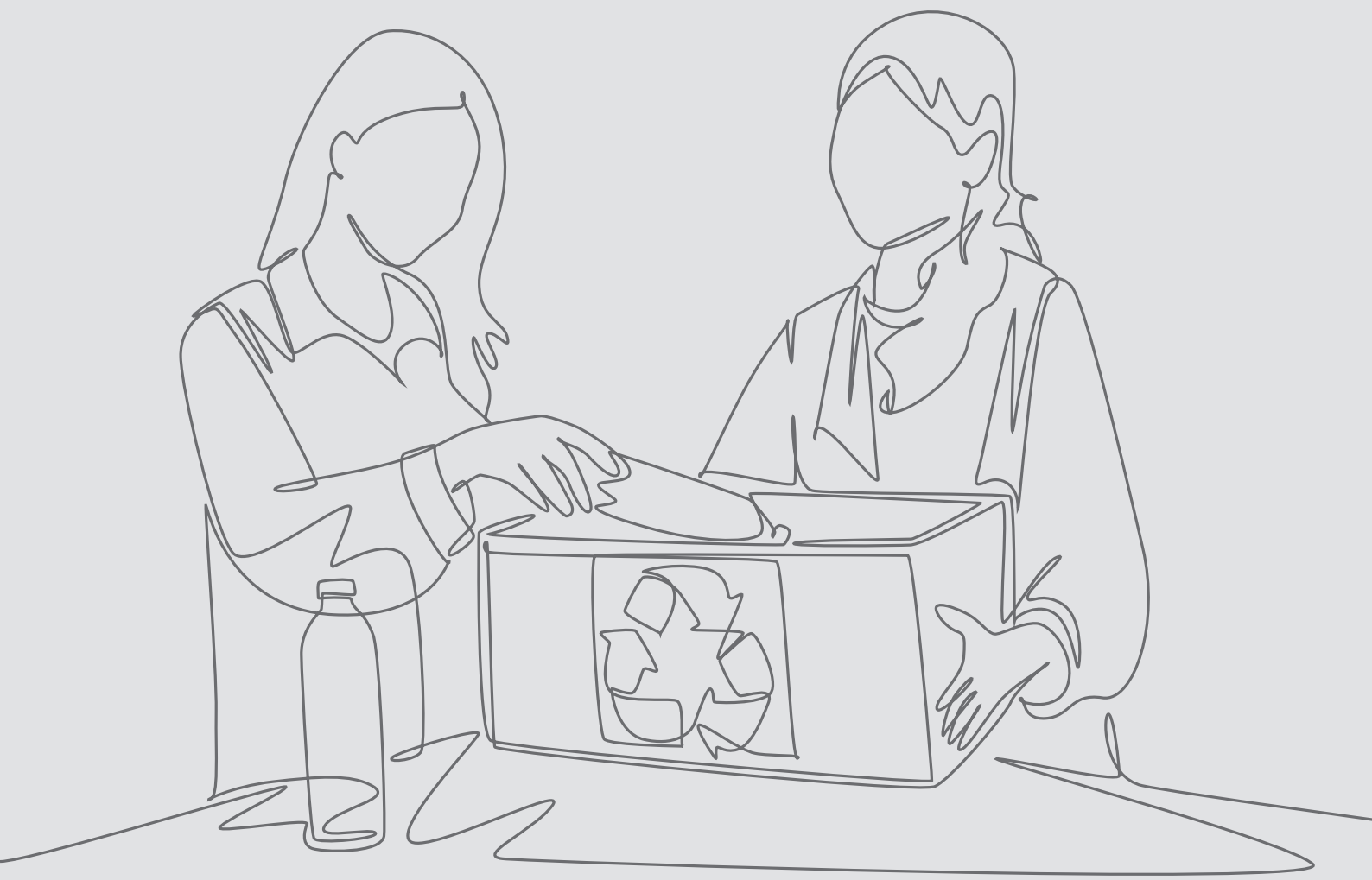
loading and unloading registers and supporting programmes for the management of movements and stock, drawn up in accordance with current regulations. The Environmental Declaration Form (MUD) is submitted annually.

Futura delivers polyethylene and polypropylene waste and scrap for recycling to Pebo.

| Hazardous waste sent for recycling or recovery (EWC code)  | Quantity in kg | Destination |
|--|----------------|-------------|
| 08 01 11* waste paints and varnishes containing organic solvents or other dangerous substances   | 160            | R13         |
| 15 01 10* packaging containing residues of or contaminated by dangerous substances   | 150            | R13         |
| 15 02 02* absorbents, filter materials (including oil filters not otherwise specified), cloths and protective clothing, contaminated with hazardous substances | 40             | R13         |
| 12 01 09* emulsions and solutions for machinery, not containing halogens   | 60             | R13         |
| <b>Total hazardous waste not sent for disposal</b>   | <b>410</b>     |             |

| Non-hazardous waste sent for recycling or recovery (EWC code) | Quantity in kg | Destination |
|---|----------------|-------------|
| 12 01 05 plastic filings and shavings                         | 43,570         | R3          |
| 15 01 01 paper and cardboard packaging                        | 2,820          | R13         |
| 15 01 03 wooden packaging                                     | 5,560          | R13         |
| 15 01 06 mixed material packaging                             | 14,060         | R13         |
| Total hazardous waste not sent for disposal                   | 66,010         |             |
| <b>Total waste</b>  | <b>66,420</b>  |             |





## 8.7. CARING FOR OUR PEOPLE

**GRI Standard 2 - 7 / 8 / 30**

**GRI Standard 401**

**GRI Standard 403 - 8 / 9 / 10**

**GRI Standard 404 - 1 / 2**

**GRI Standard 405**

**GRI Standard 406**

**GRI Standard 407**

Futura cares about its employees and operates in strict compliance with occupational health and safety regulations through scrupulous control and management systems. Those who work for Futura must feel safe, respected, protected: that is why the company is committed to the highest standards in terms of recognising the human and civil rights of employees and collaborators. The company relies on people to achieve its objectives: working in the company means embarking on a path of personal and professional enrichment that enhances the employee's aptitude profile and skills, while allowing a balance between work and private life. Futura has taken this direction by creating a stimulating working environment, based on dialogue and confrontation, induction paths that encourage learning and reward employees' commitment

and adherence to company values.

Futura's training policy is therefore to train as many people as possible in all welding standards required in the sector (UNI 9737 - UNI EN 13067) to ensure maximum professionalism.

Moreover, like all System Group companies, it is strongly linked to the territory and its people, which is why it constantly works to enrich the economic, intellectual and social heritage of the area in which it operates.

Futura has adopted the regulations relating to *Whistleblowing*<sup>1</sup>.

In 2023 the total number of employees was **29.375** predominantly men. 76.17% of employment contracts are permanent and 95.3% of employees have a full-time contract.

**Information on employees** (their number is calculated as Full Time Equivalent persons)<sup>2</sup>.

---

1. **Whistleblowing is a fundamental corporate compliance tool**, through which employees or third parties (e.g. a supplier or customer) of a company may **report, in a confidential and protected manner**, any possible **offences** encountered in the course of their activities.

The **"whistleblower"** (reporter) is therefore a person working in a company (public or private) who decides to **report an offence**, fraud or danger that he/she has detected in the course of his/her work (or, in the case of a client, in the course of his/her experience as a client of a company).

Accordingly, **whistleblowing is the practice of reporting violations of laws or regulations, crimes and cases of corruption or fraud, as well as situations of danger to public health and safety.**

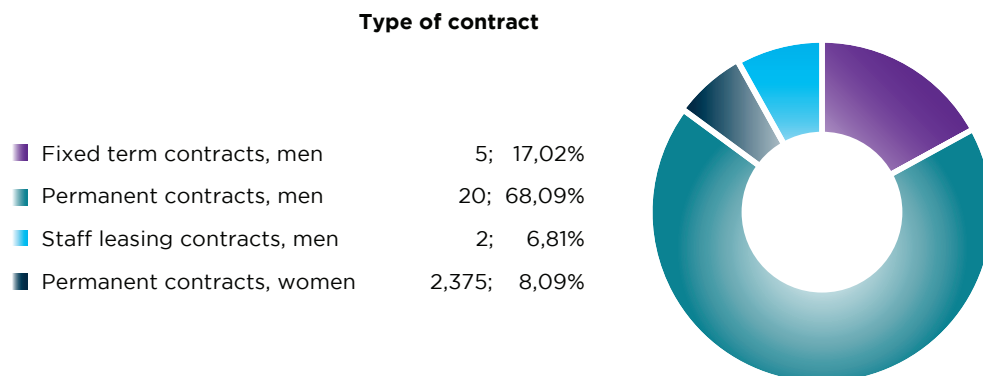
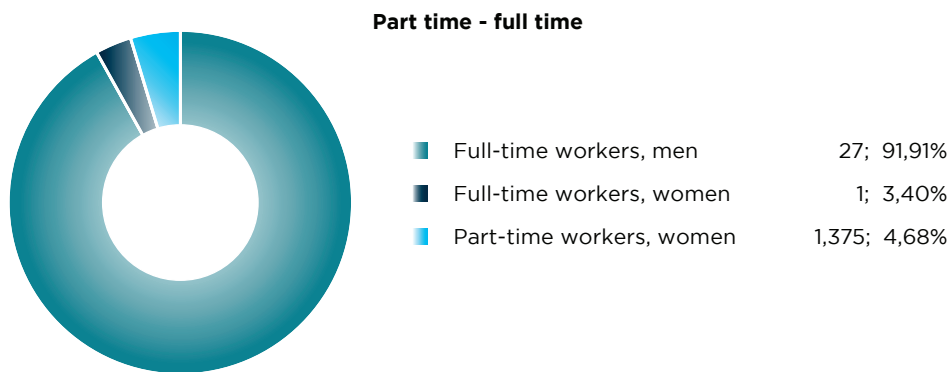
In addition to the intrinsic utility of preventing wrongdoing, the additional and valuable utility of whistleblowing is that of involving and raising awareness among citizens in the fight against illegality, empowering them and requiring their active participation to improve society.

