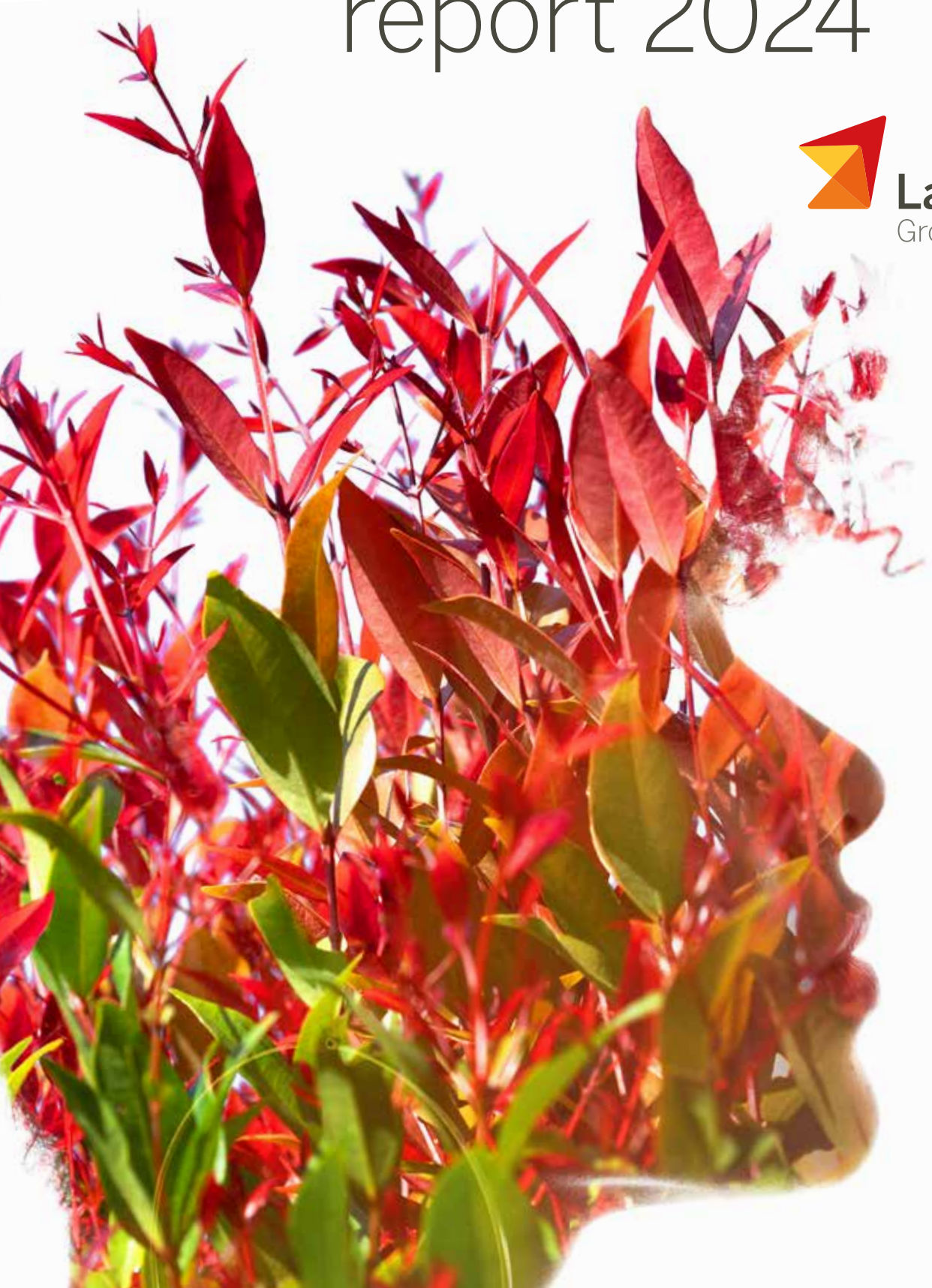
Sustainability report 2024

Larderello Group



Sustainability report 2024

Larderello Group

Our quintessential sustainability

Letter to stakeholders

For more than two centuries, Larderello Group has been a leading player on the international scene. Our heritage, conceived and created with vision, has been preserved, enhanced, and continually renewed over time. We're still here — dynamic, steadfast, and growing — because we believe that there can't be a future without a meaningful past.

A past full of bold insights, mistakes turned into opportunities, and valuable lessons learned. Guided by authentic values, such as widespread entrepreneurship and continuous innovation, we build our future by constantly seeking new, competitive, and sustainable business processes and strategies.

It is in this spirit that we have identified a growth project that features an investment plan where value creation dovetails with a strong sense of social responsibility and environmental conservation.

A project structured around distinct components that all share a common focus: the development of products with a highly environmentally conscious footprint that encompasses both production, utilizing state-of-the-art facilities in terms of processes and raw materials, and application, offering consumers solutions with low or no environmental impact.

All of which is accompanied by a growing focus on analyzing our actions, starting with the 2024 Sustainability Report, which incorporates the EFRAG Voluntary Sustainability Reporting Standards for non-listed SMEs (VSME) as well as a double materiality analysis derived from the European Sustainability Reporting Standards (ESRS).

Today, sustainability is a fundamental pillar for authentic, balanced, and lasting growth that combines economic development, social progress, and environmental protection.

Over two centuries of industrial history, we have learned to continually evolve, reinterpreting our development model in light of current challenges. Thanks to this legacy of experience and knowledge, we approach the challenge of sustainability with determination and awareness.

Paolo Bonini
Executive Chairman

Methodology notes

B1 – Criteria for compilation

To further consolidate the path of transparency and responsibility it has been pursuing for several years, the Larderello Group presents the third edition of its annual Sustainability Report, prepared on a voluntary basis. This document aims to provide a *clear, structured,* and *accessible* overview of our environmental, social, and governance (ESG) performance, outlining the key actions we have taken to create sustainable value over the medium to long term.

In addition to being a reporting tool, the Sustainability Report also serves as a means of dialogue with stakeholders, aimed at strengthening the relationship of trust and fostering a shared culture of sustainability geared towards continuous improvement. The report covers the financial year from January 1 to December 31, 2024. To provide a more comprehensive view of the company's performance evolution, data from the previous year has also been included when available.

