SUSTAINABILITY REPORT 2022-2023

JALBA

INNOVATIVE HYDRAULIC SOLUTIONS

ALBA

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SUSTAINABILITY REPORT 2022-2023

"THE SEA IS MADE UP OF WATER DROPS"

Silvestro Niboli

"TRUST YOUR INSTINCT"

Pierluigi e Mario Mari

Dear Reader,

We are pleased to publish the second edition of our Sustainability Report, in which we have reported on the actions taken in 2022 and 2023.

In the previous report, we told you about the challenges faced due to the Covid-19 pandemic, but also about our resilience in dealing with the situation.

Over the past two years, a key milestone has been the acquisition of a 15,000 m^2 site, featuring an existing 2,000 m^2 warehouse that will be upgraded in the coming years using advanced "A4" energy-class construction techniques.

This most recent period has also been particularly significant in terms of reporting on our sustainability performance.

Looking towards the future, the company has already begun to adapt to the new reporting guidelines, which you will learn about in more detail later in this document, and has established an in-house pathway.

Innovation, quality and sustainability are the three guiding principles that guide us every year as we face new challenges, with the goal of continuous evolution. The following pages will therefore talk about what has been accomplished, but also a vision of new goals for the upcoming years.

Enjoy the read!

The chairman of the board of directors,

Pier Andreino Niboli

Managing Director,

Antonio Mari

1. INTRODUCTION TO THE REPORT

BETWEEN GRI AND CSRD

Committed to transparency and social responsibility, we have prepared our Sustainability Report following the standards of the Global Reporting Initiative (GRI). However, in a world that is rapidly evolving towards more stringent regulations and higher standards with respect to sustainability, we recognise the importance of adapting to the latest regulatory changes.

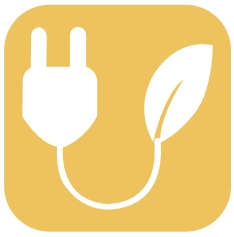
With the adoption of the Corporate Sustainability Reporting Directive (CSRD) in the European Union and the associated European Sustainability Reporting Standards (ESRS), we are fully aware of the new path mapped out for companies in terms of sustainability regulations. While the full implementation of the CSRD will be mandatory for us as from 1 January 2026, we are not passively standing by.

We have resolutely embarked on a process to integrate these new regulations into our reporting, ensuring that our commitment to sustainability is constant and lives up to future expectations.

This report was prepared according to the standards of the Global Reporting Initiative (GRI), and we have already started to include distinctive elements of CSRD and ESRS.
For example, the concept of financial materiality is discussed in the chapter on sustainability management, while climate change mitigation plans are described in detail in the chapter on climate and energy transition. We have also introduced the concept of impact materiality into the analysis of the topics that will be covered within the document.

This transition represents not only a regulatory adjustment, but also an opportunity to continuously enhance our sustainability processes and communication.

What has not changed is our focus on the sustainability challenges that guide all the company's efforts and that will be described within this document in terms of indicators, projects implemented and future ambitions.



Facilitating the energy transition

Promoting energy efficiency through a profound understanding of our operational energy profile, increasing the use of renewable energy, and facilitating sustainable mobility with the necessary infrastructure for electric vehicles.

Striving for circularity

Prioritising resources and raw materials, strengthening our commitment to circularity, reducing production waste, and incorporating smart raw materials, all while upholding the highest standards of quality and performance.

Climate change mitigation

Recognising the challenges posed by climate change, analysing the risks, and adapting our strategies to enhance our business resilience and to withstand extreme events and market changes.

Technological and professional development

Integrating technological, professional, and personal development, focusing on advancing business processes and tools to foster the development of the employees' expertise, and optimising the work flows.

Workplace wellness

Ensuring employee well-being, reinforcing a comprehensive welfare system that meets essential needs, regularly evaluating the available services and benefits, and actively seeking out feedback to continuously improve the work environment.

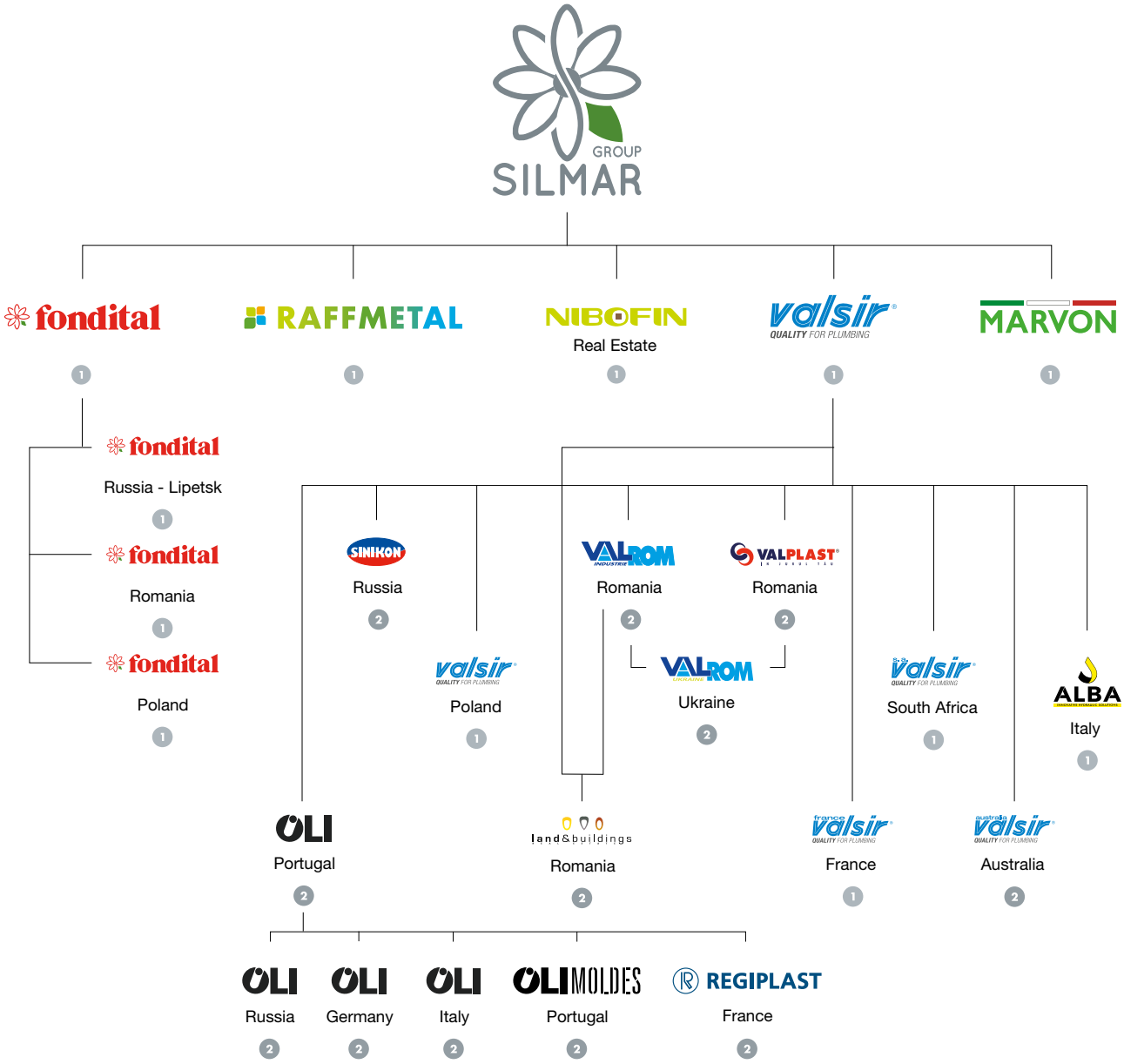
Support for the local community

Staying actively engaged with the local community, fostering interaction and collaboration among the economic, social, and public sectors, and promoting social responsibility through training initiatives and donations.

2. SILMAR GROUP, ALBA AND SUSTAINABILITY

ABOUT US - SILMAR GROUP

Silmar Group was established in 1963 based on an idea by Silvestro Niboli. Today, it has grown into a group of companies with an integrated production chain and a heart and soul being 100% Made in Italy.



LEGEND:

1 Subsidiary
2 Associated company

2022	
Turnover	1,515,810,000 €
Investments	117,728,000 €
Employees	3,651

2023	
Turnover	1,412,740,000 €
Investments	105,766,000 €
Employees	3,548

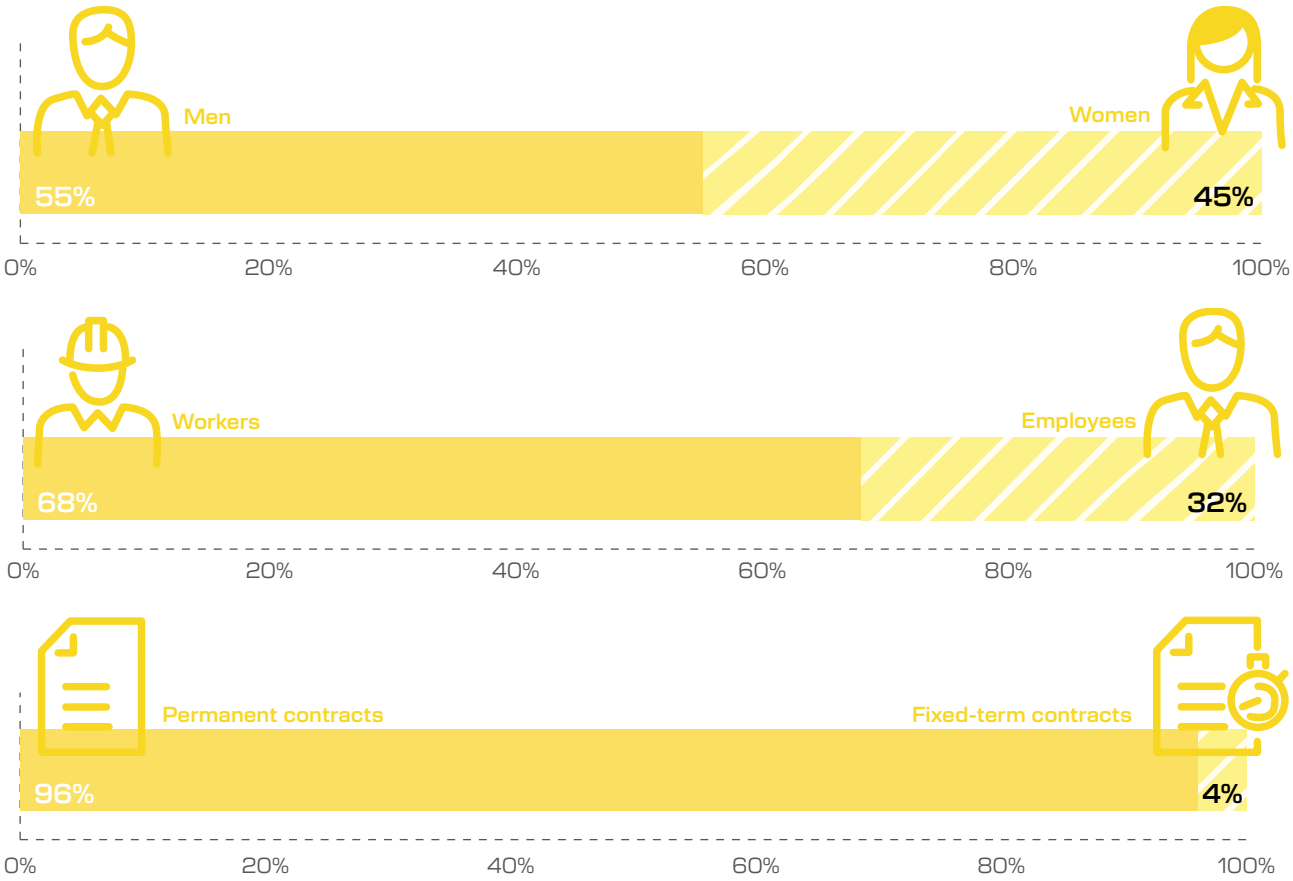
ABOUT US - OUR COMPANY

Boasting a 50 year presence on the market, Alba S.r.l. has always been synonymous with quality, efficiency, innovation, and sustainability. Initially founded in 1971 for third-party moulding and mould production, the company began to delve into the sanitary ware sector, and soon became a major manufacturer of drains and drain traps for kitchen sinks. Today, Alba consists of a plastic moulding department, a steel pressing department, a packaging department, an in-house mechanical workshop, a quality department, and an in-house technical department. Even the Alba production chain maintains 100% of its know-how within Italy.
In 2018, Alba became part of Silmar Group, a conglomerate of companies spanning the entire production chain, maintaining a deep-rooted connection with authentic Made in Italy craftsmanship, both in spirit and execution.

Alba

- **Location:** Rodengo Saiano (Brescia)
- **Surface area:** 18,696 m², of which 13,363 m² indoors
- **No. of employees:** 74
- **Production:** drains and drain traps for kitchen sinks.

Alba's workforce in 2023



Alba's 2023 figures

18,696 m²
Total surface area

74
Employees

21,580,00 €
Turnover

363,000 €
Investments

4
Product line

8
Type-approval

Management system and certifications

ISO 9001:2015

Quality management system

(in place since 2004)

ISO 45001:2018

Occupational health and safety management system

(in place since 2021, and previously under ISO 18001 certification since 2015)

ISO 50001:2018

Energy management system

(in place since 2023)

Markets served by Alba

Alba's presence in the markets

Mission

Our mission is to excel in the creation of innovative, environmentally sustainable and quality solutions by guaranteeing a meticulous and prompt service. Boasting deep roots in our community and a strong commitment to international expansion, we adopt processes that are respectful of both people and the environment.

Values

Passion, work, people, reliability, innovation, sustainability, environment and dynamism.

SUSTAINABILITY MANAGEMENT

What sustainability means for Alba

For us, sustainability means: working, recycling and improving with respect for people and the environment, in order to safeguard our future in the most ethical and efficient manner possible, while also generating profit in a sustainable way. We aim to be seen as an example of integration between companies, people and the local community.
Our aspiration is to become a leading company on sustainability issues and to be recognised as a point of reference for the industry.

Corporate sustainability governance:

CSR working group

Strategic and operational body which, in agreement with the Executive Board, brings the sustainability approach and resulting projects to life.

It consists of people from within the company at executive and managerial levels. From the CSR working group and depending on the projects, functional teams are organised to carry out each individual project.

CSR Manager

Reference point of the entire governance system.

This role encompasses all individuals involved in CSR projects and sustainability in various capacities.

This role is closely linked to other company departments for the implementation of projects.

Department heads and managers

Department managers are involved in promoting CSR culture and sustainability goals in the company.

They play an active role in promoting the culture throughout the organization, engaging their staff through regular meetings and encouraging continuous improvement ideas.

MATERIALITY ANALYSIS

The process we followed to define materiality falls within the broader context of the **Corporate Sustainability Reporting Directive (CSRD)**, which places special emphasis on double materiality. This approach not only considers the financial impacts of sustainability-related risks and opportunities on businesses, but also the impact of business activities on people and the environment.

The following steps were taken to define the company's materiality profile:

- **Analysis Of Areas Of Impact In The Context Of The Doughnut Economics**
  We examined possible areas of impact considering both the UN Sustainable Development Goals and the principles of the doughnut economics. This approach has allowed us to assess how our activities affect both the ecological boundaries of the planet (climate change, biodiversity loss, sustainable water use and others) and the social base, seeing how our operations contribute to ensuring essential living conditions in the communities we operate in.
- **Application Of The Analysis Key To The Company System**
  We applied this method of analysis to explore each segment of our company system, identifying key actions and their direct results. This led us to compile an initial list of impacts - positive and negative, potential and actual, direct and indirect - as well as a list of risks and opportunities.
  At this stage, we have identified 12 negative impacts, 9 positive impacts, 28 risks and 15 opportunities.
- **Gravity Of The Impacts**
  The severity of the impacts was assessed by the core working group considering the following parameters:
  - **Magnitude**, namely, how severe the negative impact is or how much benefit the positive impact brings to people or the environment.
  - **Scope**, how widespread the positive or negative impacts are.

The parameter of irremediable nature was considered only for negative impacts, i.e. the extent to which negative impacts can be remedied, restoring the environment and the people affected to their original state.

For potential impacts, we also assessed the probability of occurrence.

We then organised the results into a final list that includes all impacts deemed above the materiality threshold, i.e. those found to be "critical", "significant" and "important". Impacts that were found to be "informative" or "minimal" in the analysis of the above parameters were considered to be below the materiality threshold and therefore not taken into account for the purposes of this report and for the definition of our sustainability plan. This final list of material impacts, which will be presented on the following pages, consists of 10 negative and 9 positive impacts.

Financial Materiality - Assessment Of Risks And Opportunities

At the same time, we worked on assessing financial materiality by carefully identifying the environmental, social and governance (ESG) risks and opportunities. This process involved analysing the likelihood of such risks or opportunities arising, as well as assessing their potential financial impact, which can be negative in the case of risks or positive in the presence of opportunities. We considered three time horizons - short, medium and long term - and at this stage, the estimation of financial effects was based on qualitative criteria. Additionally, in this analysis, we defined a materiality threshold that included all risks and opportunities classified as "critical", "significant" or "important" in at least one of the assessed time scenarios. Consequently, we have excluded risks and opportunities that, according to the parameters mentioned above, were judged to be only "informative" or of "minimal" significance.

Definition of materiality

As part of the definition of materiality, we categorised the impacts, risks and opportunities that exceed our set threshold according to their topic relevance. The material topics explored in this document emerged from this grouping.

Accurately identifying sustainability-related impacts, risks and opportunities is essential not only for effective reporting but also to strategically steer the company's development towards an approach aimed at mitigating/resolving negative impacts and strengthening/monitoring the positive ones.

NOTE ON THE ASSESSMENT

In assessing the impact, we considered not only our contribution to the issue (e.g., global warming) but also the effect itself. This reasoning was further explored in the conclusion to better understand the magnitude of the various impacts in relation to our company's operations.

To assess the risks and opportunities, we considered the probability of occurrence multiplied by the potential financial effect that could be generated for the company.

This evaluation results in the severity, which is summarised on a scale of 1 (lowest) to 5 (critical).