2. FTE (Full Time Equivalent) defines the total workforce described in terms of 'persons employed full time' (e.g. 2 persons part time 50% = 1 person FTE). In Italian, the acronym ETP (full-time equivalent) is also used.

|                                  | 2023 |       |        |
|----------------------------------|------|-------|--------|
|                                  | Men  | Women | Total  |
| Total FTE employees              | 27   | 2.375 | 29.375 |
| Fixed-term employees FTE         | 5    | 0     | 5      |
| Permanent employees FTE          | 20   | 2.375 | 22.375 |
| Employees with leasing contracts | 2    | 0     | 2      |
| Full-time employees              | 27   | 1     | 28     |
| Part-time employees              | 0    | 1.375 | 1.375  |

Futura also guarantees freedom of association to all personnel, informing its employees about legally recognised forms

of representation and maintaining open and transparent relations with the main trade union representatives.



## 8.7.1 Professional development and growth

In 2023 Futura delivered a total of **871** hours of training.

There are various types of training, including: first aid, fire-fighting, fork-lift truck driving, extrusion welding, butt welding, training for workers and training for the person in charge, for a total of 186 hours (ex Leg. Decree 81/08 Art. 36 and 37). Ongoing training in the commercial area (regulations on communication and sales), on the legal aspects of personnel management, on corruption prevention aspects. Courses on Quality and Corporate Responsibility were also delivered for 56 hours, as well as Lean and Digital Training and Industry 4.0 Training, totalling 629 hours. Futura also provided training on anti-corruption practice. The training activities provided by the company were aimed at having employees acquire or consolidate their knowledge on the professional use of software that can make the company's production and quality processes increasingly connected and communicating. The training courses were delivered by training organisations accredited by the Marche Region for ongoing and higher training, and by the

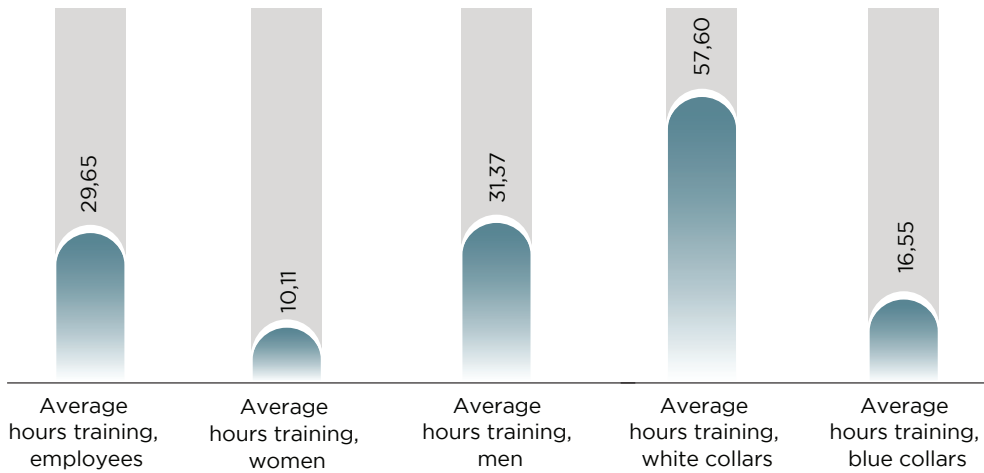
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There are no unemployed staff in the company; all workers have a fixed-term or open-ended contract. In 2023 Futura 2 had no staff leasing contracts in force.

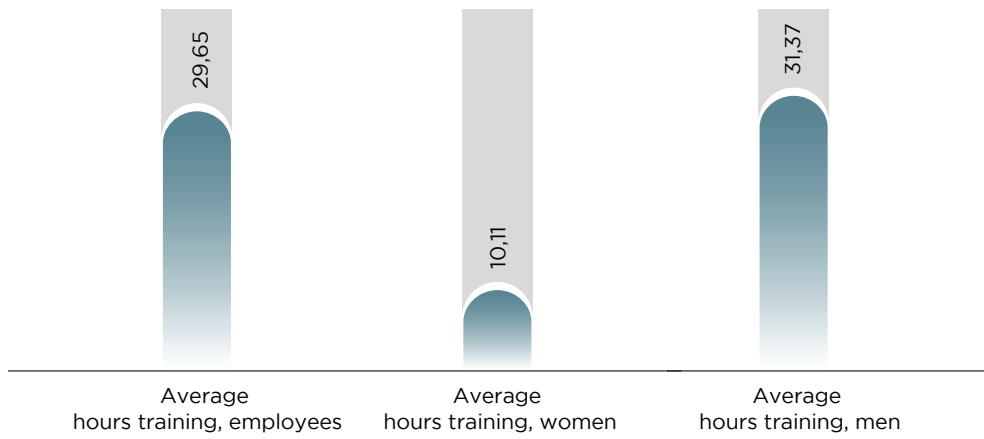
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main Interprofessional Funds for ongoing training (Fondimpresa, Fondo Artigianato Formazione - FART, FonCoop and FONTER). The scope of the training activities also relates to the *IT sector*. The training activities delivered concerned: goods functional to the technological and/or digital transformation of businesses according to the Industry 4.0 model ("*Systems for quality assurance and sustainability*") and in-process monitoring systems to ensure and track the quality of the product or production process (which allow production processes to be qualified in a manner that can be documented and linked to the factory information system).

**Total average hours training and by category and gender**

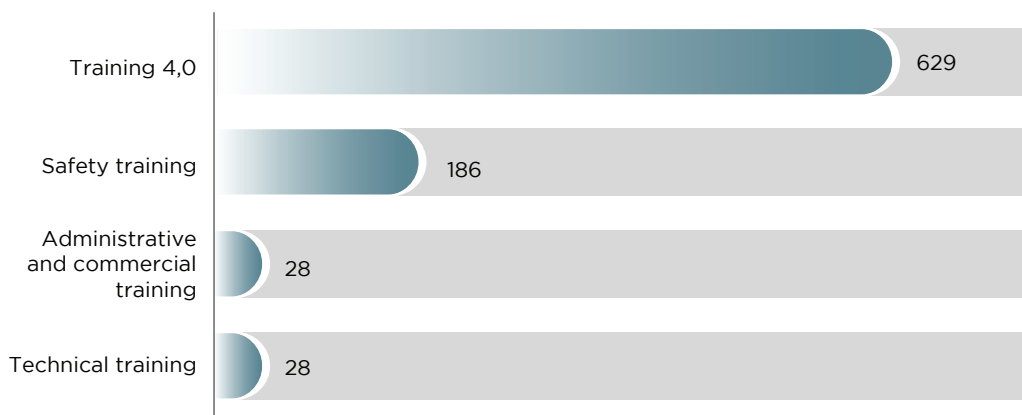


**Average hours training, men and women 2023**



The table shows the different types of courses provided by Futura; the number of employees involved is 22.

**Training by type of course**



In 2023, the economic value of the training provided at Futura was **€15,157.65**.



## 8.7.2 Turnover

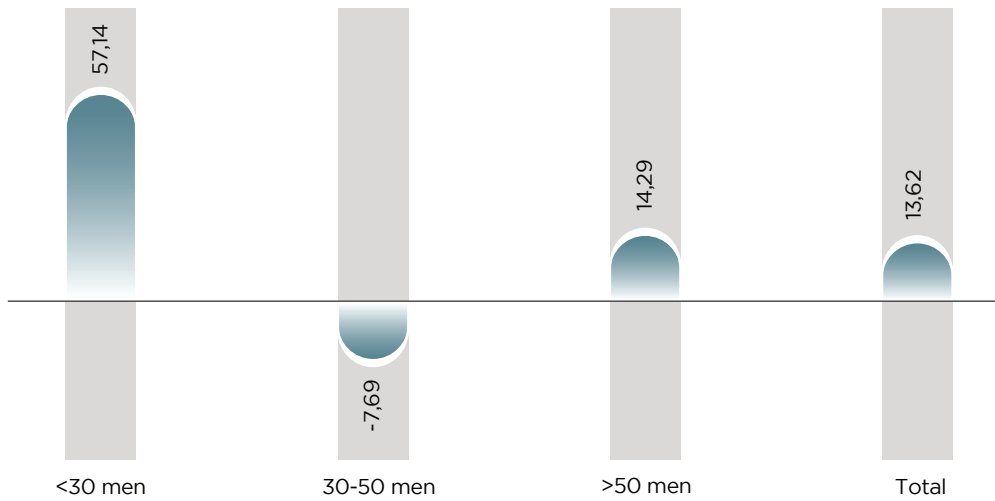
Turnover refers to all the people who join or leave the company for a variety of reasons (retirement, dismissal, decisions to change, etc.).

The table shows the inflow and outflow of employees by age group and gender. In 2023 there were 20 recruitments and 16 redundancies.