The Report was prepared based on the content and structure of the **EFRAG Voluntary Sustainability Reporting Standards for non-listed SMEs** (VSME), published in December 2024. Specifically, the Group has chosen to integrate the two modules – *Basic and Comprehensive* – to provide a more comprehensive information framework, aligning with the transparency needs expressed by customers, business partners, and financial institutions.

The approach proposed by the VSME is characterized by accessible language, with a limited set of indicators and the introduction of three levels of mandatory information (*"shall", "may", "if applicable"*), in line with the principle of proportionality with respect to the complexity and size of small and medium-sized unlisted companies. The decision to adopt the VSME standard confirms the Group's desire to structure its ESG commitment in a continuous and transparent manner, anticipating any potential regulatory developments in the future.

The appendix contains the "VSME Table of Contents" section, which is an integral part of the document and contains the table of reported indicators.

Although not required by the VSME standards, this Sustainability Report was developed by integrating a **double materiality analysis**, inspired by the European Sustainability Reporting Standards (ESRS), in which this approach is a fundamental requirement. The analysis made it possible to identify the most relevant impacts, risks and opportunities (IROs) for the Group and its stakeholders, thanks to the active involvement of key corporate divisions and a deep understanding of the industry landscape. For each IRO deemed as significant, the nature, management methods and, where available, the indicators required by the VSME standards have been described. In cases where no VSME indicators exist for specific issues, such as materials, these topics have nevertheless been addressed at a qualitative level, with appropriate explanatory notes indicating their relevance.

The reporting scope, aligned with the financial reporting scope, encompasses all Larderello Group companies, including both production and commercial sites throughout Italy as well as abroad. The parent company, **SCL Italia S.p.A**., has its operational headquarters in Larderello, in the province of Pisa, where the Group's main production plant is also located. At the industrial level, the Group also has two additional production sites: one in Cerquilho, Brazil, specializing in fertilizer production, and one in Mar del Plata, Argentina, specializing in the formulation of chelates for agricultural and industrial applications.

The international sales network is structured through a series of foreign branches located in strategic markets. SCL America Inc. operates in North America, while in Europe the Group is represented by SCL Deutschland GmbH in Germany, Joseph Storey Ltd in the United Kingdom, and SCL France SAS. In Asia, business activities are overseen by SCL (Beijing) Trading Co., Ltd in China, SCL Filipinas in the Manila metropolitan area, and SCL Commercial India in South Delhi.

To complete its global presence, the Group also employs direct operational staff in other strategic countries, including Indonesia, Chile, Peru, and Zimbabwe, thus ensuring widespread, comprehensive coverage of commercial and technical activities.

The Sustainability Report is available on the company website Sustainability – Larderello Group. This document, prepared on a voluntary basis and not subject to independent external verification, has been approved by the Executive Chairman of SCL Italia S.p.A. For further information regarding the content of the Sustainability Report, please write to info@larderellogroup.com, or to the following address: SCL Italia S.p.A. Via F. Filzi, 25/A, 20124 – Milan, Italy.

2024 Highlights

E – ENVIRONMENTAL

29.913 MWh
overall energy consumption (+7% vs. 2023)

20.261 MWh
from renewable sources (68% of the total)

63.714 tCO_2eq
total emissions (Scope 1,2,3)

S – SOCIAL

322 total employees (+14% vs. 2023)

98% with permanent contracts

65% covered by collective bargaining

25% under 30 y.o.

2.388 total training hours

- 63% accident rate vs. 2023 (from 3.83 to 1.44)

G – GOVERNANCE

25% women in Governing Bodies

25% women in managerial positions

+17% pay gap in favor of female employees

0 cases of corruption

Rating EcoVadis Silver awarded to SCL Italia
(top 15% of the sector)

Larderello Group – a legacy for the future

1

1.1 Over 200 years of experience

C1 – Strategy: Business model and Sustainability initiatives

Larderello Group holds a prominent position in the Italian industrial landscape, boasting a rich history that can be traced back to the early 19th century.

It all began in 1814 when Jacques-François Larderel—born on November 17, 1789, in the midst of the French Revolution—left France for Livorno.

The Grand Duchy of Tuscany had just freed itself from Napoleonic rule, and the city saw its economy flourish anew, promising to once again become the Mediterranean's leading commercial port. In other words, it was a great place to try to make one's fortune. And with that goal, Larderel arrived in Montecerboli – the Mount of Cerberus – at that time a tiny town with a castle dating back to the first millennium and a couple hundred inhabitants.

Located in the center of the Devil's Valley (Valle del Diavolo), halfway between Siena and the sea, it apparently inspired Dante in his description of Hell. Indeed, high and powerful blasts of boiling steam reaching up to 160 °C erupted from the subsoil of this lunar-like area, forming "steam holes" of hot water and mud with high concentrations of chemical elements, including boric acid.

In the early 1800s, this substance was highly sought after by the nascent chemical industry as a processing component for glass, enamels, paints, leather, paper, adhesives, and explosives. It came from Tibet and Persia, and was mainly sold in England.

The rumblings of the earth, the columns of steam, the bleak terrain, and a pungent, sulfurous smell did not make the same kind of impression on Larderel that it did on many others. On the contrary, he believed that the demand for boric acid was growing and that if he could extract it from that hellhole of Montecerboli, he would conquer the English market. He thus entered into a partnership with three Frenchmen in 1818 and, having obtained a land use concession from the Municipality of Pomarance, worked on creating systems for the extraction and processing of boric acid. He traveled around Europe, building business relationships and keeping abreast of technical innovations.

After a laborious start spanning a couple of years, the first successes finally arrived, and the annual export of boric acid quickly reached 7 tons.

British protective tariffs arrived on the scene, thwarting this overwhelming ascent. Sales dropped sharply. Ways to produce more at a lower cost had to be found. To obtain boric acid via evaporation, considerable quantities of wood had to be burned to heat the boilers. But wood was becoming increasingly expensive as there was less and less of it around the Montecerboli area.

But Larderel had as much steam as he wanted, for free. It was simply a matter of finding a way to channel the heat from the fumaroles and use it to heat the boilers, instead of wood. This was in 1827 and was the world's first case of geothermal energy use. With this simple yet ingenious idea, boric acid production skyrocketed to 90 tons per year.