■□□□□	■■□□□	■■■□□	■■■■□	■■■■■
Minimum	Informative	Important	Significant	Critical

KEY

Impact type	Risk or Opportunity	Current or Potential	Direct or Indirect	Rating
- Negative	R Risk	! Current	▶ Direct	■■■■■ Critical
+ Positive	O Opportunity	? Potential	▷ Indirect	■■■■□ Significant
				■■■□□ Important
				■■□□□ Informative
				■□□□□ Minimum

Material topics: impact analysis

Climate change and energy transition

Impact	Impact type	Current/ Potential	Direct	Indirect	Rating
Global warming.	-	!	▶	▷	■■■■■

Circularity

Impact	Impact type	Current/ Potential	Direct	Indirect	Rating
Depletion of raw materials (along the supply chain).	-	?	▶	▷	■■■■■
Depletion of raw materials (end-of-life).	-	?		▷	■■■■■
Global warming linked to raw material extraction.	-	!		▷	■■■■■

KEY

Impact type		Risk - Opportunity		Current - Potential		Direct - Indirect	
-	Negative	R	Risk	!	Current	▶	Direct
+	Positive	O	Opportunity	?	Potential	▷	Indirect

Rating

■■■■■ Critical ■■■■□ Significant ■■■□□ Important ■■□□□ Informative ■□□□□ Minimum

Biodiversity and pollution

Impact	Impact type	Current/ Potential	Direct	Indirect	Rating
Land use changes, loss of biodiversity along the chain.	-	!		▷	■■■■■
Land use changes, loss of in situ biodiversity.	-	!	▶		■■■□□
Atmospheric aerosol load.	-	!	▶		■■■□□
Chemical pollution, contamination of environmental matrices.	-	!	▶		■■■■□
Depletion of fresh water in situ.	-	!	▶		■■■■■
Depletion of fresh water along the chain.	-	!		▷	■■■■■

Safety and well-being

Impact	Impact type	Current/ Potential	Direct	Indirect	Rating
Damage to health, due to the nature of the work and accidents.	-	!	▶		■■■□□
Damage to the health of the populace (where raw materials are extracted and processed).	-	!		▷	■■■■■
Economic inequality, with particular disadvantages for vulnerable groups.	-	!		▷	■■■■■
Well-being of people, at the local level.	+	!	▶		■■■■□

People and growth

Impact	Impact type	Current/ Potential	Direct	Indirect	Rating
Education, development of internal skills.	+	!	▶	▷	■■■□□
Gender and social equity, diversity and inclusion.	+	!	▶		■■■■□
Education, development of external skills.	+	!	▶	▷	■■■□□
Income and work, creation and distribution of economic value, donations.	+	!	▶		■■■□□

KEY

Impact type		Risk - Opportunity		Current - Potential		Direct - Indirect	
-	Negative	R	Risk	!	Current	▶	Direct
+	Positive	O	Opportunity	?	Potential	▷	Indirect

Rating

■■■■■ Critical ■■■■□ Significant ■■■□□ Important ■■□□□ Informative ■□□□□ Minimum

Material topics: risk and opportunity analysis

Climate change and energy transition

Risk/Opportunity	Classification
Risks of decreased competitiveness due to the lack of technological advancement.	R
Increased demand for a product with a low carbon footprint (and low environmental footprint in general) and access to new markets.	R

Circularity

Risk/Opportunity	Classification
Dependence on unsustainable and exhaustible raw materials brings with it the risk that they will become increasingly difficult to obtain, and therefore more expensive.	R
Use of End of Waste (e.g. materials from recycling, materials from cascading systems originated from other production processes).	O
Competitive advantage in offering more sustainable and circular products.	O

Safety and well-being

Risk/Opportunity	Classification
Absence of workers due to illness/injury resulting in difficulties to work.	R
Increase in the attractiveness of the area as a place to live and work.	O

Business conduct

Risk/Opportunity	Classification
Market instability, price increases, difficulties in sourcing raw materials and components.	R
Requirement to analyse and report information with respect to one's supply chain, down to the most distant supplier.	R
Risks related to the ability to have credit institutions finance the activities.	R
The possibility of achieving major improvements in sustainability performance through strategic collaborations with suppliers and customers.	O
Requirement to alignment values with certain players (customers, competitors, and suppliers) that have adopted Sustainability Reports.	R

Methodological note

This report was prepared in accordance with the 2021 GRI (Global Reporting Initiative) Standards. The information and data presented refer to Alba S.r.l. based in Rodengo Saiano (BS) Italy, for the period from 1 January 2022 to 31 December 2023, unless otherwise indicated. The scope of the business is defined by Alba S.r.l.

In formulating the indicators and targets, as well as in the materiality process, we also took into account the new European Corporate Sustainability Reporting Directive (CSRD) and related European Sustainability Reporting Standards (ESRS) indicators, defined by the European Financial Reporting Advisory Group (EFRAG) and published in the Official Journal in the summer of 2023.

Additionally, the report includes indicators that, while not explicitly required by GRI, are collected internally to improve the management of production processes and targets.

Prepared on a biannual basis, this document is the first edition of the company's Sustainability Report, drawn up according to the ESRS standards.

KEY

Impact type		Risk - Opportunity		Current - Potential		Direct - Indirect	
-	Negative	R	Risk	!	Current	▶	Direct
+	Positive	O	Opportunity	?	Potential	▷	Indirect

Rating

■■■■■ Critical ■■■■□ Significant ■■■□□ Important ■■□□□ Informative ■□□□□ Minimum

3. CLIMATE AND ENERGY TRANSITION

Related target SDGs

Ref. 7.1 - 7.2 - 7.3

Ref. 13.1 - 13.3

VISION

We are aware that climate change is part of our daily lives, and we want to continue our efforts to be proactive players in this global challenge, demonstrating our utmost commitment to sustainability. We want to prepare a short- and long-term climate change adaptation strategy in order to be prepared to manage the risks and seize the opportunities. We are committed to continuous improvement in energy performance, and aim to maximise the share of renewable energy in our energy mix. For direct Scope1 and indirect Scope2 emissions, we are committed to limiting the global average temperature increase to well below 2ºC compared to pre-industrial times, with the goal of limiting it to 1.5ºC.

We aim to further improve the sustainability of employees' commutes thanks to the company carpooling service. Furthermore, we support the transition to electric mobility by providing employees with a free recharging service for the first two years of commuting and reduced rates for the following years. By adopting more sustainable and decarbonized processes, driven by the development of new technologies and materials, along with the implementation of integrated standards and policies, we will be able to offer our customers even more sustainable products throughout their entire life cycle, from design to disposal.

We will actively involve all our stakeholders in this transition process, including suppliers and partners, to promote environmental awareness and the search for climate-sustainable solutions. Furthermore, we believe that all employees are an integral part of a sustainable path.

Therefore, we are committed to providing them with ongoing training and information to increase their environmental awareness and encourage them to adopt sustainable practices both in the workplace and in their personal lives.

KEY

Impact type		Risk - Opportunity		Current - Potential		Direct - Indirect	
-	Negative	R	Risk	!	Current	▶	Direct
+	Positive	O	Opportunity	?	Potential	▷	Indirect

Rating

■■■■■ Critical ■■■■□ Significant ■■■□□ Important ■■□□□ Informative ■□□□□ Minimum

IMPACTS, RISKS AND OPPORTUNITIES

Global warming

Impact	Impact type	Current/ Potential	Direct	Indirect	Rating
Energy consumption: use of electricity and power generation through cogeneration.	-	!	▶	▷	■■■■■
Fuel use: use of fuels for internal transport and logistics.	-	!	▶	▷	■■■■■
Raw materials: indirect impacts from extraction and the production of raw materials.	-	!	▶	▷	■■■■■
Fuels: emissions from methane and LPG combustion.	-	!	▶	▷	■■■■■
Process emissions: release of greenhouse gases from industrial processes.	-	!	▶	▷	■■■■■
Transportation: environmental impact of employee commuting and stakeholder travel.	-	!	▶	▷	■■■■■
Fugitive emissions: leaks of fluorinated gases from industrial systems.	-	!	▶	▷	■■■■■

Land use changes - loss of biodiversity along the chain

Impact	Impact type	Current/ Potential	Direct	Indirect	Rating
Oil extraction for virgin plastic production, which contributes to climate change through the significant release of greenhouse gases and the intensive use of non-renewable resources.	-	!		▷	■■■■■

Decarbonisation and technological progress; AI and the fourth industrial revolution

Risk/Opportunity	Classification	Rating short term	Rating medium term	Rating long term
The risks to competitiveness arising from the lack of technological advancement in the context of climate change include being surpassed by more innovative economies adopting green technologies, failing to meet increasingly stringent international emissions standards, and missing out on market opportunities and investment in emerging sustainability-related sectors.	R	■□□□□	■■□□□	■■■■□
Increasing demand for low carbon footprint products stimulates access to new markets and offers competitive advantages to companies that adopt sustainable practices, paving the way for growth opportunities in the green sector.	O	■■■■□	■■■■■	■■■■■

KEY

Impact type		Risk - Opportunity		Current - Potential		Direct - Indirect	
-	Negative	R	Risk	!	Current	▶	Direct
+	Positive	O	Opportunity	?	Potential	▷	Indirect

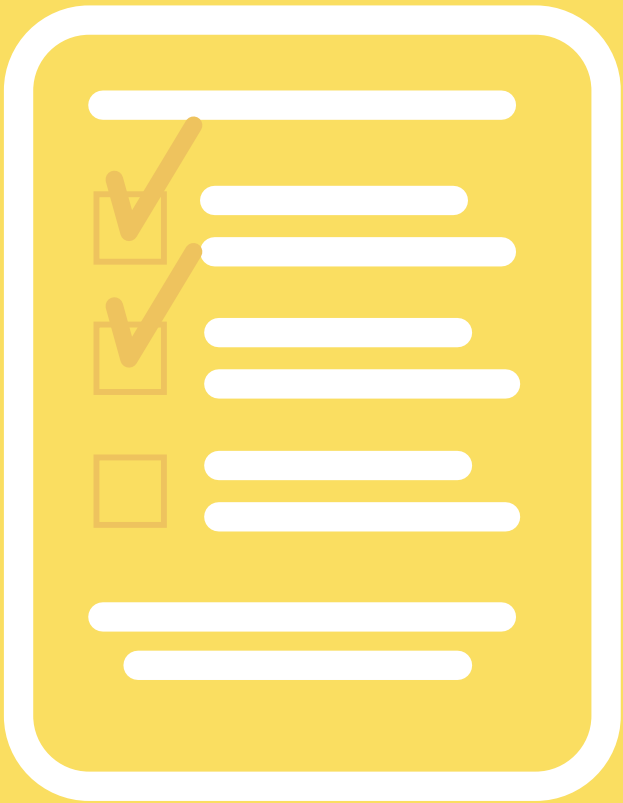
Rating

■■■■■ Critical ■■■■□ Significant ■■■□□ Important ■■□□□ Informative ■□□□□ Minimum

POLICY ON THIS TOPIC

Our company conducts regular assessments of risks and Opportunities related to climate change and the energy transition, evaluating their potential impact on our operations.
Specifically, we commit to:

- annually updating GHG emissions for Scopes1 and 2;
- defining a decarbonisation plan;
- investing in new technologies to promote an energy transmission path;
- expanding the company's photovoltaic park and evaluating PPA (Power Purchase Agreement) with GOs (Guarantees of Origin) contracts;
- involving the supply chain to facilitate decarbonisation along the supply chain;
- participating in regulatory and institutional fora to review regulations limiting the use of recycled material in our products;
- collaborating with companies, institutions, governments and NGOs (Non-Governmental Organisations) to address the challenges of climate change in an integrated manner;
- organising educational programmes to raise awareness of this topic;
- promoting sustainable mobility models (carpooling, electric charging stations).



PROJECT REPORTING

Below are some of the projects developed during the two-year reporting period.

Energy demand

In the two-year period under review, the company's total energy consumption (demand) decreased by 20% compared to 2021, the year of reference.

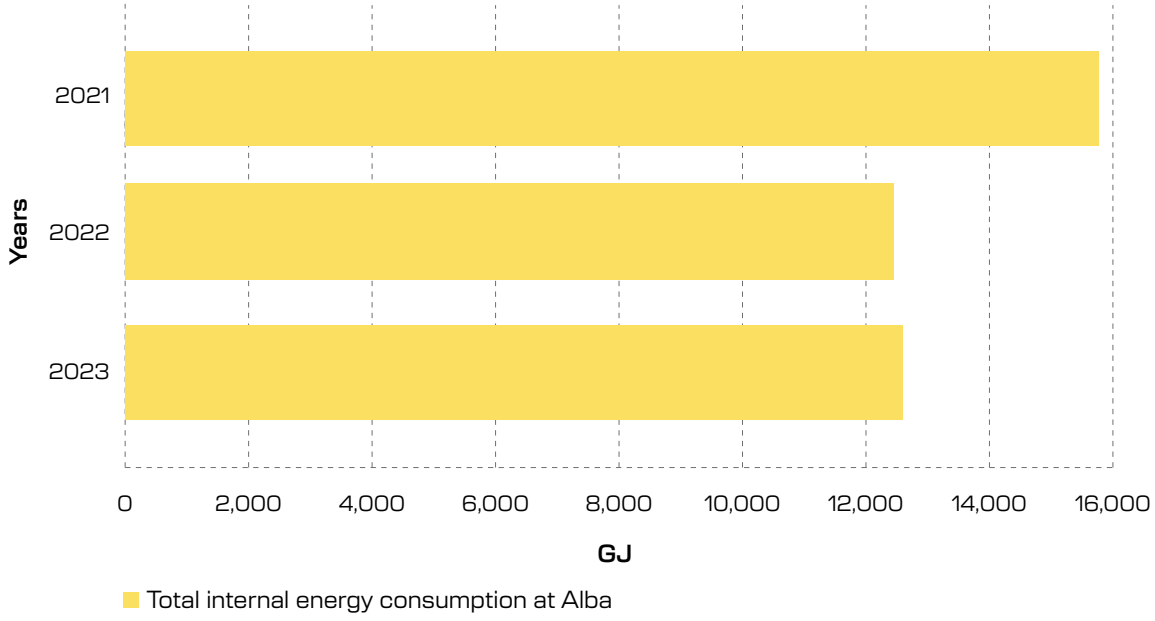
The significant reduction in energy demand is a direct result of our waste reduction policies and enhanced energy efficiency measures, combined with less-than-optimal market conditions, which have led to decreased production levels.

Total energy consumption (demand)

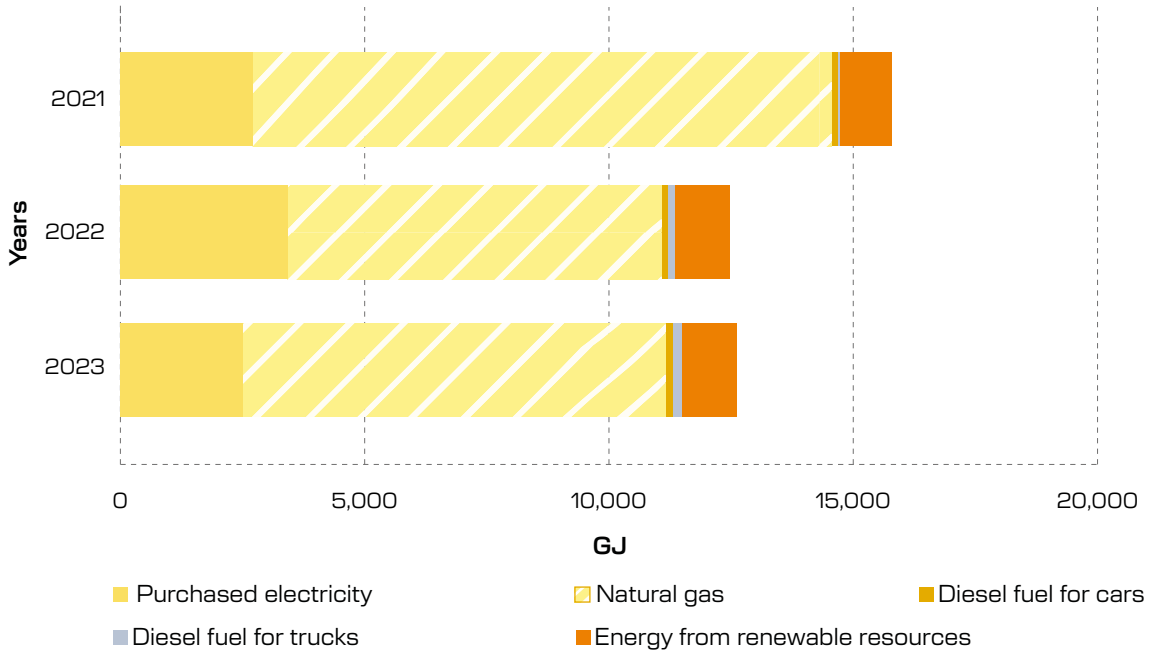
-20%

compared to 2021

Total internal energy consumption at Alba



Total internal energy consumption at Alba by source



The breakdown of Alba's total energy consumption by source reveals a notable decline in methane gas usage, driven by two major investments:

- The insulation of the office buildings and the replacement of windows and doors, REDUCING HEATING ENERGY CONSUMPTION BY 20% and achieving an ENERGY RATING OF A3.
- The installation of a UNIT HEATER SYSTEM in the moulding department, maximising heat recovery from the trigeneration plant and eliminating the need for the methane gas-fired strip heating system.

These two key initiatives, further detailed below, have also contributed to a significant reduction in the organisation's Scope1 emissions.

Energy production

The total installed capacity of Alba's two photovoltaic plants, located on the facility's rooftop, is **319 kWp**, and met **17% of the company's electricity demand** in 2023.

A trigeneration plant has also been in operation since 2020, efficiently utilising a single primary energy source (methane gas) to simultaneously meet:

44%
of the electrical power requirements

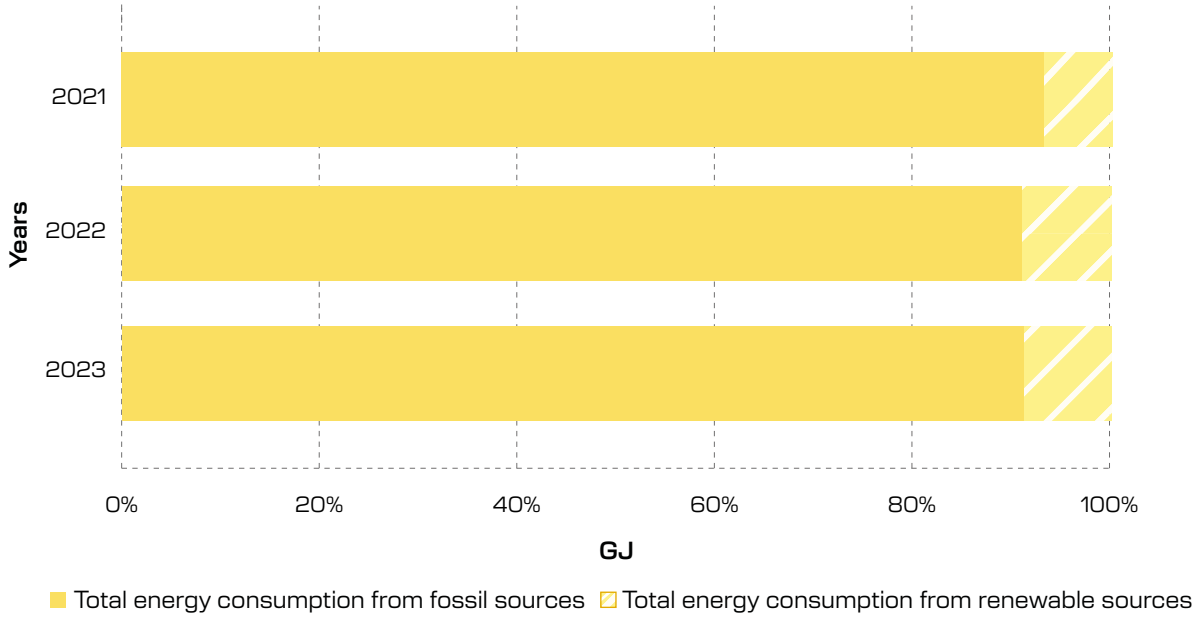
95%
of the thermal energy needed to heat the departments

100%
of the cooling energy needed to regulate the office temperatures during the summer

100%
of the cooling energy needed to cool the presses in the moulding department

Share from renewable sources of total energy

As illustrated in the following graph, 9% of the total energy carriers consumed by the company (electricity, methane gas, and diesel oil) are derived from renewable sources.