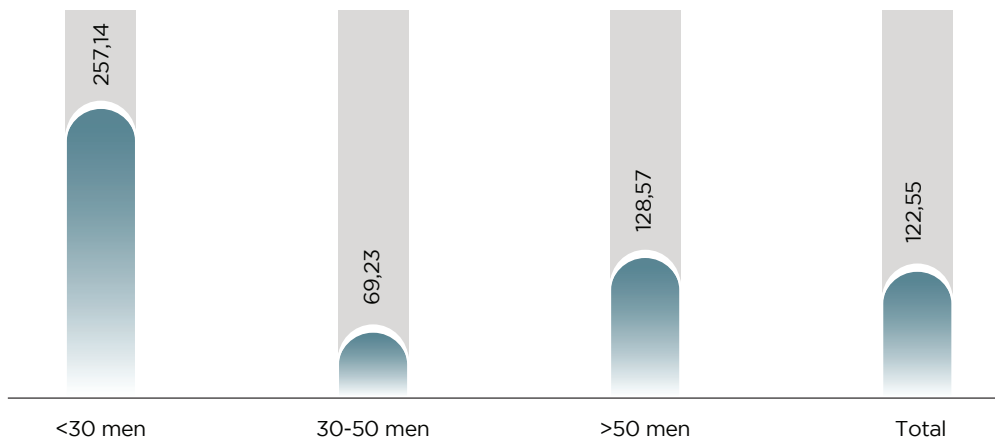
|               | Number at start of period | Recruitment | Redundancies |
|---------------|---------------------------|-------------|--------------|
| < 30 women    | 1                         | 0           | 0            |
| < 30 men      | 3                         | 11          | 7            |
| 30 - 50 women | 1.375                     | 0           | 0            |
| 30 - 50 men   | 14                        | 4           | 5            |
| > 50 women    | 0                         | 0           | 0            |
| > 50 men      | 6                         | 5           | 4            |
| <b>Total</b>  | <b>25.375</b>             | <b>20</b>   | <b>16</b>    |



**Overall turnover rate (recruitments -- redundancies)**



**Overall turnover rate (recruitments + redundancies)**



### 8.7.3 Parental leave

In 2023, none of Futura’s employees applied for and then took parental leave.

### 8.7.4 Equal Opportunities, Non-Discrimination

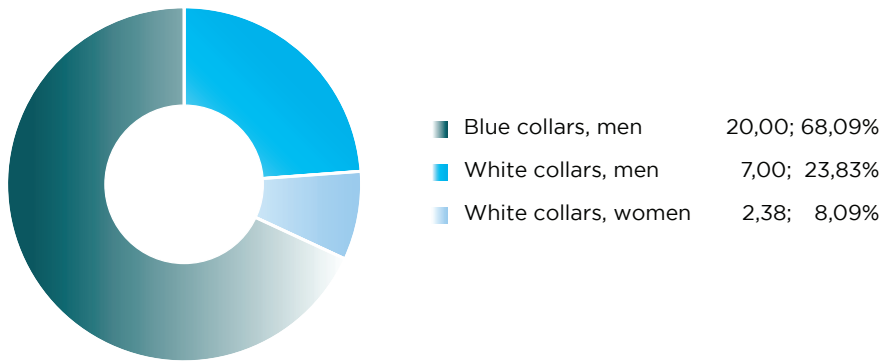
**Equal opportunities**

By promoting a corporate culture that values diversity, Futura offers all its employees equal opportunities and supports the full development of professionalism. This approach is aimed at enhancing the skills and professional growth of all its employees. The proportion of men and women in the

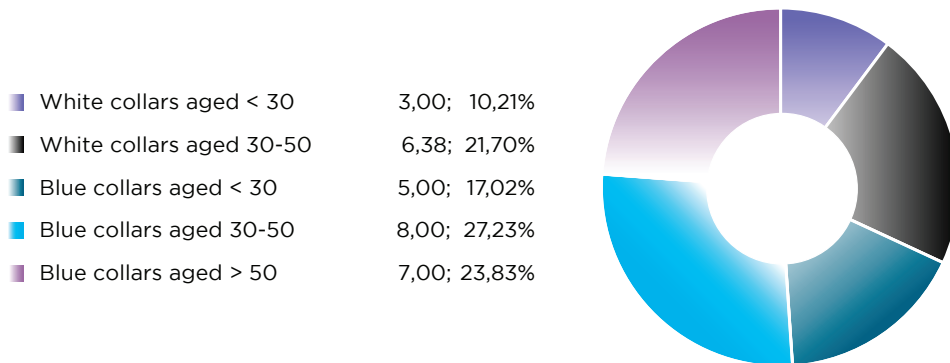
company should be considered in line with the number of people presenting themselves to the company at the recruitment stage. This is Futura’s first sustainability report, which also demonstrates its focus on all issues of inclusion, including gender. The remuneration of all persons employed in the company references the national



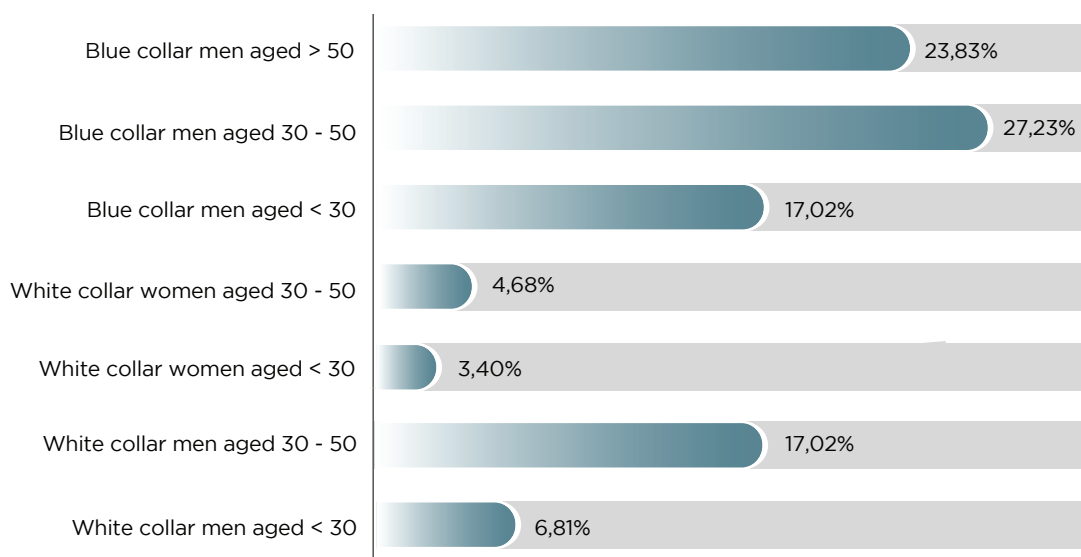
**Percentage staff by qualification and gender**



**Staff by qualification and age range**



**Percentage staff by qualification, age and gender**







collective agreement for the category. Any other forms of remuneration are not affected by criteria such as gender or age. The criteria for assigning or granting benefits

to staff do not concern the type of contract (fixed-term / open-ended, full-time / part-time and other paradigms such as gender and age).

| Composition of the Board of Directors |       |   |   |
|---------------------------------------|-------|---|---|
| Emanuele Boscarini                    | 30-50 | m | Chair of the Board of Directors and Managing Director                   |
| Emiliano Boscarini                    | 30-50 | m | Vice Chair of the Board of Directors and Managing Director for Security |
| Andrea Romeo                          | 30-50 | m | Board Member  |

**Non-discrimination**

It is hereby declared that no incidents of discrimination based on race, colour, sex, religion, political opinion or other forms

of discrimination involving internal and/or external stakeholders occurred and were reported during the reporting period.

## 8.7.5 Health and Safety at Work

In 2023, the hours worked in the company were **52,351** and the number of working days absence due to injury were **47**. Only one injury occurred during 2023.

The health and safety management system covers all persons who come into contact with the company's activities at its operational sites.

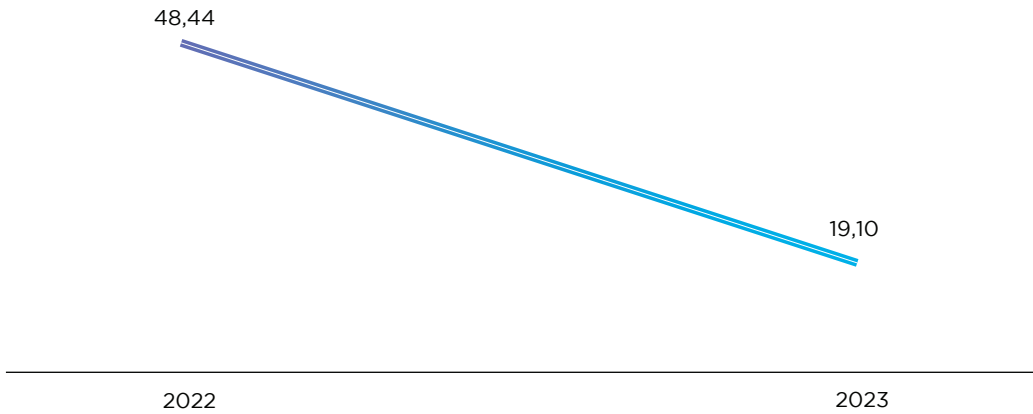
|  | 2022   | 2023   |
|--|--------|--------|
| Hours worked                                     | 41,292 | 52,351 |
| Total number of days of absence due to accidents | 106    | 47*    |
| Total No. of accidents                           | 2      | 1      |
| Frequency Rate GRI / UNI 7249                    | 48.44  | 19.10  |
| Severity rate UNI 7249                           | 2.57   | 0.90   |
| Accident rate with serious consequences GRI      | 0      | 0      |
| Death rate                                       | 0      | 0      |

\* This includes the days relating to an accident that occurred in 2022 and continued into 2023.