Larderel proved to be a brilliant entrepreneur, skillful and determined yet attentive to relationships with what we now call stakeholders. He built houses, a daycare, and an elementary school for "his" workers. For the girls, he created a weaving school and drama and music classes. He also opened a food store and a pharmacy with a doctor in residence in addition to the apothecary. Once a desolate and deserted moor, Montecerboli grew into a village of several thousand people. He also set rules for workers' behavior and coexistence, calling them "sacred duties," focusing on the values of family, faith, and loyalty.

In 1846, Grand Duke Leopold II granted him the title of Count of Montecerboli and the privilege of naming the town he founded Larderello. Towards the end of the 19th century, however, his heirs found themselves dealing with the worst crisis the company had ever experienced. In America, in an area of California called Death Valley, the largest borax deposit in the world had been discovered.

The size and organization of American companies left no hope: competition was impossible. But François's grandson refused to give up and thus an idea was born: to use the steam from the fumaroles to produce an increasingly in-demand commodity: electricity.

1818

Larderel starts production by extracting boron from the boraciferous steam-holes, known as "soffioni" in Italy.

1886

A chemical laboratory is set up in Larderello to improve product quality.

1900

First use of steam as a source of both mechanical and electrical energy.

1986

Production of high-purity boric acid and special boric salts begins.

2003

A new line of specialty fertilizers, FertiGlobal, is introduced.

2006

Two new subsidiary companies are opened in the USA and the People's Republic of China.

2010

A new subsidiary is opened in Germany: SCL Deutschland GmbH.

2011

The group aquires Joseph Storey & Co Ltd (UK).

2014

The group acquires Quimicos Essiod S.A. (Argentina).

2019

The group acquires Agrigento Fertilizantes (Brazil).

2020

The Larderello Specialty Chemicals division is introduced.

2022

Two new subsidiaries are opened in the Philippines and India.

2024

A new subsidiary is opened in France: SCL France SAS.

Doing so was not easy, but after many attempts, on July 4, 1904, five light bulbs glowed thanks to a generator operated by an engine powered by steam rising from the earth. This system continued to improve until the construction of a 10,000 kW power plant in 1916, which supplied electricity to factories, illuminated Larderello, and produced energy that was then sold to Tuscan electricity companies. The world's first plant capable of transforming geothermal energy into electricity was born. Yet another revolution bearing the name of Larderello.

The two chemical and electrical companies coexisted successfully until 1962 when ENEL acquired the power plants following the nationalization process (which have since grown to number 30, and today produce 10% of the world's geothermal energy), while the chemical business merged into what is now known as the Larderello Group, a major international company with production sites and commercial offices in Europe, North and South America, and the Far East.

Gradually abandoning the use of geothermal steam as a source of boron during the 1960s, a new raw material imported from Turkey was introduced, a calcium borate called colemanite. A new production plant, built in the early 1980s, ultimately led to attaining a boric acid production capacity of more than 60,000 tons/year. In the 1990s, the production of special boric derivatives was launched.

The early 2000s embodied a period of **radical rejuvenation**, marked by the abandonment of traditional boric acid production and the launch of a diversification project geared toward increasing internationalization and the **development of higher-value-added niches**.

Beginning in 2010, the Group — having been taken over by new shareholders in the meanwhile — entered a new phase of development, embarking on a strategic plan focused on initiatives aimed at expanding the sector dedicated to plant nutrition — FertiGlobal — through measures targeting both organic as well as external growth.

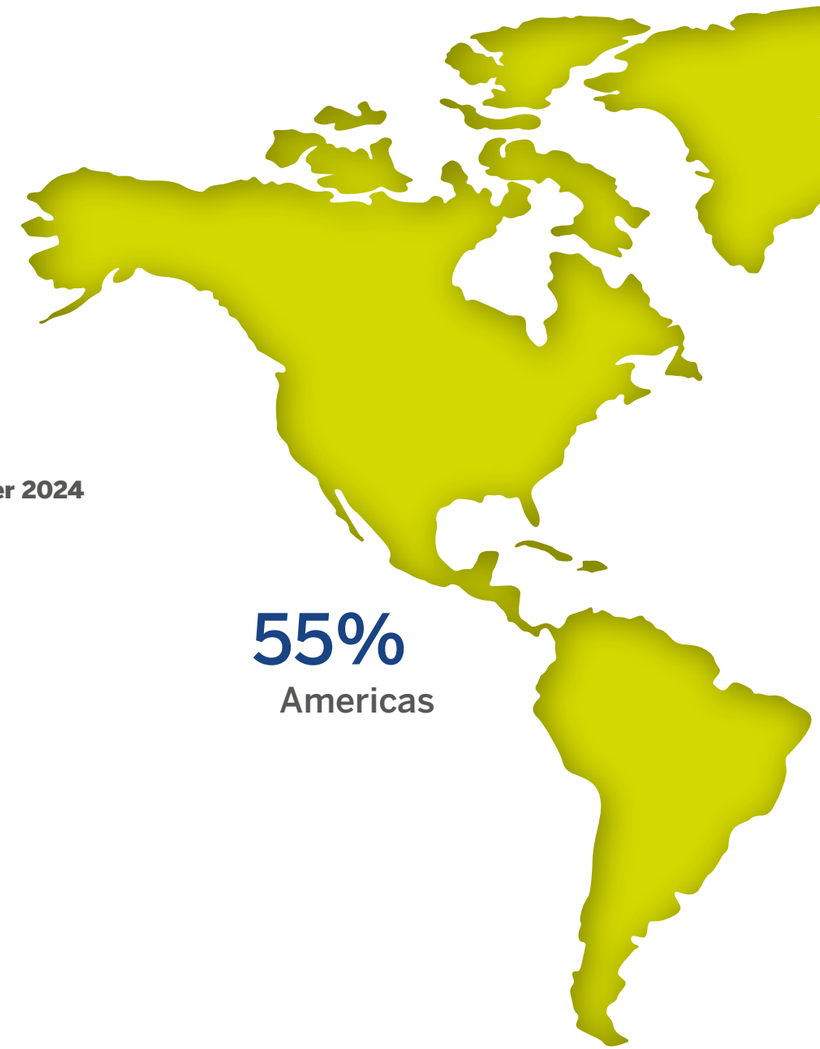
Subsidiaries were thus opened in the USA, Germany, Brazil, China, India, and the Philippines, and an international technical support structure dedicated to the FertiGlobal business unit was established.