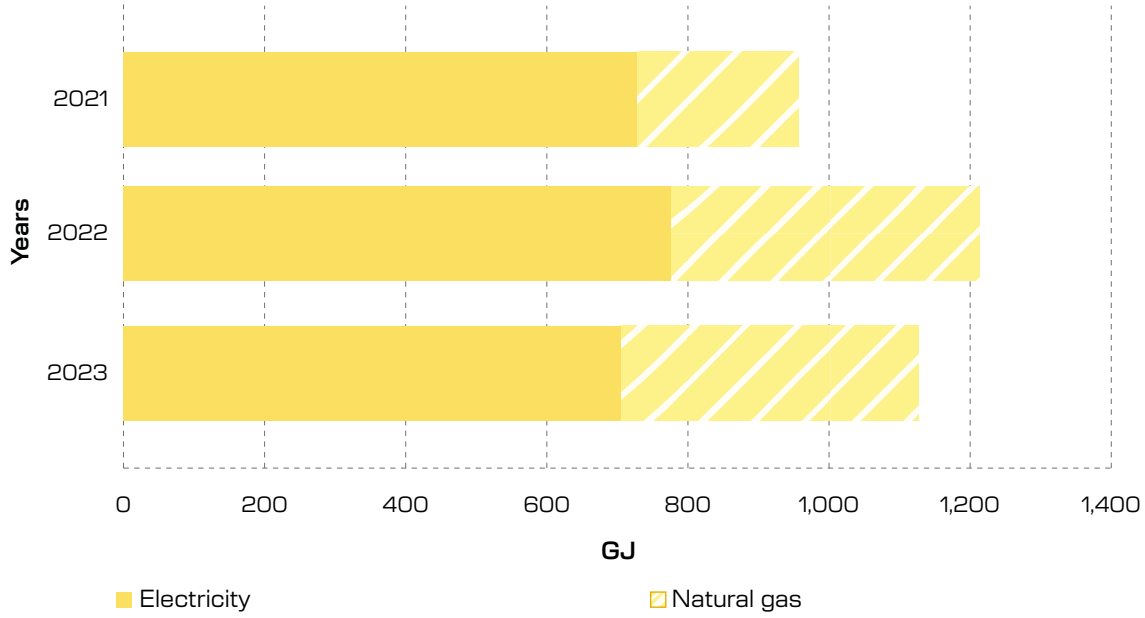
Energy performance and process efficiency

The reference year chosen by the Organisation as the baseline for calculating consumption reduction is 2019, as it marks the year when the Energy Management System (SGE) was implemented and later certified according to ISO 50001 in 2023.

The EMS adoption made it necessary to define a more intensive monitoring plan and a more precise and reliable measurement and verification system than in the past.

Energy savings are verified annually by normalizing each action taken against relevant variables (e.g., kg worked, hours worked, climate data, etc.) and calculating the total annual savings. This approach allows for a comparison between current energy consumption and that of 2019, enabling an accurate measurement of the savings achieved.

As shown in the graph, if the company had made no energy efficiency improvements since 2019, it would have consumed an additional 705 GJ of electricity and 422 GJ of methane gas in 2023 alone.



With regard to the measurement and verification standard adopted, reference is made, where possibile, to the IPMVP (International Performance Measurement and Verification Protocol), or, in any case, to M&V methods complying with the requirements of ISO 50001:2018.

For calculations, the company uses its own Energy Management software and Energy Analysis models developed in-house, which are required to maintain ISO 50001:2018 certification.

Over the next two years the software will undergo a major upgrade that will equip the Organisation with more sophisticated analysis tools and models capable of harnessing the full power of artificial intelligence.

Lighting

The plant's relamping project was completed in 2022, replacing the last fluorescent lamps in the warehouse and certain departments with smart presence, proximity, and twilight systems.
This upgrade has allowed the company to minimise its electricity consumption for lighting.

Installation of high-efficiency electric presses

Between 2022 and 2023, the company installed 3 high-efficiency electric presses to replace three hydraulic units.

-70,000 kWh
in savings since the time of installation

These more efficient presses have reduced electricity consumption per kilogram processed in the moulding department by an average of **8.3%** compared to 2021, which translates into approximately **70,000 kWh** of savings since the time of installation.

In addition to energy benefits, this choice results in a whole range of other benefits as well, such as reduced CO_2 emissions (Scope2), increased productivity, increased moulding precision and quality, quieter operation, and reduced heat dissipated into the environment.

Committed to sustainability, the company intends to continue implementing the investments outlined in its decarbonisation plan.

Search for compressed air leaks

Following a management review of the Energy Management System, the company decided to enhance its monitoring efforts by conducting three compressed air leakage inspections per year for each plant.
In order to be able to carry out this activity in a systematic and effective manner, a shared calendar was created that allows plant managers and leak detectors to better plan the activity according to specific departmental needs.

The leaks detected and repaired during the two-year period resulted in a reduction in compressed air flow rate and a consequent reduction in power consumption of approximately 3,212 kWh.

-3,212 kWh
of electricity
equivalent to the annual consumption of
1 household

Renovation of the roofing of the packaging department and warehouse

During 2022 and 2023, significant building upgrades were carried out, including the re-roofing of the packaging department and warehouse with highly insulating panels. This initiative minimised heat loss from the building envelope, improving overall energy efficiency.

Installation of an underfloor heating system and heat pump

Before 2022 and 2023, an underfloor heating system was installed in part of the warehouse and packaging department, incorporating a water-to-water heat pump that harnesses thermal energy from the moulding department's mould circuit.

Instead of dissipating the heat generated by the moulding process into the surrounding space, this system transfers it to the underfloor radiant system during the winter, effectively heating the warehouse and packaging department. By utilising heat that would otherwise go to waste, instead of consuming electricity or natural gas, the system significantly reduces heating energy consumption.

Office building insulation

In 2021, the company made a major investment in the insulation and the replacement of the windows and doors in the office building. These improvements upgraded the building's ENERGY CLASS from C to **A3**, leading to substantial reductions in heating and cooling energy consumption.

Moreover, the company installed a trigeneration plant that efficiently produces electricity, heat, and cooling energy from a single primary energy source. The thermal energy generated is sufficient to heat the entire site during winter, thanks also to the enhanced insulation from the previous building upgrades.

In 2023, the normalised energy savings amounted to nearly 28,000 Scm of methane gas - the equivalent of the annual consumption of 23 households - while also preventing the release of approximately **55** TONNES OF CO_2 into the atmosphere (Scope1).

-28,000 Scm
methane gas
equivalent to the annual consumption of
23 households

Insulation of the thermal energy distribution lines

To minimise heat loss, the company decided to insulate all of its thermal energy distribution lines that transport hot water from the power station (where the trigenerator is also located) to the heating and, in some cases, cooling systems of the production departments and offices. This initiative, along with previous measures, has contributed to reducing the company's reliance on methane gas for heating (as well as electricity for cooling).

Electrification of the compressed air handling system of several shearing machines

In 2023, the outdated and inefficient air-driven belt movement system of one shearing machine was fully electrified, leading to electricity savings of approximately 9,000 kWh per year for compressed air production.

The company plans to extend this upgrade to two additional shearing machines in 2024.

-9,000 kWh
of electricity

Installation of a charging station

Demonstrating its commitment to environmental sustainability, the company installed an electric vehicle charging station in 2022. This initiative was initially prompted by an employee's request after purchasing a 100% electric car.

The charging station, with an output of 22+22 kW, was installed at the company's expense and will provide the employee with free charging for two years. This service supports home-to-work commutes, thus helping to lower Scope3 emissions.

The company also plans to extend this initiative to other employees who opt for electric vehicles. This commitment to sustainable mobility is aimed at:

- Promoting the adoption of low-emission vehicles: the free charging station encourages employees to transition to electric cars, thereby contributing to the reduction of air pollution.
- Reducing Scope3 emissions: Scope3 emissions stem from activities not directly controlled by the company, such as employee commutes.
  The use of electric vehicles reduces these emissions, helping achieve the company's broader decarbonisation goals.

ISO 50001 Energy Management System Certification

At the end of 2023, Alba reached a significant milestone in its sustainability journey by obtaining ISO 50001:2018 certification for its Energy Management System. This certification acknowledges the company's dedication to improving its energy efficiency and reducing its environmental impact. It also highlights Alba's ability to manage energy systematically while reaching its continuous improvement objectives.

This achievement marks a crucial step toward an even more sustainable future.

Update of the documentation for the Quality, Environment and Energy Management Systems

In the last two years a major review and updating of the documentation for the company's quality, environment and energy management systems was undertaken.

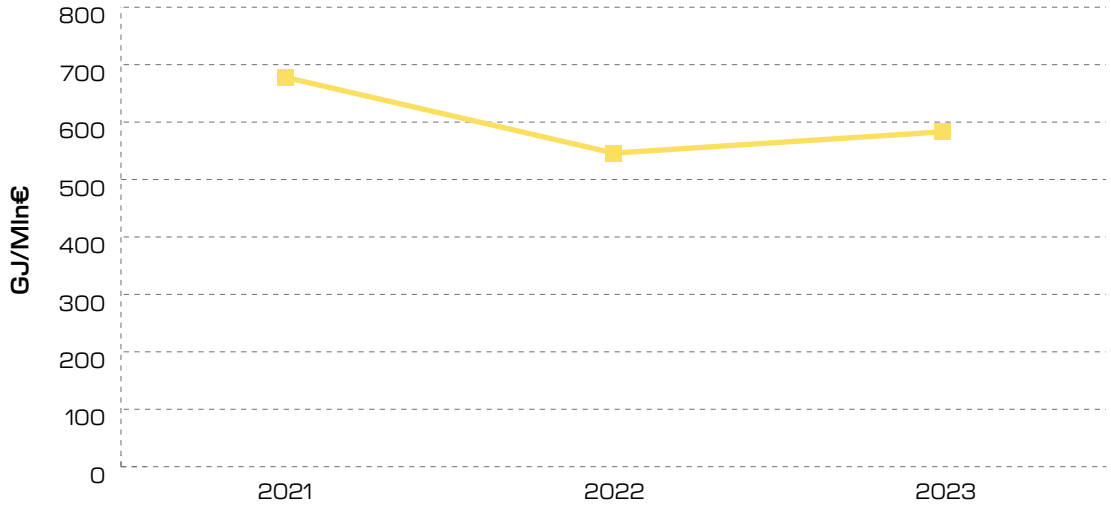
A significant portion of the effort was devoted to the Rating criteria for assessing risks and Opportunities, including those related to climate change, which have become increasingly important for all organisations in recent years, in line with the Corporate Sustainability Reporting Directive (CSRD) guidelines.

This review improved the effectiveness of our management systems, ensuring greater consistency and alignment with current regulations and industry best practices.

Energy intensity indicators

In alignment with the ESRS requirements, Net Revenue has been identified as the denominator for calculating the energy intensity index. All of the company's energy consumption (fuels for stationary and mobile facilities/renewable and non-renewable electricity) is included in the intensity index. The quotient takes into account energy consumption within the organisation (expressed in GJ according to GRI).

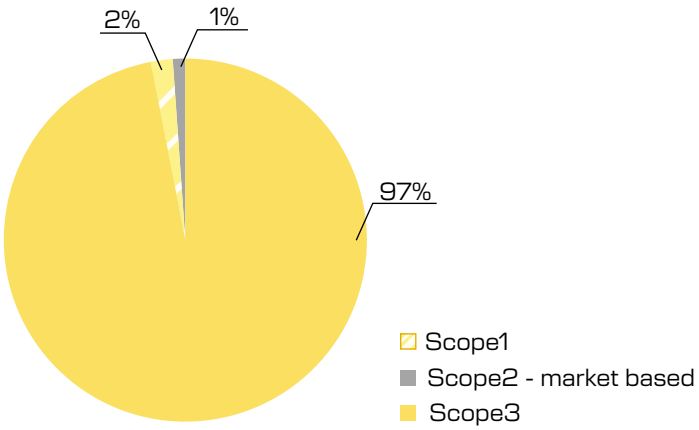
Compared to 2021, the energy intensity index improved by **14%**.



Greenhouse gas (GHG) emissions

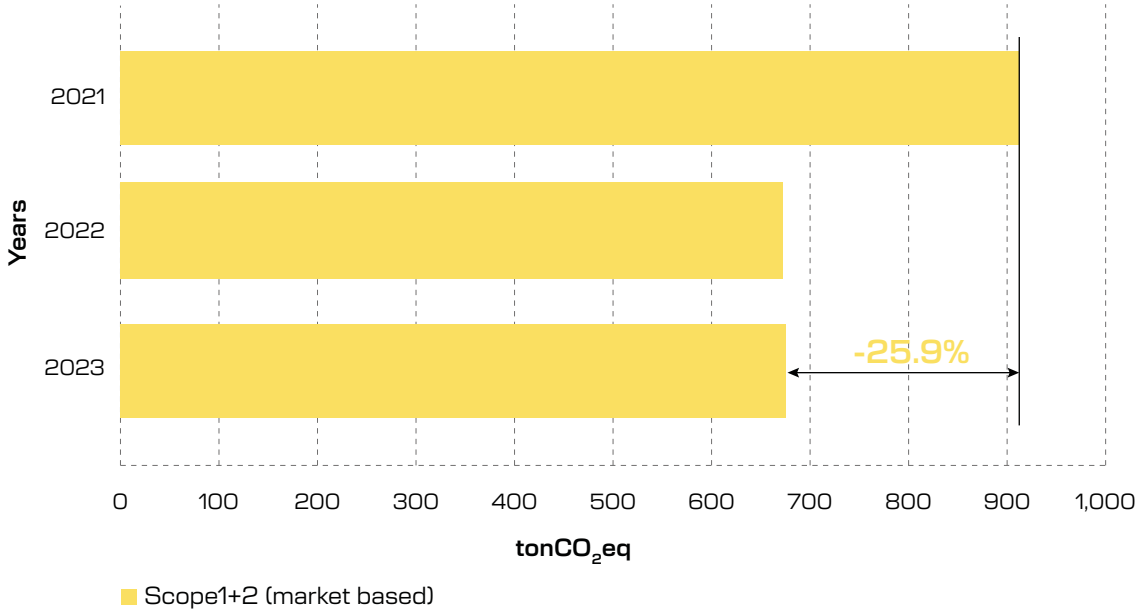
In 2022 the company decided to measure its Corporate Carbon Footprint in accordance with the standards of UNI EN ISO 14064-1.

The following diagram shows the breakdown of Scopes1, 2 and 3:



Scope1+2 gross emission volume

As shown in the graph below, the company's total Scope1 and 2 emissions fell by **25.9%** as a result of the improvements made over the years and cyclical factors due to the market.



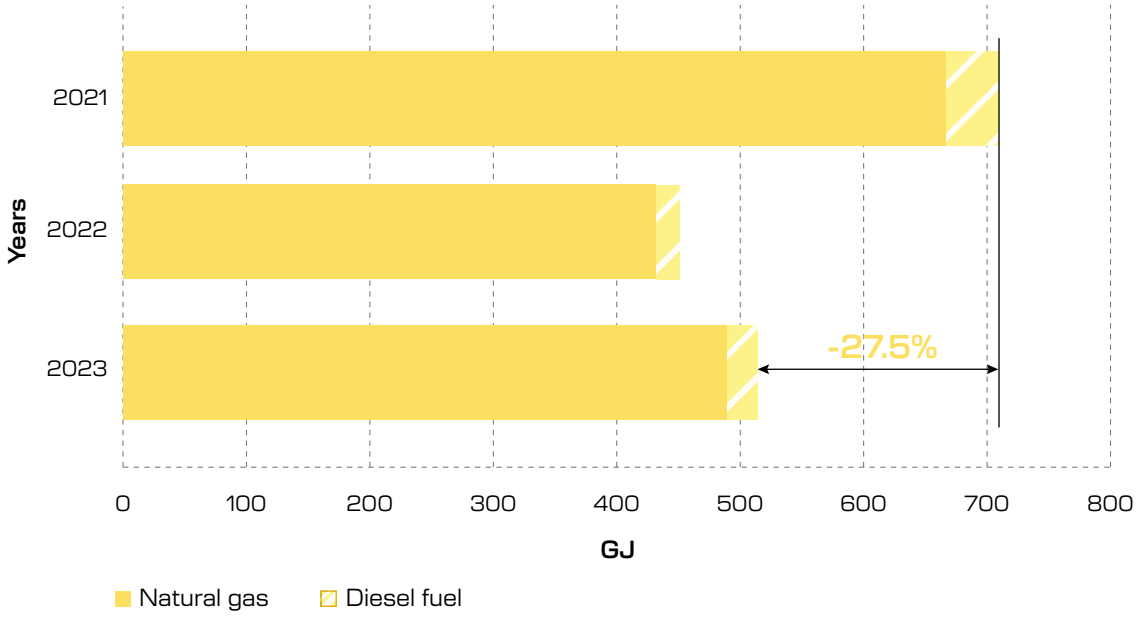
This analysis has enhanced the company's awareness of its emissions impact, and enabled the development of a model that allows for annual updates of Scope1 and 2 emissions (market- and location-based).

Scope1 gross direct emission volume

Alba's direct Scope1 emissions are due to:

- Methane gas used to power the cogeneration plant, some process boilers and for heating the production and office areas;
- diesel used for the company fleet;
- fugitive emissions from refrigeration systems containing fluorinated gases;
- process emissions.