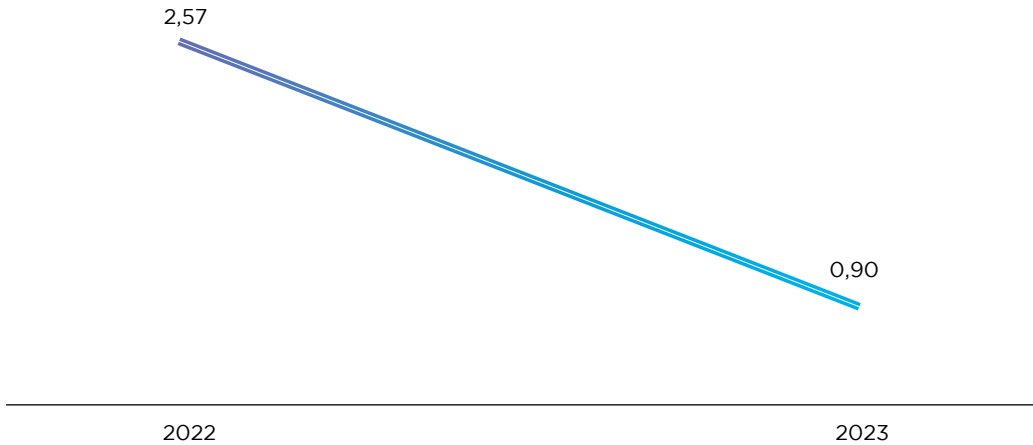
The accident that occurred in 2023 is identified as - of low severity - (B), caused by inappropriate behaviour (while handling a pipe he felt a sharp pain in his thigh, like a pulled muscle). The company has taken

action to improve the level of employee safety by raising employee awareness, with new training and more in-depth training in the use of work tools. It has updated the General Risk Assessment Document,

### Calculation of the frequency level UNI 7249 / GRI



### Calculation of the severity level UNI 7249

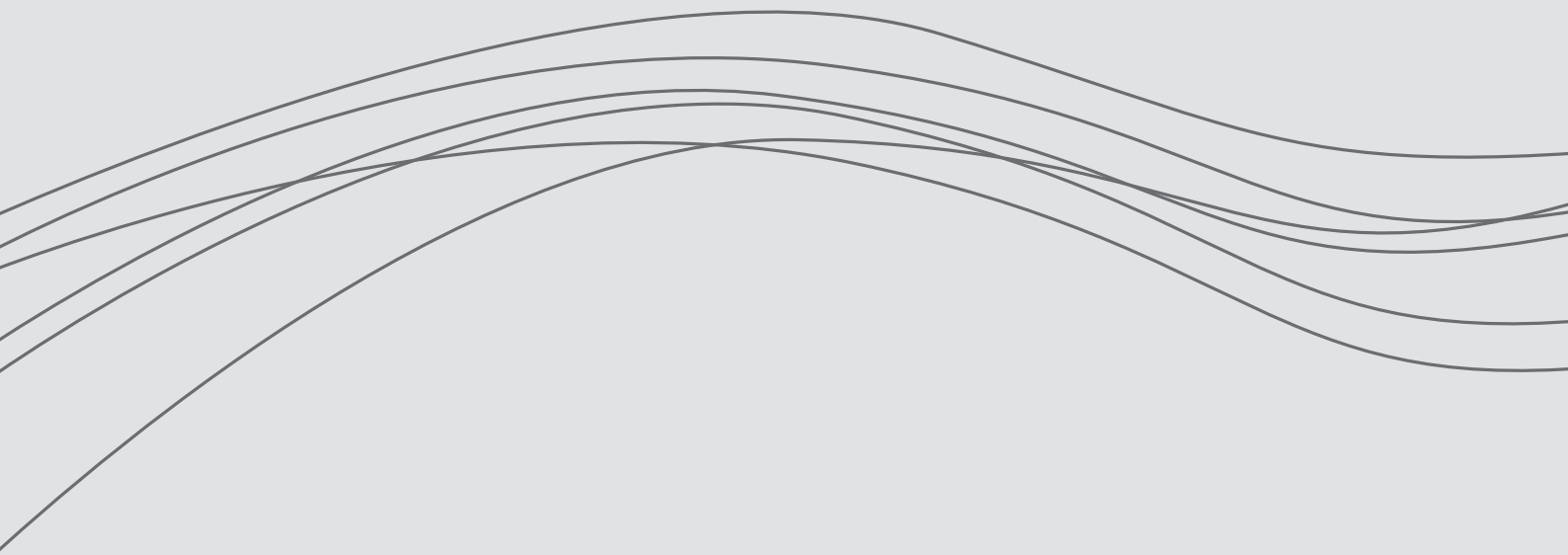


which provides for the constant renewal of workplace safety with risk assessment of physical and chemical agents, fire risk, health surveillance, company doctor. It has updated the emergency and evacuation plan, the declaration of conformity of the electrical and earthing system, the verification of the first aid/medication package, work equipment, plant and machinery, the adoption of individual safety devices, horizontal and vertical signs, periodic fire extinguisher and hose inspections, fine dust measurements, the establishment of internal regulations, training and information (RLS refresher course, forklift truck driver refresher

In 2023 no injuries with a prognosis of more than 180 days occurred in Futura. There were no deaths due to accidents. No cases of occupational diseases occurred or were reported.

course, First Aid and Fire Fighting course and refresher course, Welders' course). Please refer to the document 'System Group Accidents 2023' for further details on how accidents are dealt with.

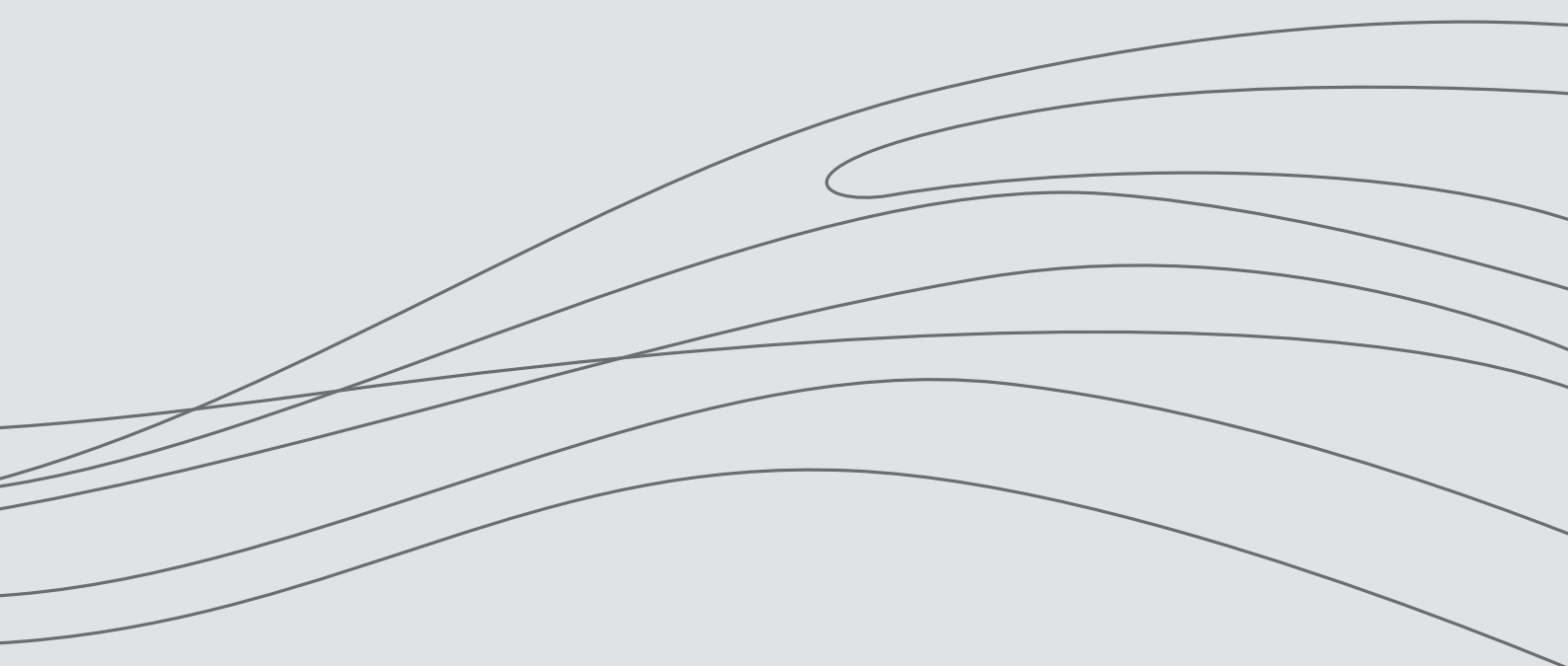






# **METHODOLOGICAL NOTE**

**GRI STANDARD 1  
GRI STANDARD 2 - 3 / 4 / 5 / 15**



This Sustainability Report, version dated 13.09.2024, covering the reporting period 2023, is prepared and drafted in accordance with the **Consolidated Set of the GRI Standards 2021** and is published for the following System Group companies:

- Centrotubi S.p.A.
- Futura S.p.A.
- Italiana Corrugati S.p.A.
- PEBO S.p.A.
- Rototec S.p.A.

For these companies, the 2023 **Sustainability Report** was subjected to third-party assurance by the certification body IIP S.r.l.. The reporting **perimeter** for the qualitative and quantitative data and information contained in the Sustainability Report, including that of an economic and financial nature, refers specifically to the performance of the companies mentioned for the **year 2023 reporting period (01.01.2023 - 31/12/2023)**. For comparative purposes, the figures for the 2021 and 2022 financial year are presented where available and verified. The preparation, drafting and publication of the Sustainability Report are voluntary activities that are carried out on a regular **annual basis**. The **period for the report** is one year, defined as the **“calendar year”**. For all the **material questions and the significance of impacts**, the method used for identification and evaluation has been defined in chapter 3.3. The organisation defines the objectives within the framework of its sustainability strategy, as well as the risks and opportunities for its implementation and application. All information provides a coherent picture of 'impacts'; both positive and negative effects are considered and reported. The emphasis on the various topics in the budget reflects their relative priority. For each company, the Sustainability Report precisely describes the data with their respective units of measurement, defining

their basis and the options for consultation and verification; it also establishes what the data described are intended to demonstrate.