At the Italian plant in Larderello, an R&D center was created for the development of bioactivators and innovative solutions for sustainable agriculture, with an analogous new 4.0 dedicated production facility also being built.

Three industrial companies were acquired: in 2011, Joseph Storey Ltd in Great Britain, specializing in flame retardant production; in 2014, Químicos Essiod SA in Argentina, with the aim of integrating its chelating agents into the FertiGlobal range; in 2019, Pack Industria e Comercio de Productos Agropecuarios Ltda in Brazil, for its biostimulants and specialty fertilizers.

Having overcome the challenges of the pandemic, we are resuming our development journey, constantly seeking new business processes and strategies to ensure the organization remains competitive and sustainable over the long term. Hence the decision to expand research on bioactivators – nutrient-polyphenolic molecules (NPMs) that activate plants' defense mechanisms – and to begin construction in Italy of a 5.0 plant for the manufacture of Zinc Hydroxide Stannate, an environmentally conscious product with an excellent carbon footprint intended for high-tech industrial applications.

Today, more than 200 years after its foundation, the Larderello Group upholds Jacques-François Larderel's vision in its DNA: to generate opportunities for stakeholders by consistently pursuing a growth path that balances value creation with a strong sense of social responsibility and environmental conservation.



% turnover 2024

55%
Americas

29%
Europe and Africa

16%
Asia and the Pacific

SUSTAINABILITY REPORT 2024

1.1.1 Our global presence

As of December 31, 2024, our Group, based in Milan, consists of the following companies.

Manufacturing and Trading Companies

The Group's parent and founding company **SCL Italia S.p.A**. is the primary manufacturer of specialty borics and stannates for the Larderello Specialty Chemicals business unit, and of bio-activators and specialty fertilizers for the FertiGlobal division. The manufacturing plant is located in the heart of Tuscany in Larderello, in the province of Pisa. It consists of two separate production units, one dedicated to specialized chemistry and the other to bio-activator manufacturing. The unit also houses the FertiGlobal Research and Development Center.

Pack Industria e Comercio de Productos Agropecuarios Ltda, which operates under the name FertiGlobal Brasil, is engaged in the production of bio-activators and specialty fertilizers for the FertiGlobal division. Founded in 1991, the Brazilian company was acquired by the Group at the beginning of 2019. The manufacturing plant, located 150 km from São Paulo in Cerquilho, has been designed to provide maximum production flexibility and easily cover the extensive Brazilian agricultural market.

Químicos Essiod SA is based in Mar del Plata, Argentina, and is engaged in the production of chelates and chelating agents for industrial and agricultural applications. Founded in the late 1970s, the company was acquired by the Group at the end of 2014. It is the sole manufacturer of chelates in all of South America and is noted for its excellence in product standards and manufacturing processes. The plant has been designed in compliance with the strictest environmental and safety regulations and uses state-of-the-art equipment and technology.

Trading Companies

SCL America Inc.: Our sole and exclusive distributor in the United States and Canada. Established in 2007 to provide a frontfacing intermediary for all North American customers, it manages all warehouses located in the United States.

SCL Deutschland GmbH: A sales subsidiary located in southern Germany, established in 2010 to provide technical and logistical support to customers based in German-speaking countries.

Joseph Storey Ltd: An English company acquired by the Group in 2011. Following the transfer of production to the Italian plant, it has operated as a sales subsidiary for the UK and Ireland since 2013.

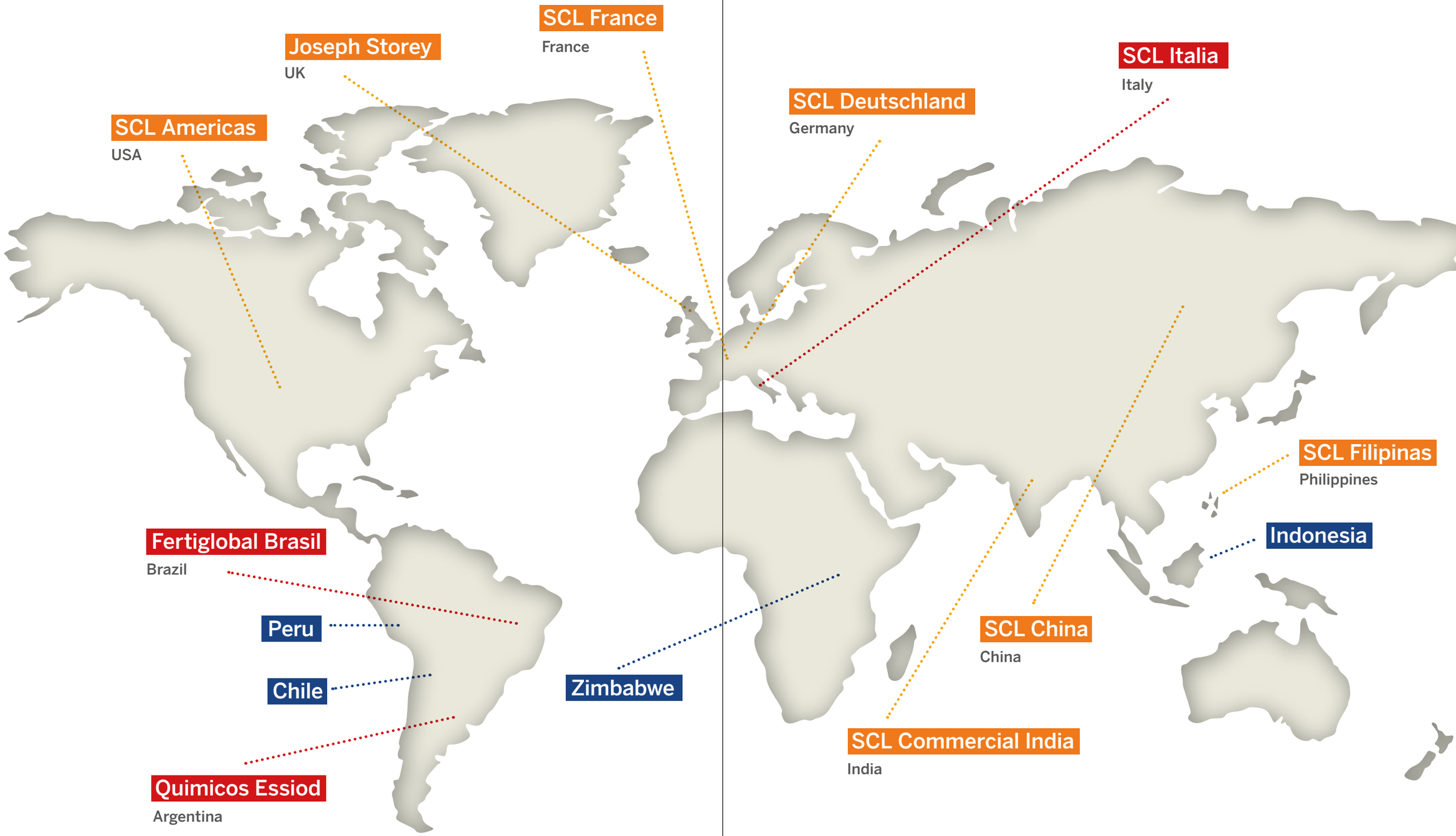
SCL France SAS: A commercial subsidiary established in 2024 with the aim of pursuing a development process in the French agricultural market.