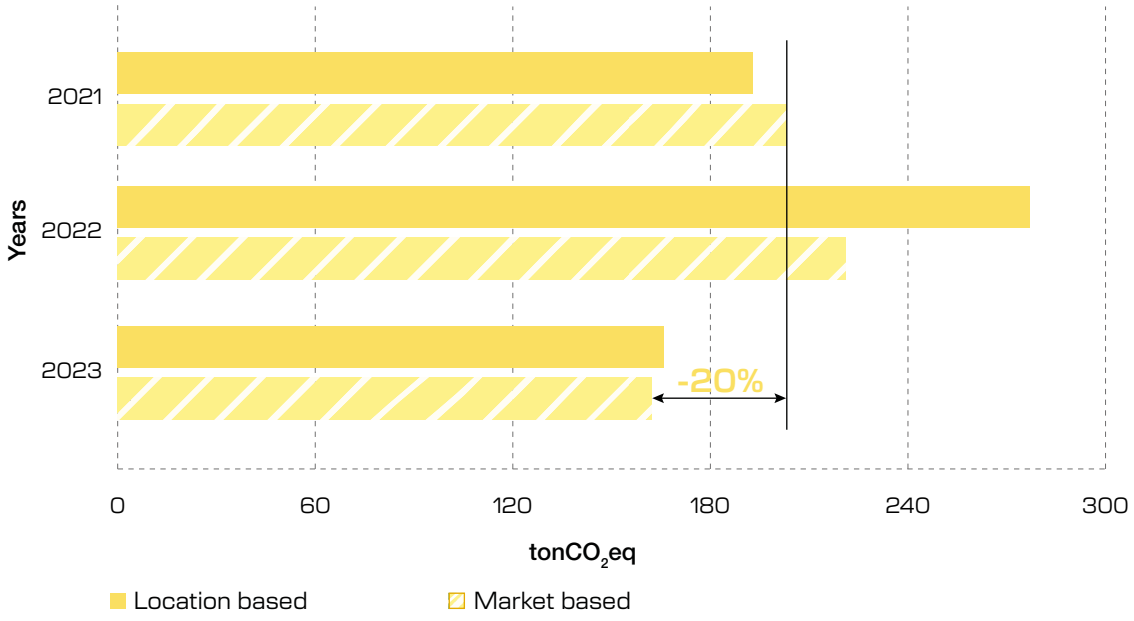
As illustrated in the graph below, the total absolute Scope1 emissions have declined sharply over the past two years (**-27.5%**), primarily due to reduced methane gas consumption.
This reduction stems from both the energy retrofitting of the office building and the implementation of the unit heating system in the moulding department, which captures and repurposes heat from the trigenerator.



Scope2 gross indirect emission volume

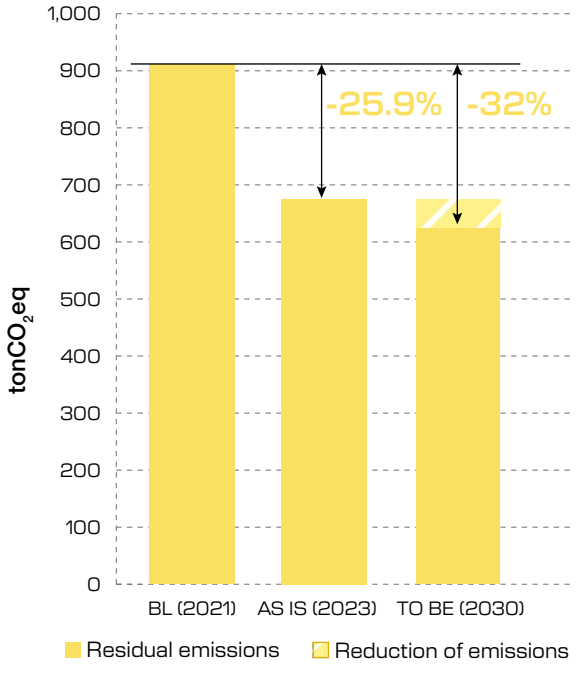
Alba's Scope2 (market based) indirect emissions are due to the consumption of electricity drawn from the grid and are calculated by applying the emission factor resulting from the supplier's energy mix.

The combined positive effects of investments aimed at enhancing energy performance, along with cyclical market downturns, led to a **20%** reduction in emissions in 2023 compared to 2021.



Scope1+2 decarbonisation plan

The company subsequently developed a Decarbonisation Plan that sets out a series of concrete actions aimed at reducing emissions. The goal is an ambitious one: to mitigate the environmental Impact of the company's processes and products, thus contributing to the decarbonisation targets set by international agreements, such as those established during the Paris climate conference.



As shown in the chart, there was a reduction of 25.9% in the absolute Scope1+2 emissions in the 2023 “AS IS” scenario compared to the 2021 “BASELINE”.
Thanks to the actions carried out in 2023 (which will have an Impact in 2024) and those being approved/feasible, we will be able to reduce absolute Scope1+2 emissions by 32% in 2030 "TO BE" compared to 2021.
On the other hand, as far as Scope 3 emissions are concerned, which are calculated to make up more than 96% of the organisation's total emissions (in 2022), the main objective for the next two years is to develop a management system capable of collecting and processing the primary data required for the annual update of the emissions.

The company is also exploring the potential use of recycled materials in its products, while ensuring they maintain the same level of quality and continue to meet product standards and market demands. This commitment to environmental sustainability is focused on minimising the products' environmental impact while fostering a circular economy.

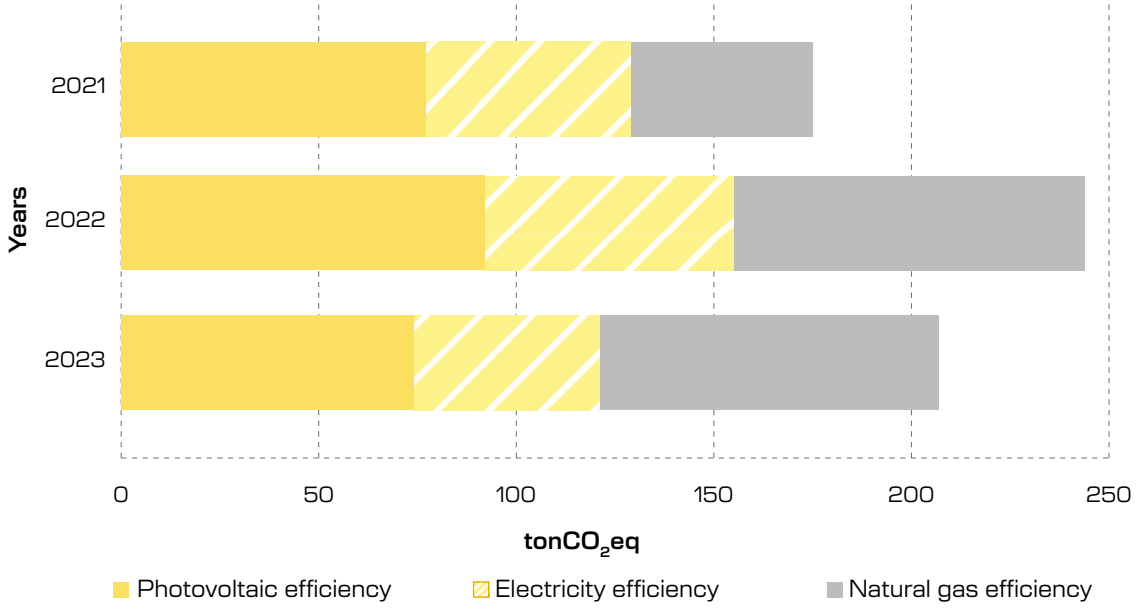
Greenhouse gas emissions avoided

Over the last two years, substantial resources have been invested in improving the company's energy performance. These activities resulted in a reduction of Scope1 and Scope2 GHG emissions.

The monitoring system developed calculates and continuously updates the improvements achieved in energy, economic, and environmental (GHG) terms for each activity implemented.

As with energy, the results for emissions shown in the graph refer specifically to the GHG emissions (Scope1 and Scope2) which the company would have produced if it had not implemented any of the improvement activities carried out from 2019 to the present.

Emissions avoided

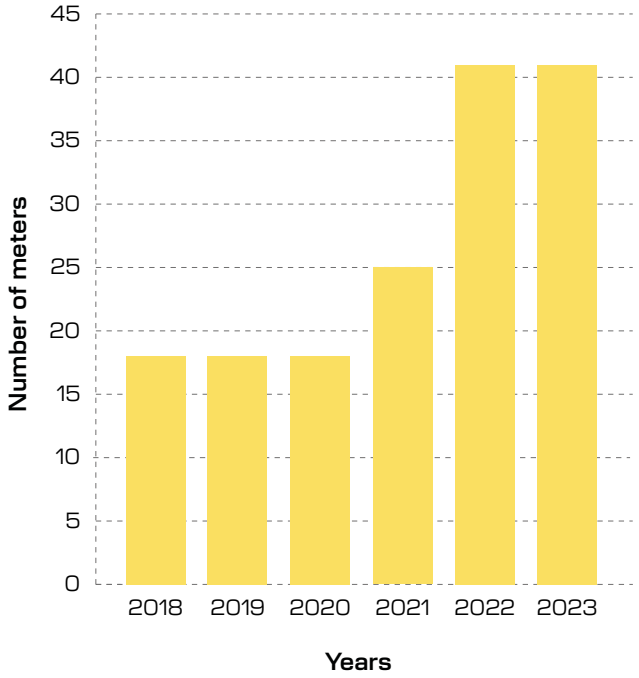


Monitoring

Using an extensive monitoring system, the Energy Management department is able to measure and verify the actual energy efficiency improvement of the Investments the company makes each year.

During 2022/2023, the company expanded its monitoring system by installing new meters on Significant Energy Uses (SEUs).

Number of meters installed



Compared to 2021, the number of measuring instruments increased by **64%** as a result of the foregoing, demonstrating the company's focus on continuously improving its energy performance.

The implementation of these new metering systems has significantly enhanced energy usage awareness, increasing the monitoring level for electricity consumption from 51% in 2021 to 73% in 2023, and for thermal energy from 0% in 2021 to 75% in 2023.

Another objective that the company has set for itself is the adoption in the next two years of a new energy management software with more advanced artificial intelligence models capable of managing the organisation's use and consumption with greater precision and accuracy.
This step will allow us to make a further quantum leap on predictive and deviation analysis between actual and expected consumption, minimising waste and inefficiency and identifying new Opportunities for improvement.

Efficiency through training

In 2021, an energy questionnaire was administered to all function and department heads with the aim of understanding the average level of knowledge and awareness of significant energy uses and the most relevant issues concerning the rational use of energy and natural resources.

Based on the data collected, targeted training sessions were conducted in 2022/2023, including:

- Training courses for department heads and team leaders on "Energy Transition", aimed at deepening their understanding of the following key topics:
  - photovoltaic;
  - cogeneration and trigeneration;
  - compressed air production and usage;
  - high-efficiency motors;
  - lighting;
  - methods for measuring and verifying energy performance improvements;
  - in addition to the basic theoretical concepts, various practical examples and strategies for reducing energy consumption, both at work and at home, were also provided during the course.
- A training course for new employees on identifying and repairing compressed air leaks using ultrasonic technology.
- A training course for department heads and management on Scope1, 2, and 3 emission calculation methods, with a presentation of the 2021 results.
- Specialised training for employees involved in the Environment and Energy Management System, on the following topics:
  - Carbon Footprint - calculation methods;
  - Emission Trading and voluntary offsetting mechanisms;
  - Guarantees of Origin system;
  - water pumps and fans;
  - industrial space heating technologies.

Sustainable mobility

The European Union aims to eliminate emissions from the transport sector by 90% by 2050 by promoting low-emission vehicles, e-mobility and cycling infrastructure as well as the use of public transport. Alba has decided to promote sustainable mobility through concrete actions such as those listed below.

Carpooling

In 2020, a carpooling platform was adopted by the company, which employees can use free of charge to share their cars. Following the Covid-19 pandemic, the service was suspended for safety reasons until the situation normalised, restarting in February 2022.

The platform also allows participants to benefit from an incentive system provided by the company and through which they can earn a cashback credit to spend on some of the most popular on-line shopping platforms for goods and services.

In 2022/2023, Alba, Valsir, OLI and Marvon saved:

110,000 km
saved through car sharing

reduction of
14.7 tonCO_2
Scope3 emissions

almost
3 TIMES
a trip around the world

Such great achievement was the result of the commitment of many employees. The results were presented to all guests during the 2023 Christmas Dinner, reaffirming the importance of carpooling in the company's decarbonization process.

Charging of 100% electric cars

At Alba, one employees who owns an electric vehicle takes advantage of a charging service that's free for the first two years (after which a discounted rate will be offered), made available by the company for commuting.

Over the two-year period, the company has provided 2,500 kWh of electricity, equivalent to approximately 15,000 kilometres of travel for home-to-work commutes, significantly contributing to the reduction of the company's Scope3 emissions.

Assessment of the risks and opportunities of climate change

The World Economic Forum has identified climate change as one of the main global risks for the next decade. Recognising the urgency of this problem, our company decided to take a proactive approach by developing a climate mitigation and adaptation strategy.

To effectively outline this strategy, it is crucial to analyse future climate projections to anticipate how changes might affect both our direct operations and the entire value chain, which includes suppliers and customers. In this context, we consulted the climate scenarios put forward by the Euro-Mediterranean Centre on Climate Change and supplemented this data with a detailed analysis of the specifics of our company operations.

Listed below are some of the main risks and opportunities that the company might face:

Risks

- Extreme weather events
- Increased energy costs
- Instability of raw materials
- Impact on employees' health
- Stricter regulation

Opportunity

- New markets and products
- Reduction of operating costs
- Risk management
- Corporate social responsibility and reputation

We believe that climate change represents a complex challenge, but also a source of opportunities for companies like Alba, which are ready to adapt and adopt innovative strategies to deal with its impacts. Effectively managing climate risks and seizing opportunities can be crucial for the long-term sustainability and competitiveness of the company.

Based on these analyses, we have identified the main risks and opportunities related to climate change, enabling the company to plan targeted interventions both in the short and long term and involving our stakeholders.

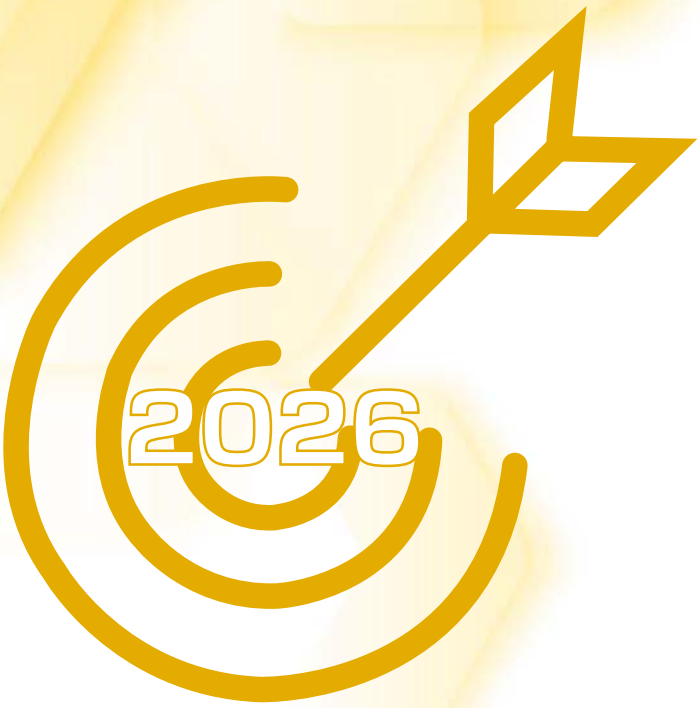
The cross-functional involvement of all business areas is also crucial to capitalise on emerging opportunities in the development of new products and markets. This integrated approach not only strengthens our ability to respond to climate change, but also helps position us as a sustainability leader in our industry, ensuring that the company remains resilient and competitive in a rapidly changing landscape.

PROJECTS FOR THE NEXT TWO YEARS

- Upgrading the energy management software with new functions and development of AI models;
- proceeding with the search and repair of compressed air leaks;
- proceeding with the plan to replace hydraulic presses with more efficient electric units;
- conducting a systemic census of all electric motors;
- entering into PPA (Power Purchase Agreement) contracts;
- evaluating the purchase of Guarantees of Origin (GOs) for the reduction of Scope2 emissions (market-based);
- confirming the Energy Transition Plan together with decarbonisation targets to be achieved by 2030;
- developing a management system capable of collecting and processing the primary data required for the annual update of Scope3 emissions;
- training internal personnel to manage planned preventive maintenance related to summer/winter air-conditioning systems and systems containing fluorinated Gases;
- training the Energy Team on artificial intelligence issues.

GOALS FOR 2026

- Reducing the specific energy consumption (kWh/kg) of the new 230-tonne press by 50%, as measured with the same moulds;
- conducting three annual compressed air leak detection campaigns;
- reducing the absolute Scope1 and Scope2 (market-based) emissions, compared to the 2021 baseline year, by 32% by 2030;
- engagement of suppliers having the greatest impact on indirect Scope3 emissions.



4. CIRCULARITY

Related target SDGs

Ref. 7.3

Ref. 9.4 - 9.5

Ref. 12.2 - 12.5

VISION

Recognising the importance of circular economy principles in shaping its strategies, Alba is committed to systematically integrating these practices into its business processes wherever possible.

From the design phase, careful choices are made to minimise environmental impacts related to both manufactured products and the production processes involved, adopting a life cycle approach (LCA).

Production, assembly, and packaging are managed through optimised workflows that prioritise waste reduction and efficiency while promoting separation and material recovery as essential aspects of internal operations.