This document contains a summary index of the information relating to the different areas covered (GRI Content Index) and reported according to the GRI Standard 2021 so that the indicators and other quantitative and qualitative information presented in the Sustainability Report can be traced.

Any specific techniques and tools used are also explained.

Other printed or digital documents may also contain the data, information and contents of the Sustainability Report in summary form. Each of the above documents contains information on how to use the full version. The description of the impacts and their significance is included at the beginning of the paragraphs devoted to the five companies and in section 3.3 respectively. The organisation's highest governing body is responsible for reviewing and approving the reported information, including relevant impact areas as well as all decisions made regarding sustainability.

The terms 'Boscarini Group' and 'System Group', referred to in the 2023 Sustainability Report, are not legal entities, but are designations used to identify the shareholder and business identity respectively.

**Boscarini Group** refers to the group of companies whose shares are held directly or indirectly by members of the Boscarini family. Representation of the Group and its shareholdings is documented in the introductory part of the Sustainability Report.

**System Group** is the brand under which the companies in the Boscarini Group are included in terms of sales and marketing. This name therefore allows the unambiguous recognition of the companies themselves and strengthens their image on the market

as it characterises their identity and affiliation.

The **Strategic Steering Committee (SSC)** is a corporate governance body made up of members of the Boscarini Family currently involved in management of the Companies and in which they hold shares, as well as some Collaborators who occupy key roles within the various Companies.

The SSC meets at least once a week and more frequently if necessary. At these meetings, function managers and the **Sustainability Team** are able to ask for support and raise questions.

The CDS communicates critical issues, and acquires information and knowledge; it also guides the choices and activities for the sustainability of both System Group and individual companies. For this reason, conflicts of interest are prevented.

The **Sustainability Team** consists of employees and external consultants. Employees belong to the Technical area, the Marketing area, and the Administration and Control area. One Consultant takes care of the regulatory compliance aspects, while the other one follows the Environmental issues. The team meets periodically to prepare the Sustainability Report. During the year, the team and the Executive Board analyse the progress of ESG-related projects and define guidelines for future investments. The sustainability performance of the highest governing body is assessed in relation to the achievement of sustainability goals. Economic information is represented according to the matrix of the Social Report Working Group (GBS Standard 2013).

The **Frequency Rate for accidents** is calculated in the same way both according to **GRI Standards** and in accordance with **Standard UNI 7249:2007** (used by INAIL) and it refers to recordable injuries that have occurred, excluding deaths. Traffic accidents

are not counted since they are not managed by the organisation. The calculation involves the following formula: **n° of accidents x 1,000,000 / hours worked.**

The **Accident Severity Rate, in accordance with Standard UNI 7249:2007** (used by INAIL in Italy), correlates the calendar days of absence due to injury with the number of hours worked. The calculation involves the following formula: **n° of days injury x 1,000 / hours worked.**

The **Severity Rate, in accordance with Standard GRI**, correlates the number of serious accidents (with a prognosis of over 180 days) with the hours worked. The calculation involves the following formula: **n° of serious accidents x 1,000,000 / hours worked.**

The **Death Rate, in accordance with Standard GRI**, correlates the number of deaths with the hours worked. The calculation involves the following formula: **n° of deaths x 1,000,000 / hours worked.**

As regards the calculation of **turnover** two formulations of the relative rate have been presented: one formulation makes the calculation in the following way: arrivals + departures / average staff units over the period. However, this method can represent a simple turnover of a certain amount of personnel, e.g. 7.5% arrivals and 7.5% departures, as a critical trend ('critical' is considered to be a turnover of > 15%), for example on a par with a 15% decrease in personnel. For this reason, the turnover figure was also provided with the formulation arrivals - departures / average staff units over the period.

As far as information on environmental issues is concerned, the emission factors used to calculate the company's direct emissions (area 1) from stationary combustion and the factors used to calculate energy consumption (PCI) were taken from the National Standard Parameter Table for the year 2023 "... UNFCCC National



Inventory", which can be found at the link:  
EU ETS - Italy :: News (hiips://www.ets.

minambiente.it/News#427-pubblicazione-  
parametri-standard-nazionali-anno-2023).

| Fuel                  | PCI    |        |        | Measurement unit          |
|-----------------------|--------|--------|--------|---------------------------|
|                       | 2021   | 2022   | 2023   |                           |
| Natural gas (methane) | 35.281 | 35.337 | 35.457 | GJ / 1000 Sm <sup>3</sup> |

| Fuel                  | Emission factor |       |       | Measurement unit                         |
|-----------------------|-----------------|-------|-------|--|
|                       | 2021            | 2022  | 2023  |  |
| Natural gas (methane) | 1.983           | 1.991 | 2.004 | t CO <sub>2</sub> / 1000 Sm <sup>3</sup> |

The values for the energy content of  
transport fuels in Appendix V of Legislative  
Decree No. 199 of 8 November 2021 are used

to calculate final energy consumption in the  
transport sector.

| Fuel   | Energy content by volume (Lower Calorific Value, MJ/l) |
|--------|--|
| Diesel | 36   |

For automotive diesel fuel, the emission  
factor given by UK Government GHG  
Conversion Factors for Company Reporting  
2021, 2022 and 2023 was taken into account,  
as for marine fuel oil.

This information can be found at the links:  
2021

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government/uploads/system/uploads/  
attachment\\_data/file/1049333/conversion-](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1049333/conversion-)

[factors-2021-full-set-advanced-users.xlsm  
2022](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1083855/ghg-conversion-factors-2022-full-set.xls)

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government/uploads/system/uploads/  
attachment\\_data/file/1083855/ghg-  
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2023

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conversion-factors-2023-full-file-update.xlsx](https://assets.publishing.service.gov.uk/media/649c5358bb13dc0012b2e2b7/ghg-conversion-factors-2023-full-file-update.xlsx).

| Fuel                              | Emission factor |         |         | Measurement unit          |
|-----------------------------------|-----------------|---------|---------|---------------------------|
|                                   | 2021            | 2022    | 2023    |                           |
| Diesel fuel (100% mineral diesel) | 2.70553         | 2.6988  | 2.6594  | kg CO <sub>2</sub> eq / l |
| Fuel oil for ships                | 3.10669         | 3.10669 | 3.10202 | kg CO <sub>2</sub> eq / l |



When calculating Area 3 emissions from road freight transport, in the absence of further investigation into the fleet of vehicles used for product delivery, a heavy-duty articulated vehicle in the load range > 33 tonnes (Delivery

Vehicles, HGV Diesel, Articulated > 33 tonne, Average Laden) with an average load class, according to the UK Government GHG Conversion Factors for Company Reporting reference table, was taken as the reference.

|  |                                |
|--|--------------------------------|
| GHG emissions for road freight transport (Freighting Goods Average Laden) 2021 | 916.48 g CO <sub>2</sub> eq/km |
| GHG emissions for road freight transport (Freighting Goods Average Laden) 2022 | 930.04 g CO <sub>2</sub> eq/km |
| GHG emissions for road freight transport (Freighting Goods Average Laden) 2023 | 912.65 g CO <sub>2</sub> eq/km |

Similarly, when calculating Area 3 emissions from vehicles used by employees, a generalisation was made to define reference emissions, more specifically, again considering

the UK Government GHG Conversion Factors for Company Reporting 2023 reference table, a diesel-powered car in the Upper Medium category was taken as a reference:

| Category                 | Passenger cars                 |
|--------------------------|--------------------------------|
| Fuel                     | Diesel                         |
| Segment                  | Medium-high                    |
| GHG emission factor 2021 | 159.55 g CO <sub>2</sub> eq/km |
| GHG emission factor 2022 | 161.97 g CO <sub>2</sub> eq/km |
| GHG emission factor 2023 | 160.5 g CO <sub>2</sub> eq/km  |

Emissions related to employee commuting are calculated by taking into account the distance from the company headquarters to the municipality of residence of blue and white-collar workers. Two trips per day, there and back, for 252 working days per year are taken into account for each employee, if necessary related to the actual fraction of a year in the case of contracts terminated before the end of the year being reported.

To calculate land transport distances, reference is made to the route proposed by Google Maps.

Calculation of area 3 emissions for transport by ship considered the following reference values taken from 2023 Global Ocean Container Greenhouse Gas Emission Intensities Clean Cargo July 2024 and in cooperation with BSR (<https://www.bsr.org/>) available from the link: [https://www.smartfreightcentre.org/documents/389/Clean\\_Cargo\\_-\\_2023\\_Global\\_Ocean\\_Container\\_Emissions\\_Report.pdf](https://www.smartfreightcentre.org/documents/389/Clean_Cargo_-_2023_Global_Ocean_Container_Emissions_Report.pdf).





| Average and aggregate Clean Cargo emission factors for trade routes |  |       |       |
|---|--|-------|-------|
| Route   | CO <sub>2</sub> emissions per trade route (g CO <sub>2</sub> eq / TEU* / km) |       |       |
|   | Utilisation factor 70%   |       |       |
|   | 2021   | 2022  | 2023  |
| Intra Mediterranean/Black Sea                                       | 148.2  | 158.8 | 137.5 |

TEU: 'Twenty Foot Equivalent Unit': Unit equivalent to a 20 ft container, length 6 m usable volume 33 m<sup>3</sup>, maximum load capacity 21,600 kg

As a precaution, the calculation was carried out using the lowest utilisation factor, also in view of the low weight/volume ratio of plastic pipe loads, taking the emissions for the Intra Mediterranean route as a reference value. Distances from the year 2023 are estimated when calculating emissions related to maritime transport, using data extrapolated

from [www.sea-distances.org](http://www.sea-distances.org).