SCL (Beijing) Trading Co., LTD: Established in 2018 and focused primarily on the fertilizer market, it provides technical and commercial support to partners in the Chinese market from its headquarters in Beijing.

SCL Filipinas: a sales subsidiary established in 2021 to foster development in Southeast Asia, SCL Filipinas is headquartered in the Manila metropolitan area of Taguig, providing easy access to neighboring countries.

SCL Commercial India: Created in 2022 to accelerate development in India by means of direct and efficient contact with local partners, its location in South Delhi allows it to easily cover the entire Indian market.

The Group also operates with direct personnel in other countries, including Indonesia, Chile, Peru, and Zimbabwe.



SUSTAINABILITY REPORT 2024

1.2 Our mission, our values

Our Mission

While respecting the territories in which we operate, to develop:

- innovative and environmentally sustainable bio-activators that meet the needs and challenges of modern agriculture, leveraging technical and commercial support of the highest level;
- highly specialized chemical products that guarantee long-term reliability to those operating in high-tech sectors, relying on an extraordinary wealth of experience consisting of flexibility, quality, and service.

Our Vision

To be recognized as leaders in our industries and business sectors:

- offering innovative and valuable solutions for customers,
- based on technologies developed in-house in Italy,
- respecting the environment and resources in line with the global principles of sustainable development.

Our Values

Entrepreneurship - Recognizing employees' skills and getting them involved so that they may act and behave as entrepreneurs. Not by following in the footsteps of others, but by identifying new paths to achieve common goals.

Innovation - hinking outside the box because our success lies in our ability to challenge the status quo. Innovating with products and processes because we cannot expect change if we continue to do things the same way.

Collaboration - Ensure employees have an environment in which they can communicate openly and transparently in order to strengthen team spirit. A team spread across the globe that intends to achieve challenging goals.

Reliability - Leveraging our 200-plus years of experience, acquired know-how, and the technical skills of our employees in order to offer high-quality solutions that meet customer demands.

1.2.1 A sustainability-oriented business model

The 2030 Agenda for Sustainable Development, approved by the U.N. in 2015, asks countries to commit to achieving several key goals and urges companies to assume an increasingly active role. Harnessing knowledge and technology to serve the market while safeguarding the planet's future is no longer a choice, but a duty for companies and a fundamental right for people everywhere.

Our interpretation of this commitment means channeling our activities towards the very foundations of our existence: the environment, energy, and health. As such, our global presence across five continents offers products with low environmental impact for agricultural improvement, nuclear power plant safety, and various applications in the chemical, electronic, and pharmaceutical industries.

Continuous creations are the hallmarks of our history: new ideas, new products, even a new town – Larderello – created from the ground up with its factories, shops, homes, and workers' families.

That is why we devote our utmost efforts to innovation, focusing on areas that are essential for value creation in accordance with principles of sustainability, such as:

- Using low-carbon processes to develop technologies and products with non-toxic chemicals and recyclable materials;
- Protecting people's health and safety in the work environment by adopting measures that provide protection for both employees and the surrounding communities;
- Reducing energy consumption and corresponding greenhouse gas emissions from manufacturing plant operations;
- Responsible water consumption and waste management to prevent soil, subsoil, and most importantly groundwater pollution;
- Using alternative raw materials and products in order to promote good circular economy practices.

For over 200 years, we have been building the future, so it's natural for us to imagine that which for many is invisible or simply impossible: effective and safe technologies for both humankind and the planet. Our goal, just as it was two centuries ago, is to devise solutions for sustainable production while safeguarding quality and productivity. We know that the challenge is daunting, given the world's extreme complexity, but we are confident that we will find innovative and sustainable solutions, as we have always done.

Our commitment to sustainability has been a top priority since the early 2000s, when we embarked on a **strategic review of our business model**, which involved three distinct phases.

Having discontinued the legacy boric acid production, the first phase, between 2003 and 2009, saw us focusing our efforts on the development of high-value-added chemical specialties, investing our resources to ensure high-quality standards and compliance with increasingly stringent environmental requirements, with a strong emphasis on reducing emissions.

The second phase, between 2010 and 2019, saw the development of the FertiGlobal line through acquisitions – Químicos Essiod SA, to complement our portfolio with chelates and chelating agents, and Pack Industria e Comercio de Productos Agropecuarios Ltda, which produces specialty fertilizers – and investments aimed at restructuring the Italian plant with the construction of a new 4.0 plant.

And finally, the third and final phase, launched in 2022 after the end of the pandemic emergency, when we shifted our research focus to bioactivator technology, nutrient-polyphenolic molecules (NPMs) that activate plants' defense mechanisms by counteracting various types of stress. A technology that boosts plant vitality, resulting in bountiful harvests at a lower cost. And most importantly, helps provide healthy foods and protect the environment.

1.3 Our products: bridging agriculture and industry

For over fifteen years, we have been present internationally with products featuring a highly environmentally conscious footprint, both in terms of production – using state-of-the-art facilities for processes and raw materials – and application, offering consumers solutions with low or no environmental impact.

1.3.1 FertiGlobal: bioactivators for sustainable agriculture

FertiGlobal is the Group's business unit specializing in **bioactivation solutions** designed to improve both crop quality and yield. It offers environmentally sustainable solutions able to meet the needs and challenges of modern agriculture.