KEY

Impact type		Risk - Opportunity		Current - Potential		Direct - Indirect	
-	Negative	R	Risk	!	Current	▶	Direct
+	Positive	O	Opportunity	?	Potential	▷	Indirect

Rating

■■■■■ Critical ■■■■□ Significant ■■■□□ Important ■■□□□ Informative ■□□□□ Minimum

IMPACTS, RISKS AND OPPORTUNITIES

Global warming

Impact	Impact type	Current/ Potential	Direct	Indirect	Rating
Extraction and production of incoming raw materials.	-	!	▶	▷	■■■■■

Depletion of raw materials (along the supply chain)

Impact	Impact type	Current/ Potential	Direct	Indirect	Rating
Oil extraction for the production of virgin plastic (depletion of non-renewable resources).	-	?		▷	■■■■■
Use of virgin materials for packaging.	-	?		▷	■■■■■

Depletion of raw materials (end-of-life)

Impact	Impact type	Current/ Potential	Direct	Indirect	Rating
Potential negative effects resulting from difficulties in the disposal, recycling or reuse of end-of-life products.	-	?		▷	■■■■■

Depletion of raw materials (oil extraction)

Risk/Opportunity	Classification	Rating short term	Rating medium term	Rating long term
Dependence on raw materials considered unsustainable and exhaustible and consequent risk that they will become increasingly difficult to obtain, and thus more expensive.	R	■□□□□	■■□□□	■■■□□
Use of End of Waste (e.g., materials from recycling, materials from cascade systems originated from other production processes).	O	■□□□□	■■□□□	■■■■■

Depletion of raw materials, end-of-life and disposal/recycling/reuse, circularity

Risk/Opportunity	Classification	Rating short term	Rating medium term	Rating long term
Competitive advantage in offering more sustainable and circular products.	O	■□□□□	■■□□□	■■■□□

KEY

Impact type		Risk - Opportunity		Current - Potential		Direct - Indirect	
-	Negative	R	Risk	!	Current	▶	Direct
+	Positive	O	Opportunity	?	Potential	▷	Indirect

Rating

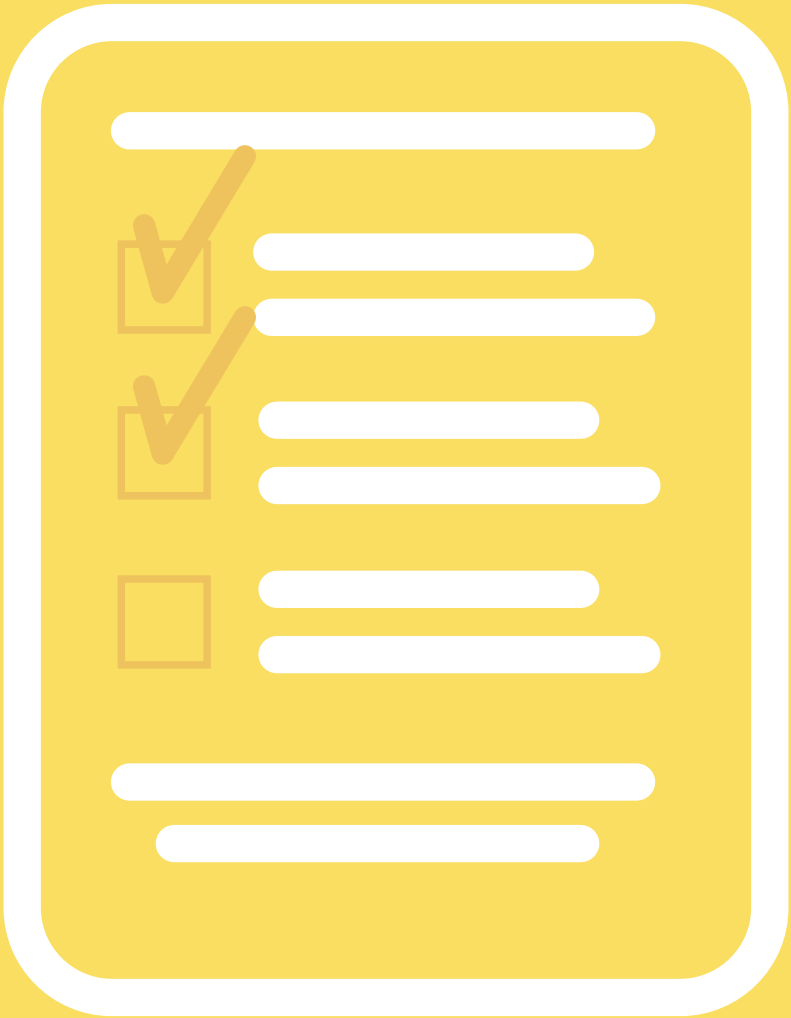
■■■■■ Critical ■■■■□ Significant ■■■□□ Important ■■□□□ Informative ■□□□□ Minimum

POLICY ON THIS TOPIC

The company's policy in terms of circularity focuses on optimising the use of raw materials, pursuing solutions that are both environmentally and economically sustainable.

Our strategic focus on key areas:

- waste reduction;
- technological innovation;
- collaboration and material recovery;
- sustainability in procurement.



PROJECT REPORTING

Raw material

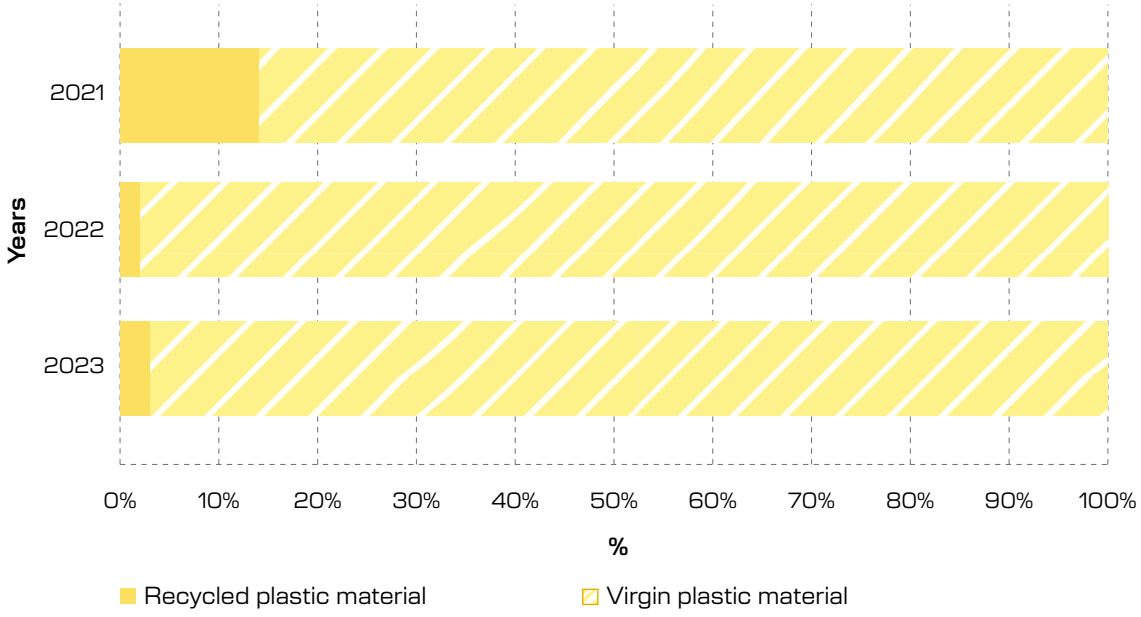
While Alba primarily utilises virgin plastic materials in its finished products, it aims to increase their percentage of recycled materials as early as 2025.

The ongoing study aims to assess the feasibility of using 70% recycled raw materials. Initially, this transition will begin with the simplest product line, the "Pilette" line, before gradually expanding to other product lines, ultimately reaching the more complex "Kit" lines.

The entire process is expected to take approximately 2 to 3 years, as each product and line must also receive customer approval.

This initiative reflects the company's commitment to producing increasingly sustainable products.

Percentage of recycled plastic material out of the total utilised



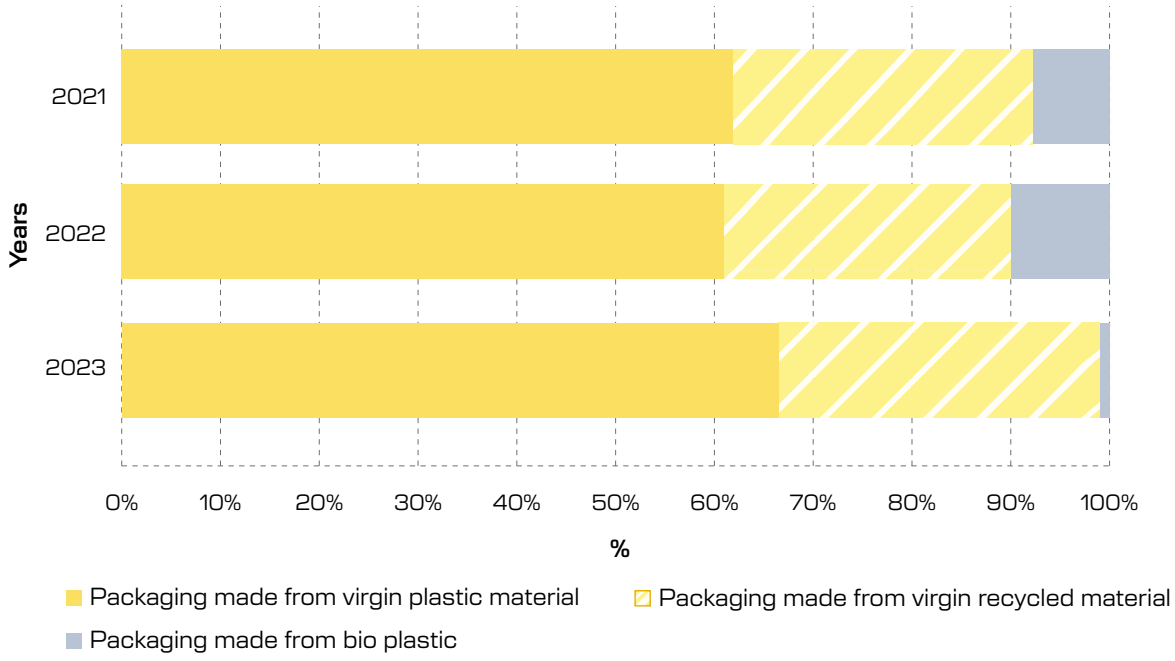
Closed-loop systems

Alba has implemented closed-loop systems to optimise its energy efficiency and minimise the environmental impact across various operational areas. These systems have been implemented to regulate heating and cooling in the offices and the packaging department, ensuring both comfort and energy efficiency. Closed-loop systems are also used to cool the plastic moulds and the adiabatic tower during the summer, significantly improving thermal management and operational sustainability.

Circularity in packaging

Plastic packaging

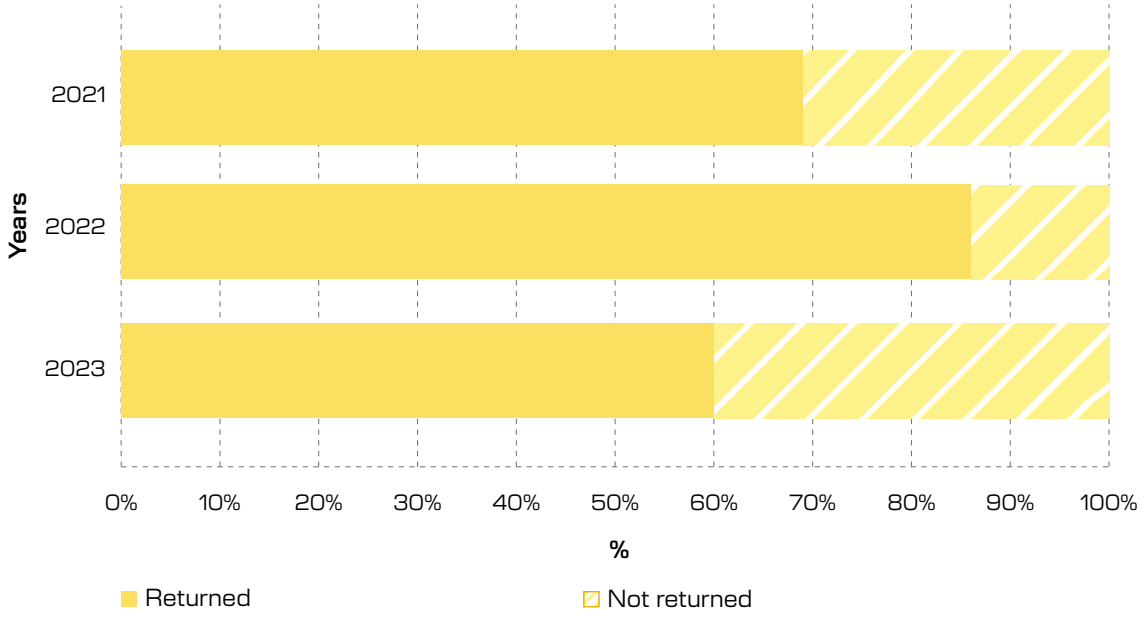
Great care is taken in selecting packaging materials.
Currently, approximately 30% of plastic packaging consists of recycled materials, while 10% consists of bio-based materials.



Pallet management

The pallets used for goods handling are re-utilised according to a virtuous approach.
Through close collaboration with customers, sustainable cycles are created, whereby the wooden pallets still in good condition are returned to Alba for reuse in packaging, thus extending their lifecycle and reducing waste.

The graph below illustrates the percentage of wooden EPAL pallets shipped to customers that are returned to the company.



GOALS FOR 2026

- To strengthen its commitment to sustainability, Alba has established clear guidelines for sustainable design, systematically applying environmental principles at every stage of product development to minimise environmental impact;
- to promote sustainable purchasing policies: to encourage the selection of environmentally responsible products and services, fostering responsible market practices.

5. BIODIVERSITY AND POLLUTION

Related target SDGs

Ref. 7.3

Ref. 9.4 - 9.5

Ref. 12.2 - 12.5

VISION

Alba remains dedicated to making conscious strategic decisions that positively impact biodiversity and pollution reduction. By actively monitoring all possible emissions, the company continuously implements containment and reduction measures wherever feasible, in order to protect the environment as much as possible. In alignment with this commitment, Alba has adopted plant engineering systems designed to prioritise closed-loop operations, which minimise water consumption, with fresh water being used exclusively for necessary replenishments.

In order to preserve the surrounding environment, from the earliest design stages, Alba prioritises the use of recycled, organic, or compostable raw materials and packaging components as much as possible, carefully balancing these choices with market demands.

Furthermore, the company is committed to reducing waste destined for disposal, primarily by enhancing production efficiency to minimise waste generation. Residual materials from the moulding process are either reintegrated into the production cycle or sent for recovery.

KEY

Impact type		Risk - Opportunity		Current - Potential		Direct - Indirect	
-	Negative	R	Risk	!	Current	▶	Direct
+	Positive	O	Opportunity	?	Potential	▷	Indirect

Rating

■■■■■ Critical ■■■■□ Significant ■■■□□ Important ■■□□□ Informative ■□□□□ Minimum

IMPACTS, RISKS AND OPPORTUNITIES

Land use changes - loss of biodiversity along the chain

Impact	Impact type	Current/ Potential	Direct	Indirect	Rating
Creation of infrastructure for the extraction of raw materials.	-	!	▶	▷	■■■■■

Land use changes - loss of in situ biodiversity

Impact	Impact type	Current/ Potential	Direct	Indirect	Rating
Redevelopment of brownfield sites for the construction of new factories.	-	!		▷	■■■□□
Water discharge (temperature).	-	!		▷	■■■□□

Atmospheric aerosol load

Impact	Impact type	Current/ Potential	Direct	Indirect	Rating
Presence of combustion plants.	-	!		▷	■■■□□
Emission of dust from grinding and production.	-	!		▷	■■■□□

Chemical pollution, contamination of environmental matrices

Impact	Impact type	Current/ Potential	Direct	Indirect	Rating
Water discharge (chemical pollutants).	-	!	▶		■■■■□
Direct emissions into the atmosphere (emissions from company smokestacks and transport).	-	!	▶		■■■■□
Indirect emissions into the atmosphere and water (plastic, rubber, brass, copper, nickel, aluminium, steel) from the supply chain.	-	!	▶		■■■■□
Waste sent to the landfill and/or for recovery.	-	!	▶		■■■■□

Depletion of fresh water

Impact	Impact type	Current/ Potential	Direct	Indirect	Rating
Use of well water.	-	!	▶		■■■■■
Use of water from the aqueduct.	-	!	▶		■■■■■

Depletion of fresh water

Impact	Impact type	Current Potential	Direct	Indirect	Rating
Depletion of water by the supply chain (indirect).	-	?		▷	■■■■■

KEY

Impact type		Risk - Opportunity		Current - Potential		Direct - Indirect	
-	Negative	R	Risk	!	Current	▶	Direct
+	Positive	O	Opportunity	?	Potential	▷	Indirect

Rating

■■■■■ Critical ■■■■□ Significant ■■■□□ Important ■■□□□ Informative ■□□□□ Minimum

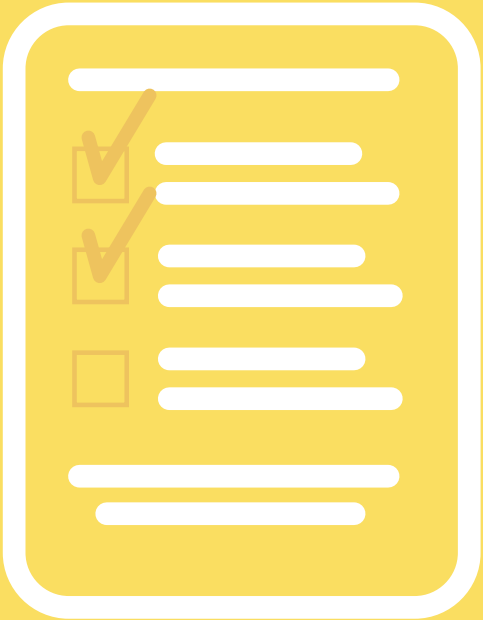
POLICY ON THIS TOPIC

Alba is dedicated to monitoring the environmental impact of its activities, aiming to maximise positive effects while limiting or reducing negative impacts on the environment and biodiversity as much as possible. This is achieved through comprehensive mapping of emissions and waste, dynamically assessing the impacts of actions taken across various business processes.

The goal is to create a continuously evolving assessment of the pollution reduction efforts, ensuring that the company's strategic decisions are effectively supported over time.

In line with this approach, Alba has implemented several best practices over the past three years to enhance environmental impact management:

- evaluating the containment and reduction of environmental impact during the plant design stage;
- accurate monitoring of the use of water resources in order to promptly identify any uses that are not commensurate with the company's actual needs, and to promote efficient water use as much as possible;
- real-time monitoring of wastewater quality (since 2024), to ensure continuous safety;
- introducing waste reduction among the various company processes as a core aspect of production efficiency;
- adopting operational best practices across all the business processes (from design to packaging) in order to minimise waste generation and prioritise the use of recycled, bio-based, or compostable materials whenever possible;
- creating and disseminating clear and precise instructions with respect to waste sorting and management, in order to: increase the operators' sensitivity and awareness during the collection phase, with the aim of maximising efficiency and effectiveness (sort as much as possible), improving the management of temporary waste storage, and encouraging recovery options, leaving disposal as a last resort;
- analysing the type of plastic materials used as raw material in relation to the potential waste produced, with the aim of understanding which fractions can be reused directly or sent for recovery via the inter-company circuit.