The impact of area 3 indirect emissions is verified by analysing the supply documents for upstream transport activities and the delivery documents for downstream transport activities. The table shows the codes analysed by company management systems.

| System Group Company      | Supply documents (input) | Delivery documents (output)          |
|---------------------------|--------------------------|--------------------------------------|
| Centraltubi S.p.A.        | CF                       | BE, BI, BN, BS, BLK                  |
| Futura S.p.A.             | CF                       | BE, BI                               |
| Italiana Corrugati S.p.A. | CA, CB                   | BA, BE, BI, BIR, BL, BLS, BN, BT, BV |
| Pebo S.p.A.               | CF, CL, CR, CT           | BE, BF, BI, BT                       |
| Rototec S.p.A.            | BC, BF                   | BE, BE3, BEM, BO, BS, BS3            |

Based on the origin/destination of the goods, each document is associated with a distance in kilometres to determine the emission levels using the coefficients indicated. The calculation is an overestimate because it does not take into account the actual volume or weight transported, but only the distance in kilometres of the origin or destination of the goods, as indicated by the transport document, with an impact on the graphical representation of Area 3 emissions for road transport. The transport optimisation

project also includes implementation of a data acquisition system with more precise recording of weights and volumes loaded and a greater involvement of delivery service providers, in order to refine the estimate over time.

The total indirect Area 2 'market based' emissions were calculated for 2021, 2022 and 2023 by applying the emission factor indicated by European Residual Mixes, Association of Issuing Bodies. The links are given below.



| 2021  | 2022  | 2023  |
|---|---|---|
| European Residual Mixes 2021, Association of Issuing Bodies   | European Residual Mixes 2022, Association of Issuing Bodies   | European Residual Mixes 2023, Association of Issuing Bodies   |
| <a href="https://www.aib-net.org/sites/default/files/assets/facts/residual-mix/2021/AIB_2021_Residual_Mix_Results_1_1.pdf">https://www.aib-net.org/sites/default/files/assets/facts/residual-mix/2021/AIB_2021_Residual_Mix_Results_1_1.pdf</a> | <a href="https://www.aib-net.org/sites/default/files/assets/facts/residual-mix/2022/AIB_2022_Residual_Mix_Results_.pdf">https://www.aib-net.org/sites/default/files/assets/facts/residual-mix/2022/AIB_2022_Residual_Mix_Results_.pdf</a> | <a href="https://www.aib-net.org/sites/default/files/assets/AIB_2023_Residual_Mix_FINALResults.pdf">https://www.aib-net.org/sites/default/files/assets/AIB_2023_Residual_Mix_FINALResults.pdf</a> |
| Table 2   | Table 2   | Table 2   |
| 456.57 g CO <sub>2</sub> / kWh  | 457.15 g CO <sub>2</sub> / kWh  | 500.57 g CO <sub>2</sub> / kWh  |

For the location-based calculation of emissions from electricity consumption, the emission factor provided by ISPRA - Emission factors for the production and consumption of electricity in Italy of 22.05.2024 was used: [https://emissioni.sina.isprambiente.it/wp-content/uploads/2024/05/FE\\_energia\\_](https://emissioni.sina.isprambiente.it/wp-content/uploads/2024/05/FE_energia_)

[elettrica\\_2023-V2.xlsx](#)

The change of some conversion coefficients published by ISPRA resulted in the modification of some data and information on final energy consumption and consequent CO<sub>2</sub> eq emissions ascribed in the balance sheets for previous years.

| 2021                              | 2022                              | 2023                                |
|-----------------------------------|-----------------------------------|-------------------------------------|
| 271.52 g CO <sub>2</sub> eq / kWh | 307.28 g CO <sub>2</sub> eq / kWh | 261.14 g CO <sub>2</sub> eq / kWh * |

\* Preliminary estimate

The emission factor for the refrigerant gas R407C was used to calculate area 1 emissions from plant GHG leakage. This consists of the following mixture of hydrofluorocarbons (HFCs): HFC-32 at 23%, HFC-125 at 25% and HFC134a at 52%. The global warming potential (GWP) of the gases constituting the mixture according to EU Regulation No. 517/2014 is 675, 3,500 and 1,430 respectively, with a GWP of the weighted average of 1,773.85, rounded up to 1774.

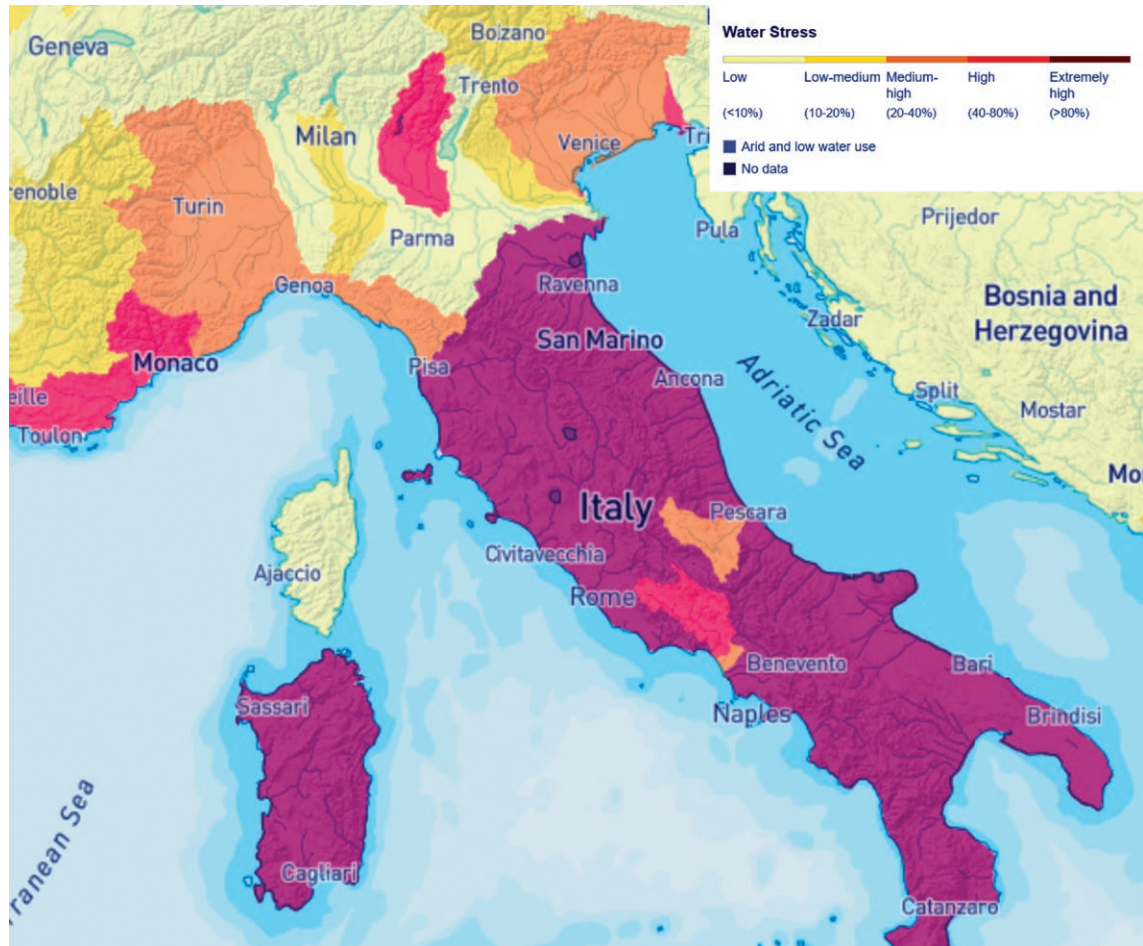
In the representation of incoming materials to organisations, it was found that for many of the components purchased, it is not easy to understand the quantity by weight, since deliveries are recorded in numbers of pieces. A process was initiated to check the weight

of several materials entering the company, in particular packaging materials such as strapping, pallets, fir strips, stretch film, etc. Verification is carried out directly by weighing the items or according to suppliers' instructions.

Within the 2030 Agenda, and specifically with SDG 6 (Ensure availability and sustainable management of water and sanitation for all), the UN sets targets to ensure universal and equitable access to safe drinking water (Target 6.1) and to ensure the quality of the water resource, minimising the release of chemicals and hazardous materials (Target 6.3).

Although the Marche region is not poor in water, the constant advance of climate change requires great attention to be paid to its use. The Province of Pesaro Urbino