FertiGlobal solutions support crops throughout their entire life cycle from germination to maturity, providing all the nutrients they need to grow healthy and strong. Efficient nutrition that, combined with advanced technical services, ensures greater resilience to stresses arising from both climate change and pathogens.

By assessing the essential role of bio-activators in plant biochemistry and physiology, with key focus on plant defense mechanisms, FertiGlobal has developed advanced **crop management programs** to protect crop quality and productivity. Protection intended as support stemming from state-of-the-art nutritional and bioactivating systems that enhance physiological functions and strengthen the plant's intrinsic defenses against any type of stress.

Years of intensive pesticide use in agriculture have caused irreparable damage, polluting our land, water, and air, while increasingly ineffective fungicides and bactericides have made crops less tolerant to stresses and climate change.

Given this troubling scenario, **FertiGlobal** management programs allow farmers to progressively reduce their chemical use no matter where they operate, thus embracing a long-term vision of **protecting the Earth's future**.

The solutions are developed by FertiGlobal's Italian R&D center, the strategic engine of the business unit which focuses on continuously improving existing technologies, studying the changes that will shape agriculture in the future, and identifying cutting-edge innovations designed to foster sustainable agriculture. The Italian center has an international outlook and collaborates with a number of universities and research centers in Italy and abroad.

Over the last decade, the R&D center has developed eight different technologies, sets of innovative methods for combining biostimulants, bioactivators, and nutrients with the goal of protecting farmers' investments and fostering agriculture that is efficient, profitable, and sustainable.

Powered by EnNuVi Technology

A patented technological innovation that delivers Nutritional Polyphenolic Molecules (NPM) formulations in the form of highly concentrated aqueous suspensions. Complexation boosts nutrient performance, improving plant protection from any kind of stress.

Powered by Folistim Technology

Nutrient combinations with biostimulants, such as algae, humic acids, and LSA, which promote vegetative recovery after winter and prevent deficiency symptoms and fruit conservation by improving resistance to abiotic stresses.

Powered by Foliflo Technology

Highly concentrated water-based suspensions formulated with individual nutrients or a variety of combinations thereof, that provide protection through efficient foliar nutrition.

Powered by Folikel Technology

High-quality single or multi-element micro granules that ensure rapid vegetative development and deficiency correction as a result of the plant's complete and efficient nutrient uptake.

Powered by Foliarel Technology

From a patented molecule that combines Boron and Potassium, solutions that strengthen the synergy between various nutrients, enhancing pollen vitality and ensuring a high level of fruit set, thus providing greater productivity.

Powered by Folimac Technology

Nutrients combined with an efficient source of slow-release nitrogen that helps make them gradually bioavailable, providing a constant supply during growth stages and ensuring better absorption.

Powered by Foliease Technology

Solutions that prevent the loss of active ingredients and/or product and facilitate foliar applications, thus protecting the farmer's investment and ultimately helping to reduce environmental impact.

Powered by Aces Technology

Extracts and natural compounds that, individually or combined, help create a protective environment around the crop, thus enabling it to better combat various types of stress.

1.3.2 Specialty Chemicals Larderello: environmentally conscious chemical specialties for high-tech sectors

Specialty Chemicals Larderello

Despite the business unit being subject to a number of transformations, our Group's traditional business has always been chemical specialties.

Following the discontinuation of boric acid production, a diversification process was initiated in 2002, **focusing on research and development of products featuring high levels of quality and performance.**

The business unit works to continuously improve its processes and the quality of its offerings by providing highly specialized chemicals that can guarantee long-term reliability to customers in high-tech industries (nuclear, pharmaceutical, food and beverage, cosmetics, plastics, wires and cables, electronic components, lubricants, and paints).

Cutting-edge research carried out in the laboratories and plants of the Larderello Specialty Chemicals division provides high-purity products aimed at niche applications where superior quality is a must.

The Division is a singular example of integrated production of a variety of specialty products divided into three main categories.

Larderel

A full range of technologically advanced boron-based products for a wide variety of industrial applications. LARDEREL brand products deliver an extremely high level of purity, allowing them to be used in technologically advanced fields such as pharmaceuticals and electronics. LARDEREL boric acid is used in nuclear power plants all over the world to absorb radiation, contributing to reaction control and environmental safety.

Sequel

From the plant in Argentina, top-of-the-line chelation for a wide range of applications across continents. The preservation capabilities of SEQUEL products ensure the quality and freshness of fruit-based beverages. SEQUEL brand products are used in industrial processes ranging from liquid soap production to offshore drilling. Many everyday household products, including food items, contain SEQUEL preservatives.

Zinflam

Innovative and eco-friendly flame retardants and smoke suppressants. An exclusive range of non-toxic, zinc-based solutions able to successfully tackle challenges arising from environmental protection. Electrical cables for a wide variety of industrial and construction applications are protected by ZINFLAM flame retardants. In everyday life, ZINFLAM products deliver protection and safety in public and private buildings.

On the road to a sustainable future

2

2.1 The path to sustainability

Our journey towards responsible environmental, social, and governance management is rooted in a conscious industrial approach, developed well before sustainable development became a central topic in public debate and industry regulations. From its inception, this approach has resulted in operations based on principles of responsibility, quality, and technical rigor. These are the hallmarks of our identity, especially in highly complex contexts like the nuclear industry, where safety and reliability are fundamental requirements.

A momentous step in this evolution was taken in 2002, with the important decision to discontinue the boric acid production line. Historically significant for our group, this process involved a substantial use of raw materials, intensive logistical handling, and the generation of significant quantities of hazardous waste containing arsenic. The decision to discontinue this activity marked a profound turning point, ushering in a new phase in the Group's industrial trajectory. A difficult but necessary decision, which led to significant corporate restructuring and laid the foundation for a sustainable, long-term model.

From that moment on, we have undergone a transformation in terms of our structure and identity, investing in research and innovation to develop solutions with lower environmental impact. Entering the specialized fertilization sector was the first step in a strategic plan based on an industrial offering that combines technical performance and sustainability, with the goal of providing effective solutions that also have lower environmental impact.

Over the following years, this vision has evolved into an increasingly systemic approach. We have reconfigured our facilities, diversified our production lines, and integrated waste recovery, upcycling, and reduction practices into our operations. The progressive elimination of pollution sources, energy efficiency, responsible water resource management, and the integration of circular economy principles have become pillars of our corporate culture.