PROJECT REPORTING

Water use and management

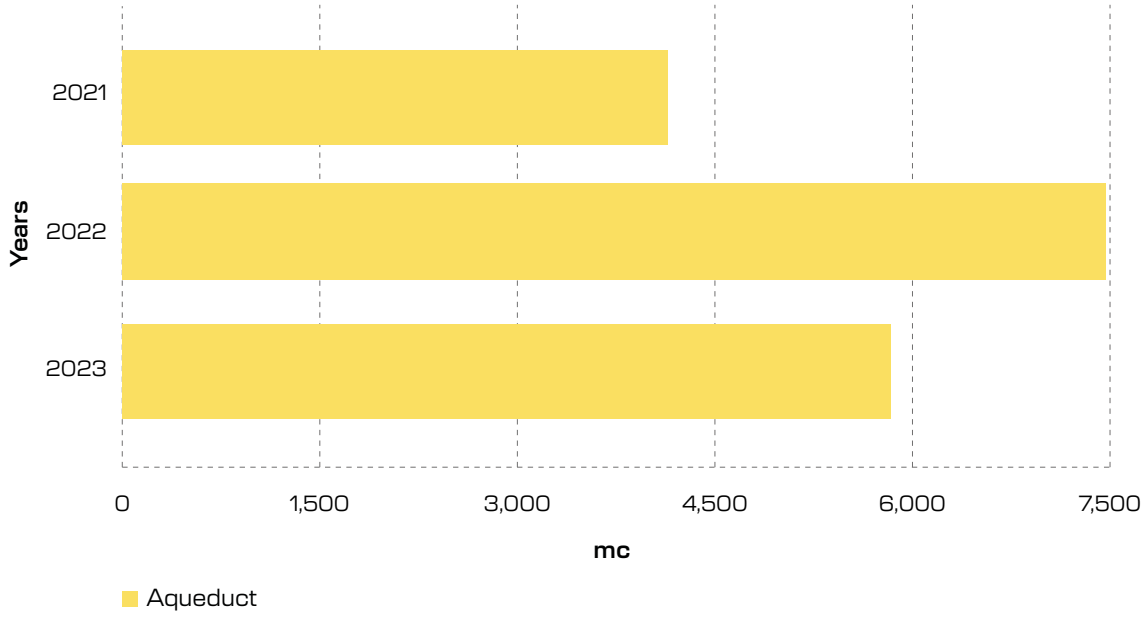
Water use

The main source of water withdrawal at the Alba plant is the municipal aqueduct network.
The water withdrawn is mainly used for the following purposes, in addition to sanitation purposes:

- replenishment of the closed-loop system for heating all the environments, and for cooling the offices and the packaging department;
- replenishment of the plastic mould cooling system;
- replenishment of the closed-loop system for cooling the press oil by via an adiabatic tower;
- replenishment of the cooling towers serving the trigenerator;
- replenishment of the storage tank for fire-fighting purposes.

Water withdrawal by type

The graph shows that there was a substantial increase in the amount of water withdrawn in 2022. This was influenced by the outside temperature, and consequently the effectiveness of the heat exchange of the towers currently present.



As far as discharged water is concerned, the wastewater present at the company comes from:

- a water softener for the evaporative towers;
- evaporative tower purging.

In order to ensure effective monitoring of the effluent and process waters' impacts, Alba adheres to the permit requirements, and applies the best economically and technically feasible operating practices. These include:

- emptying the Imhoff tank annually;
- verifying that the discharged water maintains domestic water assimilability standards;
- ensuring that all water returning to the well is exclusively from heat exchange systems;
- conducting regular maintenance operations, in accordance with the heat exchange system management manuals, with corresponding records.

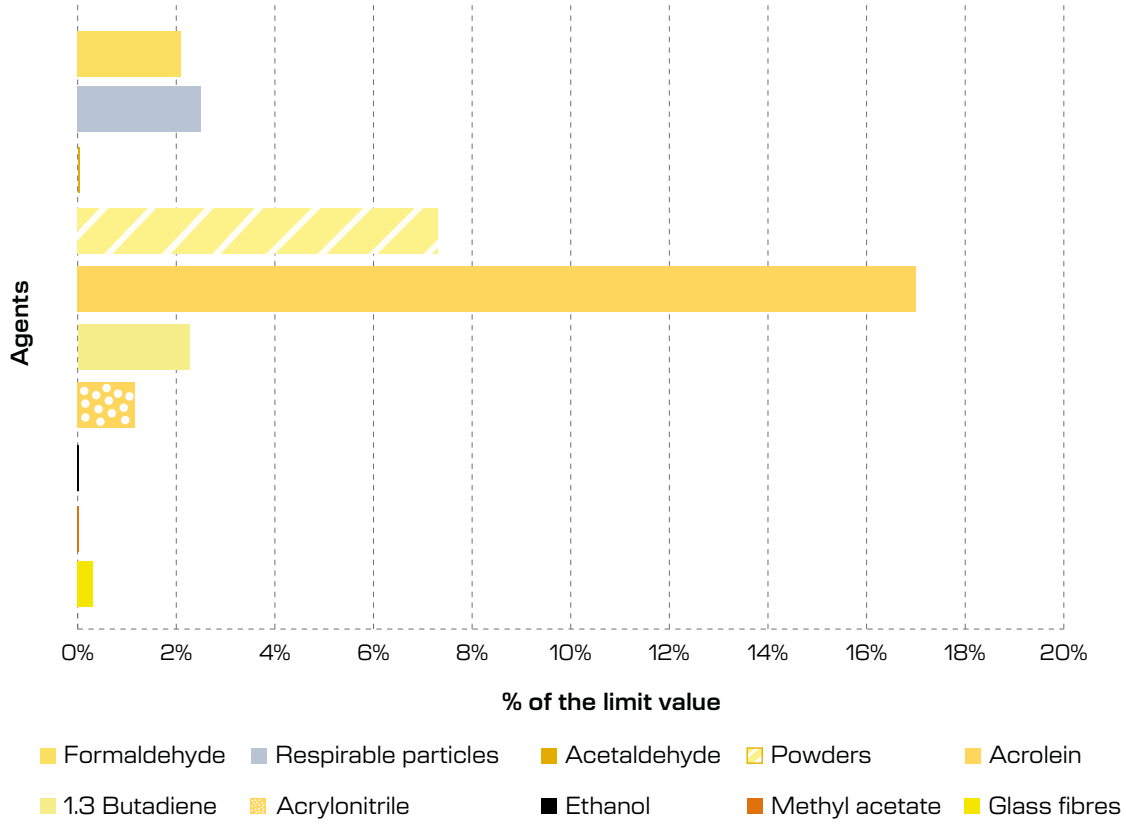
Where technically possible, process water is managed within a closed-loop system.

Atmospheric emissions

In February of 2022, an environmental survey was carried out in the moulding and shearing departments with an accredited laboratory.

The graph below illustrates the exposure limits for various chemical agents and airborne particulates, expressed in mg/m^3 (milligrams per cubic metre) or ff/dm^3 (fibres per cubic decimetre) for glass fibres. These limits are determined based on Threshold Limit Values (TLVs) established by regulatory bodies to protect workers' health. The TLVs represent the maximum concentration of a substance to which a worker can be exposed without experiencing adverse health effects.

As shown in the following graph, which compares the measured pollutant concentrations to their respective emission limits (TLVs), all monitored agents at the Alba plant are present at levels well below the established safety thresholds.



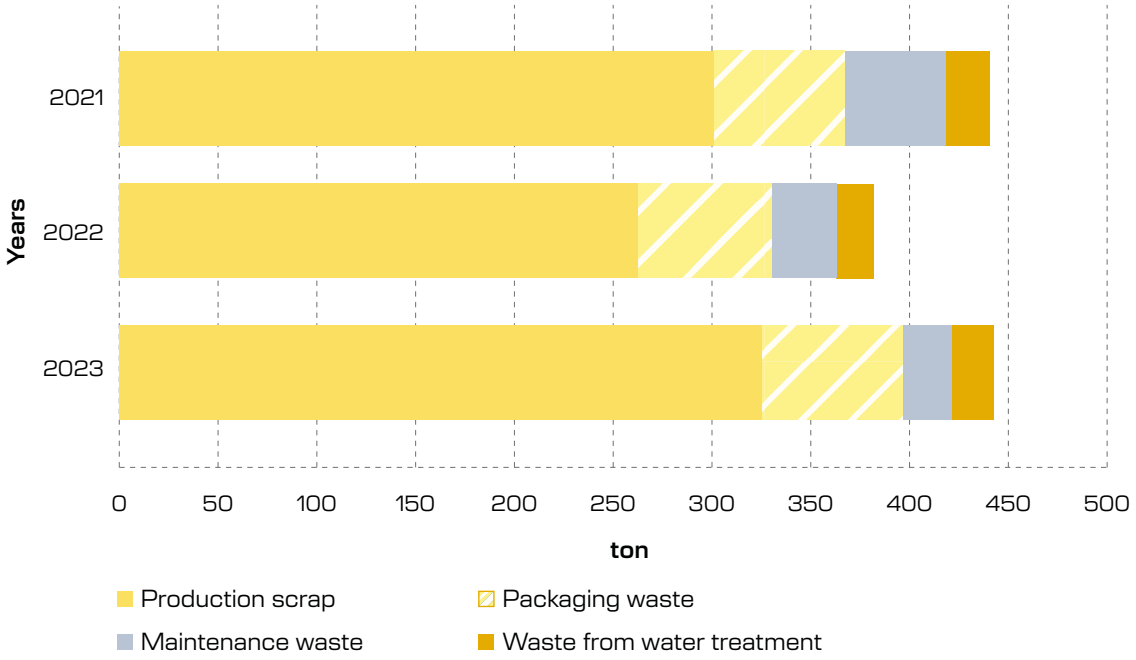
Waste management

The information on waste for the years 2021-2023 is derived from the Annual Declarations (MUD) that the company submits in compliance with the current legislation.

Since 2024, all data on waste production, disposal, and recovery has been managed through an integrated system that enables real-time data monitoring and statistical analysis.

Total waste produced

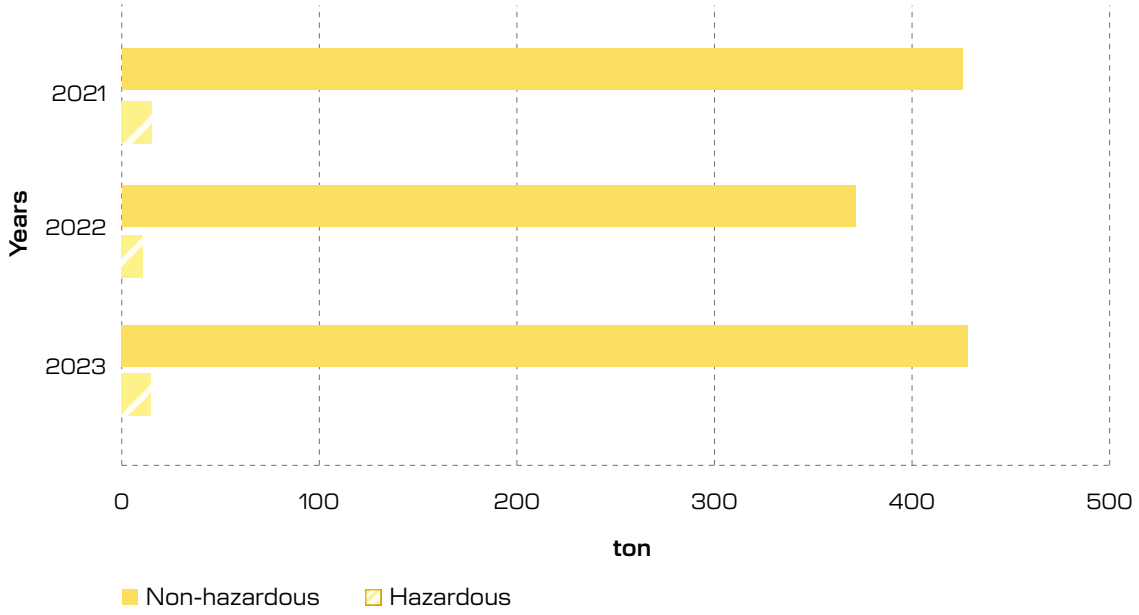
The graph below illustrates the waste quantities by category.



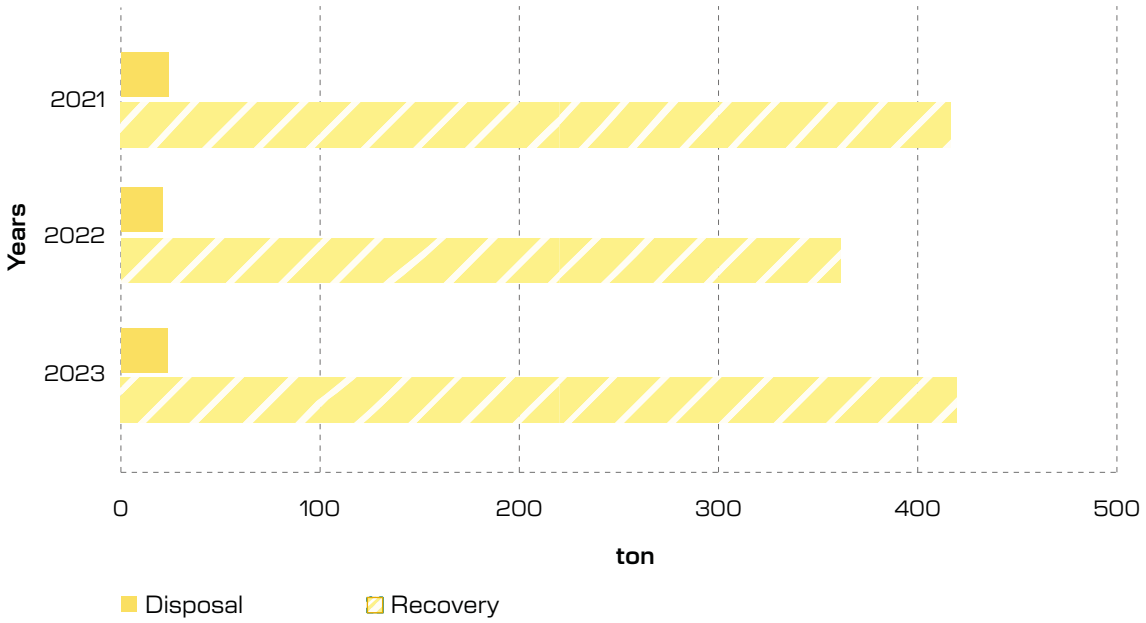
It is evident that the largest portion originates from production waste, which is the focus of numerous improvement initiatives within the production departments, aiming for a substantial reduction.

Quantity of waste generated broken down by hazardous and non-hazardous

The following chart shows the total quantities of waste generated broken down into non-hazardous and hazardous.



The next graph illustrates the tons of waste produced, broken down by disposal method: recovery or disposal.



GOALS FOR 2026

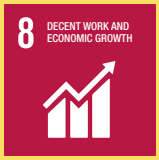
- To everybody's great satisfaction, the ambitious goals that we set for the past two years have been achieved. This has led us to propose ourselves the goal of maintaining and consolidating the results achieved for the next two years.

6. SAFETY AND WELL-BEING

Related target SDGs

Ref. 3.5 - 3.8

Ref. 4.4 - 4.7



Ref. 8.8 - 8.5

Ref. 9.4

VISION

We are committed to fostering a working environment where the well-being of all employees is a top priority, and our corporate culture is founded on safety in the workplace.

We are committed to fostering a positive organisational climate, where employees feel not only welcome but also valued, protected and deeply motivated to contribute to the company's success.

Furthermore, we encourage the active participation of our employees in the decision-making process through dialogue and discussion mechanisms, to ensure that our policies and initiatives best reflect the needs and expectations of our corporate community.

IMPACTS, RISKS AND OPPORTUNITIES

Damage to health (physical, psychological, social) due to the nature of the work and accidents

Impact	Impact type	Current/ Potential	Direct	Indirect	Rating
Traffic (distress) and objective risks present (including forklift traffic) that could lead to accidents, occupational diseases.	-	!	▶		■■■□□
Air pollution and exposure to chemicals present in the company.	-	!	▶		■■■□□
Potential contamination in raw materials.	-	!	▶		■■■□□
Noise pollution and effects on people's health.	-	!	▶		■■■□□

KEY

Impact type		Risk - Opportunity		Current - Potential		Direct - Indirect	
-	Negative	R	Risk	!	Current	▶	Direct
+	Positive	O	Opportunity	?	Potential	▷	Indirect

Rating

■■■■■ Critical ■■■■□ Significant ■■■□□ Important ■■□□□ Informative ■□□□□ Minimum

Damage to the health of local populations (where the raw materials are extracted and/or processed)

Impact	Impact type	Current/ Potential	Direct	Indirect	Rating
Working conditions of the supply chain - EU.	-	!		▷	■■■■■
Working conditions of the supply chain - NON-EU.	-	!		▷	■■■■■

Economic inequality with particular disadvantages for vulnerable groups such as indigenous peoples

Impact	Impact type	Current/ Potential	Direct	Indirect	Rating
Use of virgin raw materials and their production that starts with the extraction of fossil fuels.	-	!		▷	■■■■■

People's well-being - at a local level

Impact	Impact type	Current/ Potential	Direct	Indirect	Rating
Corporate welfare.	+	!	▶		■■■■□
Company surveys (climate, stress, etc.).	+	!	▶		■■■■□
Work-life balance.	+	!	▶		■■■■□

Damage to health (physical, psychological, social) due to the nature of the work and to accidents

Risk/Opportunity	Classification	Rating short term	Rating medium term	Rating long term
Absence of workers due to illness/ injury resulting in difficulties to work.	R	■□□□□	■■□□□	■■■□□

Well-being brought by the company (economic and other) to people at a local level

Risk/Opportunity	Classification	Rating short term	Rating medium term	Rating long term
Increase in the attractiveness of the area as a place to live and work.	O	■□□□□	■■■□□	■■■□□

KEY

Impact type		Risk - Opportunity		Current - Potential		Direct - Indirect	
-	Negative	R	Risk	!	Current	▶	Direct
+	Positive	O	Opportunity	?	Potential	▷	Indirect

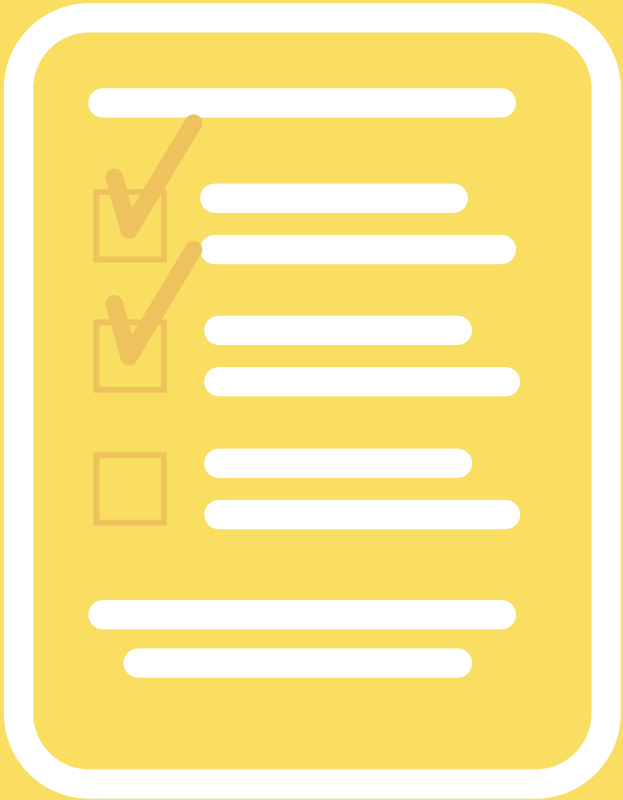
Rating

■■■■■ Critical ■■■■□ Significant ■■■□□ Important ■■□□□ Informative ■□□□□ Minimum

POLICY ON THIS TOPIC

Our company is committed to promoting the health, safety, and well-being of all employees through a series of strategic policies and initiatives that aim to create a safe and productive work environment on the one hand, and motivated, satisfied employees on the other, and to this end we are committed to:

- promoting a culture aimed at identifying "near misses";
- increasing individual and collective responsibility to eliminate risky actions in daily habits;
- foreseeing the integration of safety in the development of new projects;
- continually improving the health conditions of company areas through their optimisation and innovation;
- constantly monitoring automation processes;
- maintaining a portfolio of welfare services to meet the needs of employees;
- organising regular departmental meetings to intensify dialogue, empower and share new ideas;
- providing continuous training by analysing the specific needs of employees;
- keeping employees constantly informed of news through various channels;
- promoting wellness initiatives and programmes aimed at engaging in a healthy lifestyle.