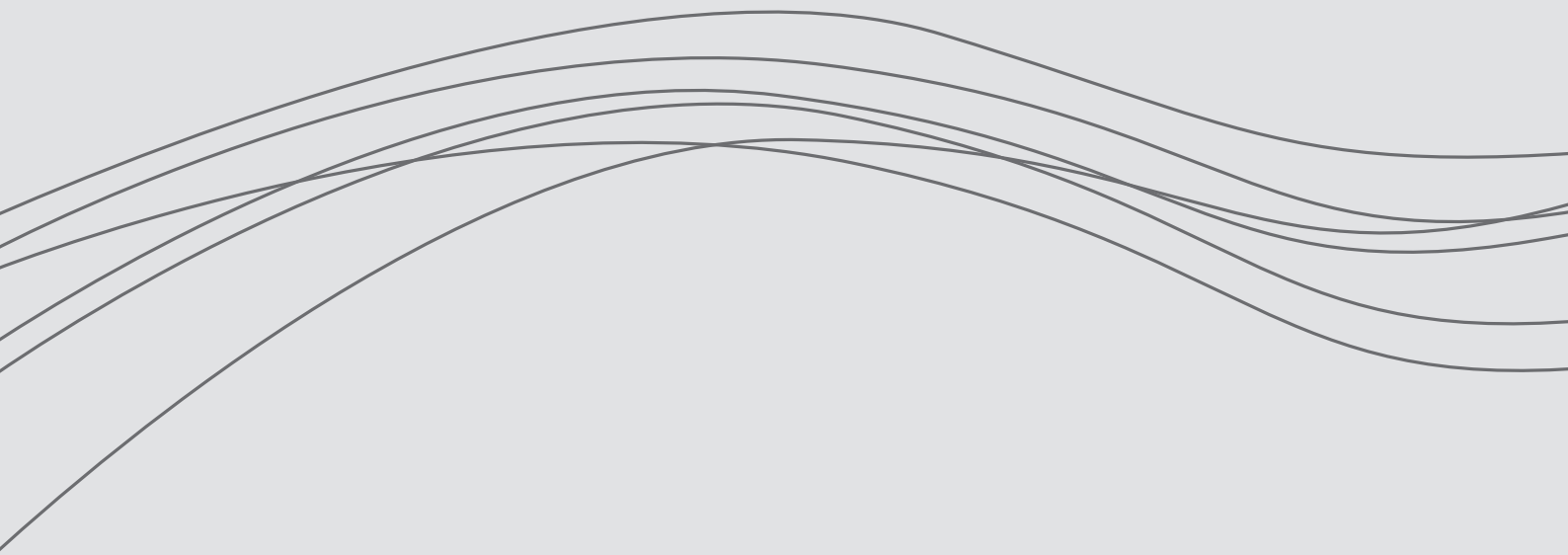
is considered to be at extremely high risk of water stress. Official source from GRI Standard 303 Bibliography: [www.wri.org/our-work/project/aqueduct/](http://www.wri.org/our-work/project/aqueduct/)



When no direct meter reading data are available, the value of the withdrawal from the public network is based on the maximum daily consumption estimated from supply invoices multiplied by 365 days. The estimation of waste water comparable to domestic sewage discharged by System Group companies is carried out by applying environmental engineering criteria considering an average consumption for production and office staff. More specifically,

a water supply per worker of 40 l/day was considered, 60 l/day for companies equipped with toilets with showers. For employees, an average daily sanitary consumption of 20 l/day of drinking water was considered. The average working days for each category are calculated considering 254 working days for 2023. The reduction coefficient of the share of discharged water in relation to the per capita water supply is assumed to be 0.8.

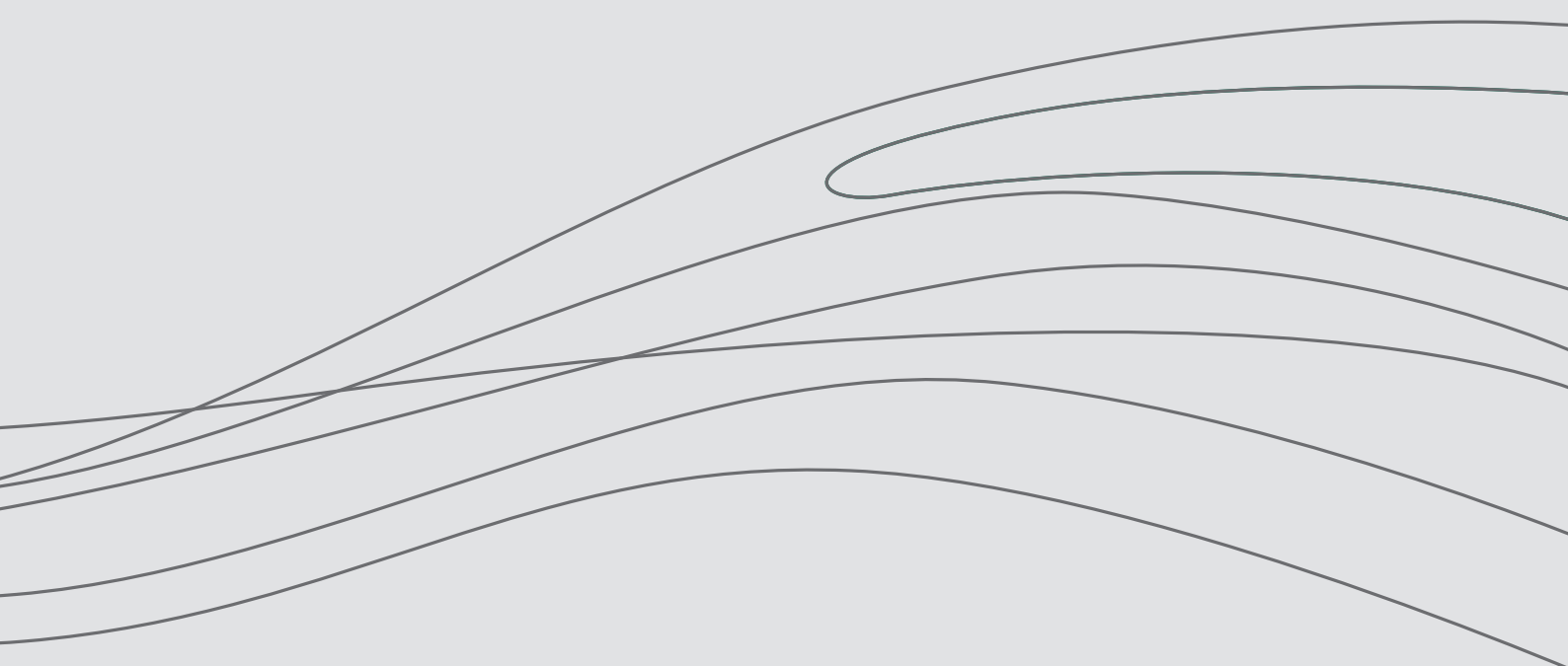






# INDEX OF GRI REFERENCES

Sustainability Report Edition: 13/09/2024



**Declaration of use** **Centraltubi S.p.A., Italiana Corrugati S.p.A., PEBO S.p.A., Rototec S.p.A. and Futura S.p.A. have reported the information mentioned in this GRI 2021 content index for the period 01.01.2023 - 31.12.2023 with reference to the Consolidated set of GRI Standards 2021.**

GRI 1 used GRI 1 - Fundamental Principles - Version 2021

The GRI standards for the sector are not present for any of the reporting organisations.

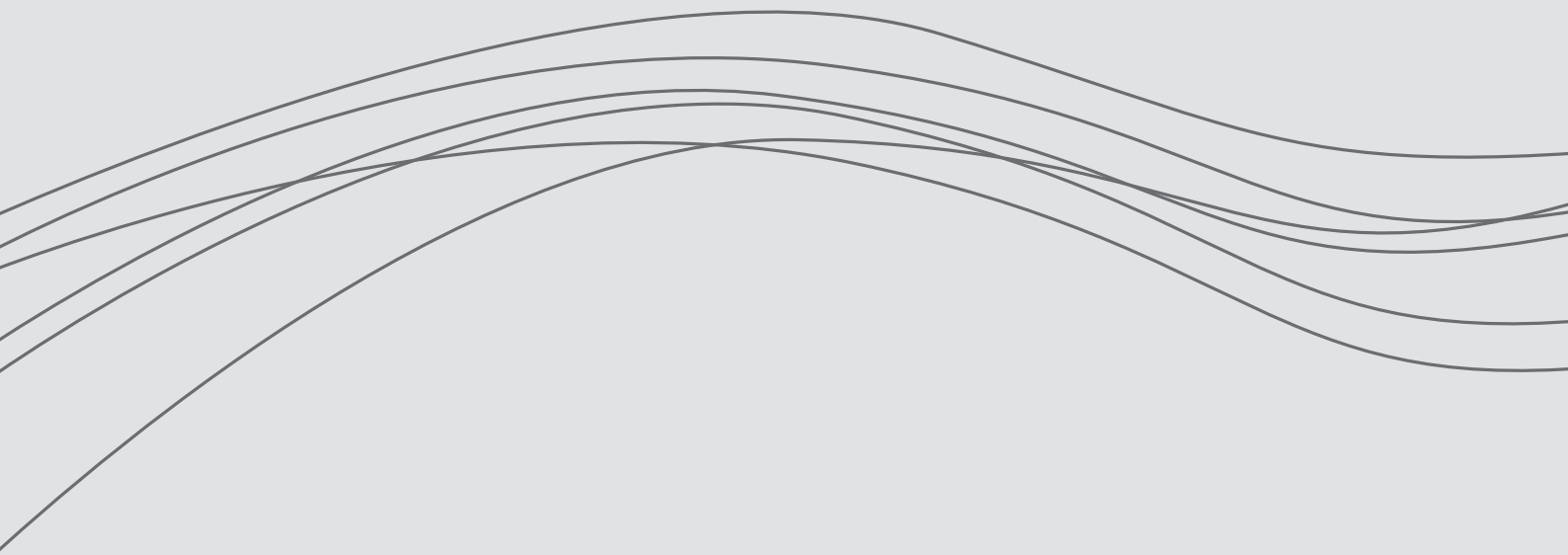
| <b>GRI Standard / other source</b>      | <b>Disclosure</b>  | <b>Chapters / Sections</b>       | <b>Page</b> |
|---|--|----------------------------------|-------------|
| GRI 2<br>General<br>Disclosures<br>2021 | 2-1 Organisation details   | 4.1, 5.1, 6.1, 7.1, 8.1          |             |
|   | 2-2 Entities included in the organisation's sustainability reporting     | 9 and 10                         |             |
|   | 2-3 Reporting Period, Frequency and Point of Contact                     | 9 and 10                         |             |
|   | 2-4 Review of Information  | 9                                |             |
|   | 2-5 External Assurance   | 11                               |             |
|   | 2-6 Activities, Value Chain and Other Business Relations                 | 4.1, 5.1, 6.1, 7.1, 8.1          |             |
|   | 2-7 Employees  | 4.7, 5.7, 6.7, 7.7, 8.7          |             |
|   | 2-8 External staff   | 4.7, 5.7, 6.7, 7.7, 8.7          |             |
|   | 2-9 Governance Structure and Composition                                 | 1.2, 4.2, 5.2, 6.2, 7.2, 8.2     |             |
|   | 2-10 Appointment and Selection of the Highest Governance Body            | 1.2                              |             |
|   | 2-11 Chair of the Highest Governance Body                                | 1.2                              |             |
|   | 2-12 Role of the Highest Governance Body in overseeing impact management | 1.2                              |             |
|   | 2-13 Delegation of Responsibility for Impact Management                  | 1.2, 9                           |             |
|   | 2-14 Role of the Highest Governance Body in Sustainability Reporting     | 9                                |             |
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|   | 2-16 Communication of Critical Issues                                    | 9                                |             |
|   | 2-17 Collective awareness of the Highest Governance Body                 | 9                                |             |
|   | 2-18 Evaluation of Highest Governance Body performance                   | 9                                |             |
|   | 2-19 Remuneration Policies   | Omitted                          |             |
|   | 2-20 Process for Determining Remuneration                                | Omitted                          |             |
|   | 2-21 Total annual salary ratio   | Omitted                          |             |
|   | 2-22 Sustainable Development Strategy Statement                          | Letter from top management, 2, 3 |             |
|   | 2-23 Political Commitments   | Letter from top management, 2, 3 |             |
|   | 2-24 Integration of Political Commitments                                | 3                                |             |
|   | 2-25 Processes to Remedy Negative Impacts                                | 3, 9                             |             |
|   | 2-26 Mechanisms for requesting support and raising questions             | 3, 9                             |             |
|   | 2-27 Compliance with Laws and Regulations                                | 2.5                              |             |
|   | 2-28 Membership of associations  | 1.2                              |             |
|   | 2-29 Stakeholder Engagement Methodology                                  | 3.5                              |             |
|   | 2-30 Collective Agreements   | 4.7, 5.7, 6.7, 7.7, 8.7          |             |
| GRI 3<br>Material<br>Topics2021         | 3.1 Process for determining material topics                              | 3.3                              |             |
|   | 3.2 List of material topics  | 3.3                              |             |
|   | 3.3 Management of material topics  | 3.3                              |             |