Confirming its tangible commitment to sustainable business practices, SCL Italia S.p.A. has been awarded a **Silver medal** by **EcoVadis**, one of the leading international ESG rating agencies. Awarded in January 2025, this recognition certifies the Italian company's position among the **top 15%** of globally evaluated companies in its sector, based on its performance in environmental, social, ethical, and responsible procurement practices. This is a significant result, which reflects the soundness of the sustainability policies and practices we have adopted, as well as the effectiveness of our efforts to integrate ESG principles into the company's industrial and organizational model.

Quimicos Essiod SA also achieved a significant result in the EcoVadis assessment process, earning the "**Committed**" medal in 2024 with an overall score of **55/100**, corresponding to the **55th percentile**. This is the first tangible recognition of the Argentine company's commitment to adopting increasingly responsible and sustainable practices, in line with the Group's global strategy.

These awards are part of a broader evolution of our industrial model, which today is advanced, mature, and aware: a balance between innovation and tradition, territorial roots and international outlook. A model reinforced by tools for listening and dialogue with stakeholders, which are reflected in the constant commitment to transparent reporting and the integration of environmental and social objectives into business development plans. In a global context where sustainability continues to be a driving force for competitiveness, we are determined to continue on our path, aware that only through responsible choices, strategic vision, and consistent values can we generate lasting value for future generations.

In the wake of this evolution, the adoption of *certified management systems*, in accordance with leading international standards, has played a central role. Since the 1990s, we have been progressively strengthening our quality, health, safety, energy efficiency, and environmental management practices, recognizing that certifications are not mere formalities, but are concrete tools for growth, transparency, and accountability.

In this respect, our first milestone dates back to 1998 with the **ISO 9001** certification for quality management systems, which was subsequently updated to the most recent editions, including the 2015 version, and confirmed in 2018. This was coupled with **ISO 14001** certification in 2004, which consolidated our commitment to environmental management; the 2015 version of this certification was renewed in 2018.

In terms of workplace health and safety, we obtained **OHSAS 18001** certification in 2012; this was subsequently replaced internationally by the ISO 45001 standard published in 2018 and adopted in December 2021, at which point OHSAS 18001 was definitively withdrawn. This was an important step that brought the company's system into line with the most advanced global standards for worker protection.

Also in December 2021, we obtained **ISO 50001** certification for our energy management systems, demonstrating our commitment to energy efficiency and consumption reduction. To complement this process, in March 2024, we also added the **EMAS III** registration, which is one of the most advanced tools at the European level for environmental management and transparent communication of performance to stakeholders.

These certifications, renewed and maintained over time, are not mere external recognitions, but represent the tangible expression of a corporate culture based on continuous improvement, a focus on people, and a balance between industrial development and environmental protection. At the same time, they strengthen the relationship of trust with local communities and all stakeholders, outlining a responsible and robust business model, geared towards the future.

Beginning in 2022, we embarked on a structured process of integrating sustainability into our corporate identity, recognizing it as a distinctive element and a strategic lever for creating lasting value. This approach has already yielded significant results in the short term, confirming the central role of sustainability in our evolving dynamics.

Far from a vision purely focused on regulatory compliance, the concept of sustainability has been progressively internalized as a guiding principle capable of shaping strategic choices, business models, and stakeholder relationships. Sustainability has thus become a driving force for innovation, competitiveness, and resilience, strengthening our reputation and positively contributing to the development of the regions where we operate.

From this perspective, we view sustainability as the foundation of our industrial vision and as an across-the-board factor that permeates all corporate operations. This translates into a concrete, daily and measurable commitment that embraces fundamental values such as operational excellence, scientific rigor, behavioral integrity, social and environmental responsibility, and a propensity for innovation.

These values are not only the pillars of our strategy, but also the foundation for our dialogue with all stakeholders, in the belief that a sustainable company is, first and foremost, one that listens, responds to, and anticipates the expectations of its community.

2019

- Participation in the European LIFE Envision project.

2012

- Obtainment of the **OHSAS 18001** certification.

2004

- Achievement of **ISO 14001** certification.

2003

- **Introduction of a new line of bioactivators,** more attentive to sustainability.

2002

- **Phasing out the production of highly impactful boric acid;** launch of a new company strategy focused on sustainability.

1998

- Obtainment of ISO 9001 certification.

2021

- Withdrawal of OHSAS 18001 certification in favor of **adopting ISO 45001.**
- Obtainment of **ISO 50001** certification.

2022

- First Sustainability Report.
- Materiality analysis with 7 themes.
- Launch of the 'Orto della Tradizione' project.
- Renewable energy sources at 62.2%.
- Calculation of the Carbon Footprint (Scope 1 and 2).

2023

- Participation in the European **HORIZON InnoProtein** project.
- Launch of the **ISO 20400:2017** pathway.
- **EMAS** registration for the Larderello plant.
- Calculation of Carbon Footprint (Scope 3).

2024

- Update of ESG strategy according to EU standards.
- **Double materiality** analysis with 19 IROs.
- **EcoVadis Silver Certification (Top 15%)**.
- Partnership with Illycaffè in Brazil.

2.2 Continuous dialogue with stakeholders

Long-term sustainable growth is also based on the ability to establish and maintain transparent, collaborative, and constructive relationships with all parties directly involved in or affected by our PPO activities, promoting the sharing of common values. Open dialogue with stakeholders is a fundamental prerequisite for generating mutual benefits and creating shared value.

In defining the scope of relevant relationships, we conducted an analysis of the organizational structure, its various business areas, the corresponding value chains, and the current network of relationships. Based on this breakdown, we identified our stakeholders and categorized them according to their level of proximity: those with whom interaction is daily and operational, key parties for business continuity, and local entities near our production sites.

Group 1 (★★★)

- Employees and other collaborators
- Customers
- Shareholders & Backers

Group 2 (★★)

- Suppliers
- Insurance
- Transport and Shipping Companies
- Industry Associations

Group 3 (★)

- Local communities
- Monitoring bodies
- Certification bodies

Proximity: HIGH : HIGH (★★★) – MEDIUM (★★) – LOW (★)

2.2.1 Stakeholder engagement methods

After identifying the relevant stakeholder categories, we defined specific methods of engagement for each, tailored to the nature of the relationship and their role within the corporate context.