PROJECT REPORTING

Prevention and safety

Identification of hazards, risk assessment

The accurate and meticulous identification of hazards is a key strategic element in effectively assessing associated risk levels and implementing the most appropriate prevention and protection measures.

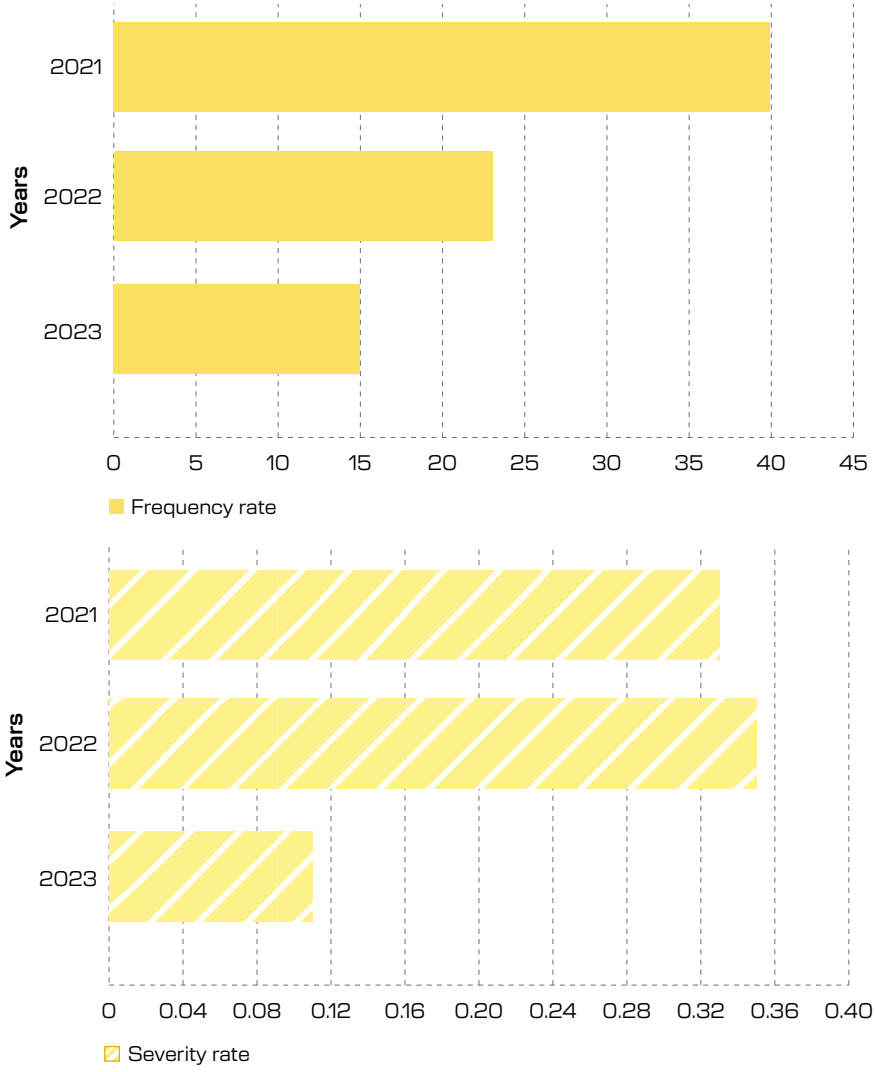
Alba has introduced various tools to enhance hazard identification and detection, involving personnel and collecting reports to raise awareness and ensure the continuous, thorough monitoring of this process.

Developed within the context of the OSH Management System in accordance with the UNI EN ISO 45001:2023 standard, the tools introduced to achieve these goals consist of: periodic departmental meetings for gathering reports and fostering discussion, near-miss reporting forms, ongoing dialogue between department managers and senior management regarding improvement actions in their respective departments, Root Cause Analyses of accidents and near misses, statistical assessments to identify recurring causes or areas for improvement, and internal audits to verify compliance and the effectiveness of the implemented measures.

Investigation of hazardous incidents that have caused or contributed to serious injuries during the reporting period

There were no hazards that caused or contributed to serious injuries during the reporting period. Despite these efforts, minor accidents have occurred, averaging 3 per year during the reporting period. The primary causes have been impacts with objects and manual operations performed during routine activities.
Alba continuously monitors accident data through monthly statistical reviews, employing effective root cause analyses and corrective actions to prevent recurrence.

The graphs below depict the frequency and severity indices for 2022/2023.



When near misses or newly identified hazardous conditions are reported, Alba follows a structured approach to establish and implement appropriate measures. These include:

- verifying the hazardous condition;
- updating the risk framework and reassessing risk levels if necessary;
- and identifying and implementing suitable prevention and protection measures.

All employees are encouraged to report unsafe situations in their work environments, either directly to their supervisors or to the WSR, through private discussions, regular departmental meetings, or annual performance evaluations.

Process quality, along with the skills of the individuals involved, and continuous improvement

The company ensures process quality through a structured management procedure covering training, education, skill development, and onboarding for new recruits.

The procedure governs the transfer of knowledge and protocols to employees and other individuals within the company, ensuring they acquire the necessary skills for the safe execution of their tasks, while also facilitating the identification, reduction, and management of risks. It promotes, develops, and updates professional competence through conscious learning mechanisms in three areas: "knowing" (knowledge), "knowing how to do" (skills), and "knowing how to act" (attitudes), in order to create and maintain professional competence.

All educational and training initiatives are incorporated into the company's annual training plan.

Continuous improvement is ensured through structured management and operational procedures, which include various tools, such as:

- performance and skill assessments related to aspects associated with routine activities contained within each employee's training file, in order to identify any gaps and address them with targeted training interventions;
- internal audits and operational monitoring aimed at verifying the management of the identified risks and hazards, as well as the control measures implemented;
- reporting of Near Misses, with the aim of detecting potentially hazardous situations before they can cause harm, thereby mitigating risks to people and property;
- effective management of non-conformities, accidents, and incidents, with the clear identification of the root causes and actions needed to eliminate them;
- implementation of effective communication tools through individual interviews, departmental meetings, targeted discussions, and information-sharing boards.

Training of employees in the field of occupational health and safety

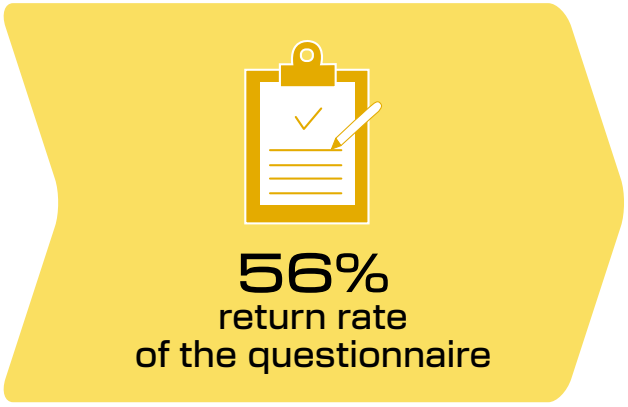
The company is committed to providing all the training necessary for its employees to work safely.

The main specialised courses delivered during the observation period include:

- training for newly recruited employees (both mandatory and introductory) and compulsory periodic refresher courses;
- safety officer and emergency response training (fire safety, first aid, AED use);
- courses on forklift, platform, and overhead crane operation;
- racking conformity checks;
- machine guarding types and regulatory references (Directive 2006/42/EC);
- Regulation (EC) no. 1907/2006 (R.E.A.C.H.) and its implications for downstream users;
- internal auditor for corporate compliance with the REACH/CLP regulations;
- UNI ISO 45001:2018 Internal Auditor course.

Company climate and welfare

Being able to respond to the needs of employees means foremost creating the space to understand how people feel within the company, what their perceptions are and how they interpret the company's development processes.
In spring 2024, while preparing this report, we once again proposed a climate questionnaire, which was distributed to all employees.



The results show a high satisfaction rate, both in offices and the production departments. The solidity, stability, and reliability of the company are particularly appreciated, also with regard to remuneration.

The company is recognised for its innovative and investment power, as well as its ability to value people.

Among the areas for improvement, the topics of communication and collaboration stand out as requiring our attention.

With respect to knowledge of departmental objectives and strategy, there was a good result, which indicates that the meeting system developed over the years has been effective.

This system is reported as the main channel through which people are informed about company strategy and policy.

Promotion of sport and health-related initiatives

For several years now, Alba has supported numerous initiatives to promote healthy lifestyles. This manifests itself through various actions and projects, such as:

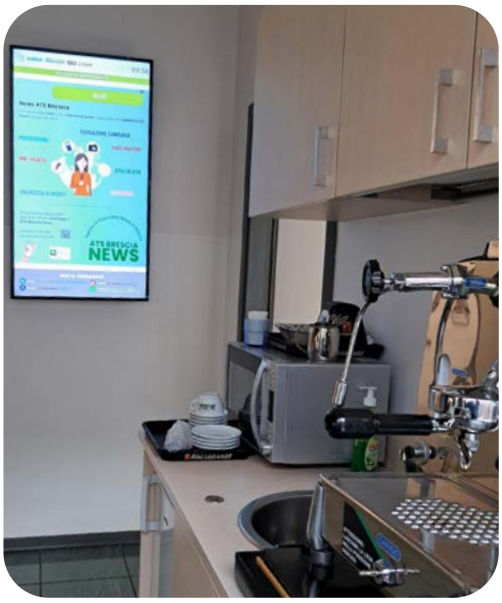
- Financial support when registering for recreational sports events. The companies support the payment of registration fees for initiatives that always have a charitable purpose;
- "Stagione della salute" project: a project developed in cooperation with the partner Synlab aimed at promoting active and healthy lifestyles. The project opened with an evening organised at Valsir Expo, during which Synlab doctors discussed the following topics: the main risk factors for cardiovascular diseases (smoking, stress, lack of exercise, poor diet, hypertension, etc.) and the impact of exercise and nutrition on them.
  This was followed by specialised medical examinations to get a snapshot of one's current health. During 2023 and 2024, challenges were made via an app through which co-workers can monitor their physical activity but also motivate each other to exercise. The project ended in June 2024 with comparisons with the initial numbers.
  The project was launched in 2022 with the organisation of an informative evening, and later evolved into this format in 2023.

Digitising sustainability highlights

The digitisation of sustainability highlights has significantly improved communication within our four companies, making it more fluid and interactive.

These short, informative updates are now available in all break areas of the companies, enabling constant and dynamic communication.

The sustainability highlights are updated and disseminated every two weeks, which keeps employees informed and involved in the company's latest sustainable initiatives and developments.



Bonus (spending and fuel), special bonus

For 2022 and 2023 spending bonuses and fuel vouchers were awarded in view of the company's important achievements. These forms of rewards are highly valued by employees and fit within the bonuses already in place in the company.

ENFEA Fund

The national bilateral body (ENFEA) provides various benefits and subsidies to its member workers, including income support and supplementary healthcare and preventive health services.

PROJECTS FOR THE NEXT TWO YEARS

- Introducing cross-company audits (safety and environment): aimed at facilitating a constructive and learning exchange.

GOALS FOR 2026

- Implementing actions based on the result of the climate analysis;
- maintaining all actions already in place, always monitoring progress and satisfaction;
- increasing the involvement of managers and all Employees being more and more strategic;
- introducing experiential training courses: safety courses where concepts are conveyed through experiences, group work and role playing to engage the person and lessen the use of traditional classroom teaching.

7. PEOPLE AND GROWTH

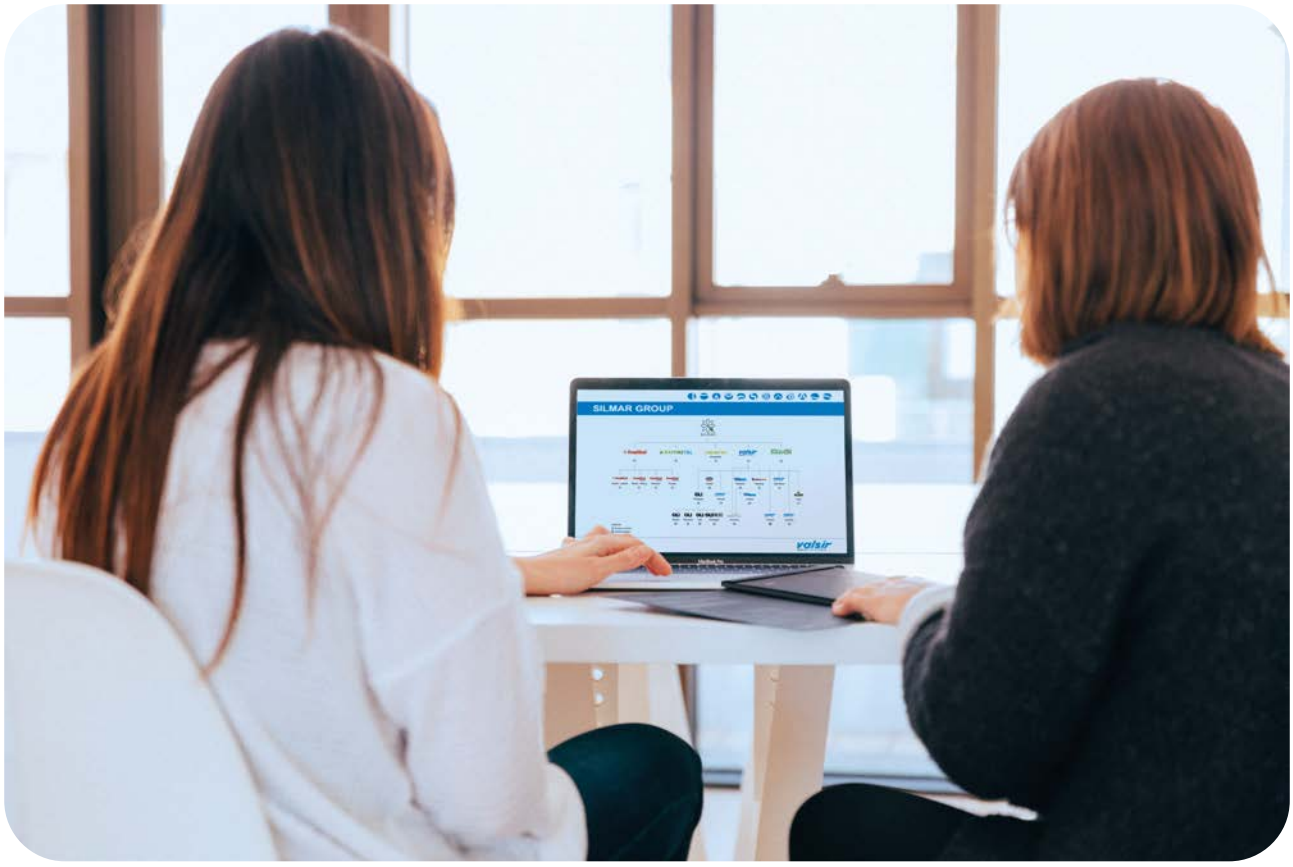
Related target SDGs

Ref. 4.4 - 4.7

VISION

It is our intention to continue to devote our attention to the topic of training, both internal and external. We are committed to ensuring that all people can experience professional and personal growth through inclusive and customisable training paths that respect different perspectives and backgrounds.

We maintain an ongoing dialogue with employees in order to get their feedback on the effectiveness of the training so that we can update and refine our training programme on an ongoing basis.