| Reported impact areas                            | Source (GRI Standard) | Disclosures         | Chapters / Sections                                     | Page |
|--|-----------------------|---------------------|---|------|
| Economic performance                             | GRI 201               | 1 / 4               | 4.5, 5.5, 6.5, 7.5, 8.5                                 |      |
| Ethics and Anti-Corruption                       | GRI 205               | All                 |   |      |
|  | GRI 2 / 15            | -                   | 2.5   |      |
|  | GRI 2 / 27            | -                   |   |      |
| Materials management and recycling               | GRI 301               | 1 / 2               | 4.6, 5.6, 6.6, 7.6, 8.6                                 |      |
| Energy   | GRI 302               | 1 / 2 / 3 / 4       | 4.6, 5.6, 6.6, 7.6, 8.6                                 |      |
| Water resource management                        | GRI 303               | All                 | 4.6, 5.6, 6.6, 7.6, 8.6                                 |      |
| Emissions  | GRI 305               | 1, 2, 3, 4, 5, 6, 7 | 4.6, 5.6, 6.6, 7.6, 8.6                                 |      |
| Waste Management                                 | GRI 306               | All                 | 4.6, 5.6, 6.6, 7.6, 8.6                                 |      |
| Workforce management (employment and welfare)    | GRI 401               | All                 |   |      |
|  | GRI 2 - 7             | -                   | 2.2, 2.3, 4.7, 5.7, 6.7, 7.7, 8.7                       |      |
|  | GRI 2 - 8             | -                   |   |      |
|  | GRI 2 - 30            | -                   |   |      |
| Health and safety at work                        | GRI 403               | All                 | 2.1.2, 4.3, 5.3, 6.3, 7.3, 8.3, 4.7, 5.7, 6.7, 7.7, 8.7 |      |
| Training and professional development            | GRI 404               | 1, 2a               | 2.4, 4.7, 5.7, 6.7, 7.7, 8.7                            |      |
| Diversity and equal opportunities                | GRI 405               | All                 | 4.7, 5.7, 6.7, 7.7, 8.7                                 |      |
| Non-discrimination                               | GRI 406               |                     | 4.7, 5.7, 6.7, 7.7, 8.7                                 |      |
|  | GRI 2 / 30            | All                 | 2.3   |      |
| Freedom of association and collective bargaining | GRI 407               | 1 a                 | 2.3, 4.7, 5.7, 6.7, 7.7, 8.7                            |      |
|  | GRI 416               | All                 | 2.1.3, 2.1.4, 2.1.5                                     |      |
| Customer health and safety                       | GRI 416               | All                 | 2.1.3, 2.1.4, 2.1.5                                     |      |
| Customer privacy                                 | GRI 418               | All                 | 2.5   |      |

| Omissions  |  |   |
|--|--|---|
| Omitted requirements   | Reasons  | Explanation   |
| Disclosure 2-19 Remuneration Policies  | Confidentiality  |   |
| Disclosure 2-20 Process for Determining Remuneration   | Confidentiality  |   |
| Disclosure 2-21 Annual Total Remuneration Ratio  | Confidentiality  |   |
| Disclosure 201-2 Financial Implications and Other Risks and Opportunities Resulting from Climate Change  | Information not available / incomplete                 | The Group and its member companies have not completed an analysis on the consequences of climate change   |
| Disclosure 201-3 Obligations Concerning Defined Benefit and Other Pension Plans  | Not applicable   | Group companies do not set up pension plans as this is paid for by national institutions  |
| Disclosure 301-3 Recovered products and their packaging materials  | Not applicable   | Group companies do not recover products   |
| Disclosure 302-4 Reductions in energy consumption  | Information not available for PEBO, Rototec and Futura | In the companies mentioned, the current system of tracking specific consumption does not allow for the monitoring of reductions in energy consumption for some specific measures implemented  |
| Disclosure 302-5 Reductions in energy requirements of products and services  | Not applicable   | Group company products have no energy requirements  |
| Disclosure 305-5 Reduction of greenhouse gas (GHG) emissions   | Information not available for PEBO, Rototec and Futura | In the companies mentioned, the current system for recording specific energy consumption does not allow for the monitoring of reductions in energy consumption. For some specific measures implemented, related emission reductions cannot be measured as a result of this. |
| Disclosure 404-2 Employee skills upgrading and transition assistance programmes<br>b. transition assistance programmes to facilitate employability and management of the end of employment due to retirement or termination. | Not applicable   | Group companies do not operate programmes such as those described in the requirement  |
| Disclosure 404-3 Percentage of employees receiving regular appraisals of their performance and professional development  | Information not available / incomplete                 | Data on the application of the performance management system is not timely  |

| Omissions   |  |   |
|---|--|---|
| Omitted requirements  | Reasons                                  | Explanation   |
| Disclosure 407-1a Activities and suppliers where the right to freedom of association and collective bargaining may be at risk<br>... suppliers where the right to freedom of association and collective bargaining may be at risk | Information not available/<br>incomplete | Group companies do not hold this information on suppliers                               |
| Disclosure 407-1 b Measures taken by the organisation during the reporting period to support the rights to exercise freedom of association and collective bargaining.   | Information not available/<br>incomplete | Group companies have not taken any particular initiatives, especially towards suppliers |





## **ASSURANCE**







**VERIFICA DEL BILANCIO DI SOSTENIBILITÀ  
DICHIARAZIONE DI VERIFICA  
VERIFICATION OF SUSTAINABILITY REPORT  
VERIFICATION STATEMENT**

IIP Srl, sulla base dei risultati della verifica del Bilancio di Sostenibilità, condotta attraverso:

- ✓ il riesame documentale preliminare (rapporto del 04/09/2024),
- ✓ la verifica nel sito in data 13,25,26,27 settembre 2024; 2 ottobre 2024.

dichiara, sulla base degli elementi pervenuti alla propria attenzione, che il Bilancio di Sostenibilità, relativo all'anno 2023, dal titolo:

***Bilancio di Sostenibilità 2023 System Group  
(Reporting in accordance with the GRI Standards 2021)***

predisposto dalle seguenti organizzazioni appartenenti a **SYSTEM GROUP**:

**CENTRALTUBI S.p.A.** via Foglia 11 – Lunano (PU).

**ITALIANA CORRUGATI S.p.A.** Località Fonte Doglio 22/E – Piandimeleto (PU)

**PEBO S.p.A** Località Piego, Frazione Monterone – Sestino (AR)

**ROTOTEC S.p.A.** via Foglia 11 e via dell'Artigianato 6 – Lunano (PU); via Romanini 2 / 6-8 – Sant'Angelo in Vado (PU).

**FUTURA S.p.A** via Mattei 15 – Belforte all'Isauro (PU)

è stato redatto, in tutti gli aspetti significativi, in maniera coerente e rispondente agli standards "GRI Sustainability Reporting Standards" definiti nel 2021 dal GRI – Global Reporting Initiative.

La verifica del rapporto di sostenibilità è stata effettuata secondo le modalità descritte nel "Regolamento generale IIP di verifica delle Rendicontazioni societarie di sostenibilità e delle Asserzioni di sostenibilità" nella versione in vigore alla data della verifica, disponibile sul sito web [www.iip.it](http://www.iip.it).

Nel Rapporto di verifica del 02/10/2024 sono riportate una sintesi delle attività svolte e delle evidenze oggettive acquisite nonché le risultanze e le conclusioni della verifica.

Data di rilascio: 03/10/2024

IIP S.R.L.

L'Amministratore Delegato  
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**[www.allaroundview.it](http://www.allaroundview.it)**

Graphics and layout

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