IMPACTS, RISKS AND OPPORTUNITIES

Education - Development of internal skills

Impact	Impact type	Current/ Potential	Direct	Indirect	Rating
Training and development opportunities promoted by the company for its employees, including initiatives such as seminars and programmes to raise internal awareness.	+	!	▶		■■■□□

Gender and social equity - Diversity and inclusion

Impact	Impact type	Current/ Potential	Direct	Indirect	Rating
Presence of policies in the code of ethics that ensure the protection of diversity and the promotion of inclusion.	+	!	▶		■■■■□

KEY

Impact type		Risk - Opportunity		Current - Potential		Direct - Indirect	
-	Negative	R	Risk	!	Current	▶	Direct
+	Positive	O	Opportunity	?	Potential	▷	Indirect

Rating

■■■■■ Critical ■■■■□ Significant ■■■□□ Important ■■□□□ Informative ■□□□□ Minimum

Education - Development of external skills

Impact	Impact type	Current/ Potential	Direct	Indirect	Rating
Training and development initiatives offered by the company to the local region (internships, work-study).	+	!	▶	▷	■■■□□
Growth in the cultural level of the community.	+	!	▶	▷	■■■□□

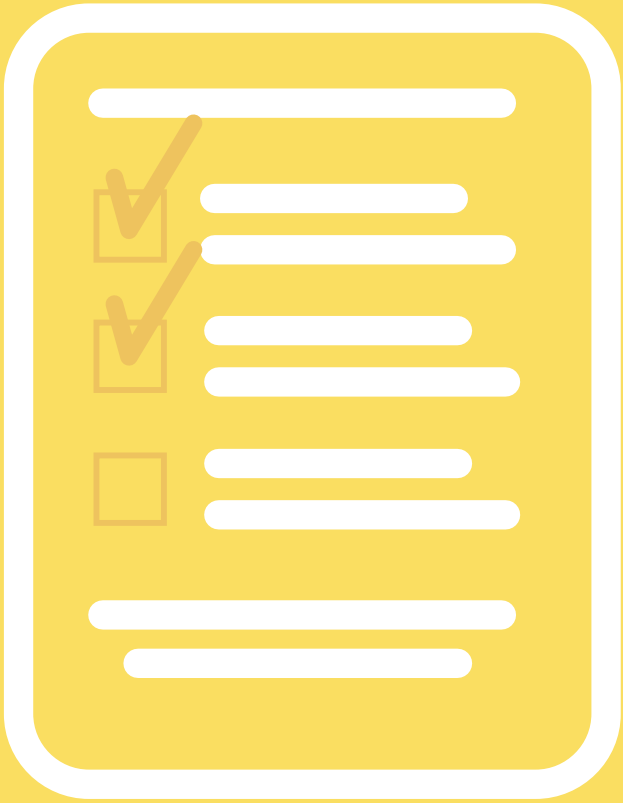
Income and work - Creation and distribution of economic value

Impact	Impact type	Current/ Potential	Direct	Indirect	Rating
Donations in the territory to associations and schools.	+	!	▶		■■■□□

POLICY ON THIS TOPIC

Our policy on managing people's career paths within the company is focused on skills development and articulated through various initiatives such as:

- onboarding programmes to welcome new hires.
- monitoring, analysis of in-house training needs.
- development of both internal and external training programmes.



PROJECT REPORTING

In-house training

Over the past few years, we have developed training initiatives outlining the required skills and development opportunities for each company function. Having achieved this Important goal, our efforts now focus on keeping this system up to date and monitored, ensuring that it is always aligned with the company's evolution.

Lastly, in this two-year period, we committed to the continuity of personal development courses for all employees, both in person and online.

2022	2023
Total training hours	
4,145	3,428
People trained	
82	90
Average training hours per person	
50	38

Specific training in the onboarding plan for 2022/2023

Learning area	Gender	Position	Number of participants
Quality	Woman	White collar	5
		Blue collar	1
	Man	Executive	1
		White collar	3
		Blue collar	2
IT systems	Woman	White collar	4
	Man	Executive	1
		White collar	3
		Blue collar	3
HR - human resources and CSR	Woman	White collar	3
	Man	Executive	1
		White collar	3
		Blue collar	2

Types of courses and hours of professional training in 2022/2023

TECHNICAL-OPERATIONAL	4,392 hours
HEALTH AND SAFETY	1,444 hours
QUALITY	58 hours
LANGUAGES	604 hours
COMPUTERS IT SYSTEMS	396 hours
HR	59 hours
ENERGY AND THE ENVIRONMENT	89 hours
COMMUNICATION	531 hours

Ambition for growth

We consider it essential to ensure transparency with regard to ambitions and prospects for professional growth within our company in order to map out a clear, inclusive development path that can be followed by all employees. To effectively support this process, we rely on data collected through questionnaires and annual evaluations. During these interviews, we analyse the employees' professional aspirations, working together with them to identify and plan their future development. This appraisal approach has been extended to include all categories of personnel through regular monitoring meetings, which means that 100% of employees receive regular reviews of their performance and personal development opportunities.

The "opportunity board" project inaugurated during the previous reporting cycle also continues. This tool allows information on current job vacancies to be shared with all employees, giving everyone the opportunity to apply for positions of interest.

Worker promotion and engagement

Department meetings

Alba holds monthly departmental meetings, which serve as valuable Opportunities for discussion and updates on specific topics, monitoring progress of towards the achievement of set goals, proposing improvements, and engaging in dialogue on various topics, including energy, safety, and sustainability.

In addition, Alba collaborates with the Group's other three companies through cross-company meetings, fostering teamwork and knowledge-sharing within a standardised activity management system.

Sustainability pills and opportunity boxes

Alba has also introduced the "Sustainability Pills" initiative, which utilises strategically placed monitors to display and share company updates and achievements. The goal is to keep the employees informed about developments on various topics within the company and its affiliated entities.
The Opportunity Box, on the other hand, was created as a platform for employees to actively contribute ideas for innovation and improvement within the company.
Over the past two years, a total of 6 ideas have been formally submitted.

PROJECTS FOR THE NEXT TWO YEARS

- Continuing the planning and implementation of a series of regular training courses covering various professional and personal aspects, monitoring the effectiveness of the programmes and adjusting them according to the feedback received as well as of the company changes and needs;
- introducing an offboarding process.

GOALS FOR 2026

- To continue offering personal and professional development courses to all the employees;
- to continue holding departmental meetings, ensuring they continue to serve as meaningful opportunities for dialogue and collaboration.

8. BUSINESS CONDUCT

VISION

We are committed to maintaining an ethical and legal working environment. It is essential to continuously work on our internal procedures and company culture to prevent the risk of unlawful behaviour. To achieve this, we develop, implement and regularly update policies that orient our employees towards ethical and responsible behaviour.

In parallel, we want to ensure that our supply chain is free of environmental, social and governance risks, thus contributing to a more sustainable and responsible global economy.

IMPACTS, RISKS AND OPPORTUNITIES

Reorienting regulations towards sustainability

Risk/Opportunity	Classification	Rating short term	Rating medium term	Rating long term
Risks related to the financial viability of activities by credit institutions.	R	■□□□□	■■□□□	■■■□□

Supply chain transparency regulations

Risk/Opportunity	Classification	Rating short term	Rating medium term	Rating long term
Requirement to analyse and report information with respect to one's supply chain, down to the most distant supplier.	R	■□□□□	■■□□□	■■■■■

PROJECT REPORTING

Supply chain

We initiated a project related to the upstream supply chain, which takes a proactive approach to supply chain management, inspired by the European Union Corporate Sustainability Due Diligence Directive (CSDD). While the directive is not directly applicable to our company, it provides a solid reference for the effective management of ESG (Environmental, Social and Governance) risks along the supply chain.

The aim is to implement due diligence processes to assess and mitigate the risks associated with our suppliers and partners. This includes analysing environmental risks, respecting human rights and labour standards, protecting local communities and preventing unethical practices such as corruption and child labour.

We have reviewed current procurement and supplier qualification procedures to define how to effectively implement due diligence principles, and thus we:

- Initiated an analysis of ESG performance.
- Created a classification system.
- Set out the risk profile through a number of factors consistent with ESG principles.

In the coming months we will finalise the risk analysis and proceed with the classification of suppliers into high, medium and low risk categories. This allows us to establish specific actions for each product sub-category and for individual suppliers, where necessary.

Whistleblower Directive

Italian Legislative Decree no. 24 of 10 March 2023 implemented (EU) Directive 2019/1937 on the protection of persons who report breaches of European Union law (Whistleblowing Directive).

In order to implement the provisions introduced by Italian Legislative Decree no. 24/2023, our company has established Regulations that provide clear operational guidance on how to transmit and handle reports involving "violations", as well as the protective measures provided.

Reports can be submitted by all those who have a relationship with our company.

A report can be made by accessing the Whistleblowing platform, available through a link on the company website. The management of the channel and the verification of the validity of the reports are entrusted to a Whistleblowing Committee external to our company, which verifies the reported facts in accordance with the principles of objectivity and confidentiality, including the possible hearing of the reporter and any other individuals who may report on the reported facts. To this end, the Committee may avail itself of the support and cooperation of external consultants or the relevant company offices.

PROJECTS FOR THE NEXT TWO YEARS

- Continuing with initiatives related to the supply chain and due diligence.

9. GRI REFERENCES

Disclosure	Title of the disclosure	Page	Notes
2-1	Details of the organisation	12 - 13	
2-2	Entities included in the report		The data contained in the Sustainability Report pertains to the facility in Rodengo Saiano, in the province of Brescia, Italy.
2-3	Reporting period, frequency and point of contact		This report refers to the 2022/2023 fiscal year. The Sustainability Report is published on a biannual basis. Contact details are available on the back cover.
2-4	Review of information		This report is the first to be prepared in accordance with the GRI standard. Consequently, the reported data has been adjusted to align with the standard's requirements.
2-5	External assurance		The sustainability report is not subject to external assurance.
2-6	Activities, supply chain and other business relations	13 - 14	
2-7	Employees	12	
2-9	Governance structure and composition		The organisation is headed by a three-member Board of Directors, consisting of a President with powers of ordinary and extraordinary administration, who also serves as the Employer, and two Managing Directors with authority over ordinary administration, particularly in commercial and administrative-financial matters. The Plant Manager oversees production and logistics activities, and is also delegated by the Employer to handle Environmental and Safety matters. Reporting to the Board of Directors and the Plant Manager are employees and managers responsible for production, finance, purchasing, sales, and staff management.

Disclosure	Title of the disclosure	Page	Notes
2-10	Nominating and selecting the highest governance body		The BoD is appointed through the shareholders' meeting. The criteria for appointment are expertise in one's delegated areas and the ability to assume the relevant responsibilities. The BoD serves a three-year term.
2-11	Chair of the highest governance body		The highest governance body is chaired by the Chair and CEO, with powers of ordinary and extraordinary administration, including sustainability. The management function coordinates the various roles to optimise management and efficiency in compliance with all regulations. Any conflicts of interest are overcome through decisions taken by the Board of Directors after the persons involved have abstained from voting.
2-12	Role of the highest governance body in managing impacts		The highest governance body is informed about the sustainability governance system aimed at identifying impacts, risks and opportunities, assessing their significance, determining mitigation actions and monitoring systems.
2-13	Delegation of authority for managing impacts	16 - 25	Impacts found to be above the materiality threshold were grouped into the company's material topics. To manage these topics, there is a central working group in support of which others dedicated working groups are organised, with members selected and appointed by the highest governing body and coordinated by a manager. Working groups consisting of managers and employees have the task of proposing development actions and collecting and monitoring data. The final approval of the proposed targets and data to be transmitted lies with the highest governance body.
2-14	Highest governance body's role in sustainability reporting	16	The highest governance body was involved in the approval of the numbers and goals of this report.

Disclosure	Title of the disclosure	Page	Notes
2-16	Communication of critical concerns		The company has a Whistleblowing procedure and channel to address and manage reports of misconduct, including those related to ESG areas. In compliance with Italian Legislative Decree no. 24 of 10 March 2023, the company implemented an on-line platform to facilitate the handling of such reports.
2-17	Collective knowledge of the BoD		Board members are informed about sustainability issues relevant to the company and the process of analysing, mitigating and measuring impacts, risks and opportunities by the central working group, which includes the Managing Director.
2-18	Rating of the performance of the highest governance body		The procedures for Rating the performance of the highest governance body are based on data collection and the definition of key performance indicators (KPIs). The impacts are continuously and systematically monitored through reports drawn up by the dedicated working groups to monitor the actual achievement of the sustainability goals, with specific KPIs being used to measure the results obtained in relation to the objectives set.
2-19	Remuneration policies		This information is not reported for reasons of company confidentiality.
2-20	Process for determining remuneration		This information is not reported for reasons of company confidentiality.
2-21	Annual total remuneration rate		This information is not reported for reasons of company confidentiality.
2-22	Statement on sustainable development strategy	16	
2-23	Commitments made through policies	29, 51, 60, 71, 82	Management systems and policies are presented for each material topic.
2-24	Integration of policy commitments		For the proper conduct of each activity, the designated lead person is responsible for drawing up a policy and ensuring compliance with it as well as the achievement of the objectives/targets set.

Disclosure	Title of the disclosure	Page	Notes
2-25	Processes to remedy negative impacts	26 - 27, 48 - 49, 56 - 57, 67 - 68 79 - 80, 87	A vision and operational objectives were identified for each material topic in the report. Our task in the coming years will be to increasingly align these visions and goals with the principle of mitigating the negative impacts and risks identified by the Impact materiality analysis, and in the future the financial materiality analysis. An Important step will be to delve into some of the negative impacts not included in the list of impacts, as we have not yet been able to gather the information needed to conduct a timely assessment.
2-26	Mechanisms for seeking advice and raising concerns	88	
2-27	Compliance with laws and regulations		No cases of non-compliance occurred during the reporting period.
2-29	Approach to stakeholder engagement		In preparation for the adoption of the European CSRD regulation, for this edition of the Report we mainly involved internal stakeholders, with the aim of building a solid basis for the double materiality analysis. In the coming months, we will engage a broader group of external stakeholders.
3-1	Process to determine material topics	20 - 25	
3-2	List of material topics	20 - 25	
3-3	Management of material topics	26 - 47, 48 - 55, 56 - 66, 67 - 76, 79 - 86, 87 - 89	In the chapters on the material topics an explanation is given of the vision the company promotes and pursues in this regard, management approach, policies, monitoring process, KPIs, and goals.
201-1	Direct economic value generated and distributed	11	
301-2	Recycled input materials used	52 - 53	

Disclosure	Title of the disclosure	Page	Notes
302-1	Absolute energy consumption within the organisation (type and quantity of energy)	30 - 33	A dedicated section outlines the company's policies on energy consumption and the specific targets set to reduce it.
302-4	Reduction of energy consumption	30 - 33	A dedicated section outlines the company's policies on energy consumption and the specific targets set to reduce it.
305-1	Direct (Scope1) GHG emissions	38 - 39	A dedicated section outlines the company's policies on energy consumption and the specific targets set to reduce it.
305-2	Indirect (Scope2) GHG emissions from energy consumption	40	A dedicated section outlines the company's policies on energy consumption and the specific targets set to reduce it.
305-3	Indirect (Scope3) GHG emissions	44, 45, 47	A dedicated section outlines the company's policies on energy consumption and the specific targets set to reduce it.
305-5	Reduction of greenhouse gas emissions	39	
303-2	Management of water discharge-related impacts	41	
303-3	Water withdrawal	61 - 62	
303-4	Water discharge	61 - 62	
305-7	Emissions into the air (dust/particulate matter, COT, aluminium residues, NOx, CO)	63	
306-1	Waste generation and significant waste-related impacts	64	
306-2	Management of significant waste-related impacts	64	
306-3	Waste generated	64	
306-4	Waste diverted from disposal	64	

Disclosure	Title of the disclosure	Page	Notes
306-5	Waste directed to disposal	64	
403-1	Occupational health and safety management system	72 - 74	Management policies concerning worker inclusion in safety-related prevention and control activities are presented in the relevant chapter.
403-2	Hazard identification, risk Rating, and incident investigation	72 - 74	
403-3	Occupational health services	72 - 74	
403-4	Worker participation, consultation, and communication on occupational health and safety	76	
403-5	Worker training on occupational health and safety	76	
403-6	Promotion of worker health	76	
403-8	Workers covered by an occupational health and safety management system	72 - 74	100% of workers covered and implementation of the management system.
403-9	Accidents in the workplace	72 - 74	Management policies concerning employee training and engagement are presented in the relevant chapter.
404-1	Average hours of training per year per employee	83 - 85	
404-3	Percentage of employees receiving regular performance and career development Ratings	85	

10. GLOSSARY

Term	Definition
Atmospheric emissions	Emission of atmospheric pollutants. These can be classified as either primary, released into the environment unaltered, or secondary, subsequently formed in the atmosphere as a result of chemical-physical reactions.
CO_2eq	A unit of measurement used to measure the warming Potential of greenhouse gases, or their GWP (Global Warming Potential). CO_2 is the reference gas against which all the other gases are measured, and therefore the GWP of CO_2 is 1.
CSR	Acronym for Corporate Social Responsibility. In economic and financial jargon, it is the field that concerns the implications of an ethical (environmental, social and economic) nature within the strategic Vision of a business: it is a manifestation of the company's desire to effectively manage its social and ethical Impact, both internally and in relation to all of its stakeholders.
Energy efficiency	Energy consumption reduction and waste prevention.
Extrusion	A process based on permanent set that is used on metal materials in order to obtain rods, tubes, various section bars and capsules.
GHG - Greenhouse gas	Acronym for Greenhouse Gas. The term greenhouse gas refers to the gases present in the atmosphere that are transparent to the solar radiation entering the Earth's atmosphere, but greatly retain the infrared radiation emitted by the Earth's surface, atmosphere, and clouds. Greenhouse gases can be of both a natural and man-made type, and they are absorbed and emitted at specific wavelengths within the spectrum of infrared radiation. This characteristic results in the phenomenon known as the greenhouse effect. Water vapour (H_2O), carbon dioxide (CO_2), nitrous oxide (N_2O), methane (CH_4) and sulphur hexafluoride (SF_6) are the main greenhouse gases present in the Earth's atmosphere.
GRI	An acronym for Global Reporting Initiative, or rather the international guidelines for preparing a Sustainability Report. They provide economic, social and environmental indicators designed to systematise how the company reports its performance.
Materiality	A concept introduced in the G4 version of the GRI that indicates the relevance of specific topics for the purposes of preparing the report.
Near miss	A "near miss" or "near accident" can be understood as any work-related event that would have caused injury, illness (disease), or even death, but did not do so by mere chance. It is an event, therefore, that has the potential to cause an injury.

Term	Definition
Scm	A unit of measurement used for substances that are found in a gaseous state under "standard" conditions, or rather at atmospheric pressure and at a temperature of 15°C.
Scope1	Classification drawn up by the GHG Protocol which indicates all the direct greenhouse gas emissions, i.e. caused by sources owned or controlled by the reporting body.
Scope2	Classification drawn up by the GHG Protocol which indicates all the indirect greenhouse gas emissions resulting from energy consumption taken from the network/grid.
Scope3	Indirect emissions from all other activities of the company that are not covered by Scope2. These emissions are related to the entire value chain, including suppliers, consumers, transportation, waste management, product use and end of life, etc.
Specific consumption	Within the context of this Sustainability Report, specific consumption indicates the relationship between the consumption of a given resource (such as water, electricity, natural gas, etc.) with a unit of measure (such as the total number of finished products, the average walkable surface, turnover, the number of employees, etc.). It serves to convey an accurate picture of the company's consumption, taking into account the indicators relevant to the company's business, by excluding any fluctuations that might be caused by extrinsic factors from the measurement.
Stakeholders	Groups of people and entities who hold values, needs, interests and expectations in relation to the company.
Stakeholder engagement	The activity by which the company interacts with and listens to its interest groups. In this Sustainability Report this term refers to the employees, customers, territory and public institutions with whom we have engaged in dialogue.
Waste water	Any water discharged from buildings or installations where business activities or manufacturing processes are carried out.

Note

Note

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