The following table illustrates the main forms of interaction activated, with the aim of fostering ongoing dialogue and fostering active participation in creating shared value.

Stakeholder	DESCRIPTION	ENGAGEMENT
Employees and other collaborators	All direct employees (part-time and full-time; temporary staff and other contractors) and all external collaborators who work on a permanent basis at the Group's operating sites but are employed by third-party companies.	• Sharing the Code of Ethics • Continuous education & training • FertiGlobal Academy • Company Magazine • Social networking
Customers	Distributors and end users to whom the Group sells its products.	• Events, exhibitions, and fairs • Visits to the production plant • Social networking • Sharing the Sustainability Report
Shareholders & Backers	Providers of capital, both risk and debt capital.	• Sharing the Financial Statements • Sharing the Sustainability Report • Sharing the Code of Ethics • Investor relations activities
Suppliers and Vendors	All suppliers and vendors from which the Group procures goods (raw materials, technologies, equipment, etc.) or services.	• Sharing the Code of Ethics • Sharing Organizational Model No. 231 • Qualification procedure
Insurance	Operators to whom the Group entrusts	• Sharing the Financial Statements • Sharing the Sustainability Report • Social networking
Transport and Shipping Companies	the management of the insurance operations necessary for its protection	• Sharing the Code of Ethics • Sharing Organizational Model No. 231 • Qualification procedure
Industry Associations	Operators to whom the Group entrusts the management of inbound and outbound logistics activities	• Social networking • Participation in conferences and events • Sharing the Financial Statements
Local communities	Industry Associations with which the Group interacts	• Social networking • Participation in conferences and events • Partnerships with universities and research institutes • Ad hoc projects to support education
Monitoring bodies	The social context of the territories affected by the Group's value chain activities. This category includes families of employees and suppliers, schools, and research institutions, among others.	• On-site compliance checks • Document exchange
Certification bodies	Bodies that verify compliance with specific reference standards.	• On-site compliance audits • IMS Certifications • Document exchange

2.3 Double materiality analysis

In the evolving landscape of European sustainability legislation, we have voluntarily chosen to follow a structured reporting path inspired by the **Voluntary Sustainability Reporting Standards for non-listed SMEs** (VSME[1]), published by EFRAG, the technical body appointed by the European Commission to develop sustainability reporting standards.

Although we are not currently directly subject to the **Corporate Sustainability Reporting Directive**[2] (CSRD), in light of the changes introduced by the Omnibus Decree[3], we have made the strategic choice to immediately equip ourselves with advanced methodological tools to interpret and transparently communicate our impacts, risks, and opportunities related to ESG issues. We have decided to make sustainability a pillar of our corporate strategy, with a view to continuous improvement and preparation for future regulatory developments.

This choice reflects our desire to meet the growing information needs of increasingly discerning stakeholders, such as customers, investors, banks, and industrial partners, reinforcing an approach that, while not mandatory, strengthens our competitiveness in the market. Developed for unlisted SMEs, the VSMEs provide an accessible technical reference consistent with CSRD principles, designed to guide companies in the gradual adoption of clear, proportionate, and comparable ESG reporting practices.

[1] The Voluntary Sustainability Reporting Standards for non-listed SMEs (VSME) are voluntary standards published by EFRAG in December 2023, intended for small and medium-sized unlisted companies. Designed in proportion to the resources of SMEs, they include a basic and an optional module and allow for a structured response to sustainability requests from stakeholders such as banks, investors or client companies.

[2] The Corporate Sustainability Reporting Directive (CSRD) is the European directive (EU Directive 2022/2464) that reforms sustainability reporting, extending disclosure obligations to a greater number of companies, including listed SMEs. In Italy, it was implemented with Italian Legislative Decree 125/2024. Companies that exceed two of the following three size criteria – 250 employees, 50 million euros in net revenues, 25 million euros in balance sheet – must publish a sustainability report according to the ESRS within the Management Report.

[3] Italian Legislative Decree No. 229 of December 30, 2023, commonly known as the Omnibus I Decree, adopted on April 16, 2025, provided for the postponement of the reporting obligation by two years, setting its entry into force for the 2027 financial year. The Omnibus II package, still in the approval phase, proposes further changes, including limiting the scope to companies with more than 1,000 employees and simplifying ESRS requirements, in order to reduce the burden on companies subject to reporting obligations.

A central element of this process was **the double materiality analysis**, which allowed us to combine the assessment of the impacts generated by our organization on the environmental, social and governance dimensions (*impact materiality*) with the identification of financial risks and opportunities arising from ESG factors (*financial materiality*). Adopting this voluntary approach has allowed us to conduct a structured analysis exercise, which, although not currently required by law, serves a dual purpose. On one side, it provides our external stakeholders with transparent and reliable information on the issues deemed most relevant, and on the other, it builds a solid internal information base to guide our strategic priorities, identifying the areas where we can focus our efforts to create long-term sustainable value. This process was developed in line with stakeholder expectations and according to the criteria proposed by the VSME standards.

The analysis covered a wide range of issues pinpointed as relevant, including climate change, sustainable waste management, workplace health and safety, human resource development and community support, responsible supply chain management, innovation, and research and development. We thus reaffirm our commitment to responsible governance and sustainable growth, guided by a long-term perspective and ongoing dialogue with our stakeholders.

Our approach to materiality

In previous years, we conducted our materiality analyses based on GRI standards, with the aim of identifying issues relevant to both the Group and our stakeholders. In keeping with the evolving European regulatory framework on sustainability and in accordance with the principles promoted by the Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS), we have chosen to adopt, on a voluntary basis, an approach based on double materiality analysis. This approach now serves as the starting point for comprehensive and integrated reporting, making it possible to identify, assess, and prioritize the organization's environmental and social impacts, as well as the risks and opportunities related to ESG issues that can influence financial performance.

Based on this premise, we have structured a methodological process divided into four main phases:

1. Context analysis
2. Identification of IROs and related sustainability issues
3. Assessment and determination of material IROs
4. Sharing results with management and final validation

Context analysis

In order to identify the relevant sustainability issues and their associated impacts, risks, and opportunities (IROs) for the double materiality process, we conducted a comprehensive, multi-layered analysis of the context, structured into internal and external components.

Internally, the available company documentation was reviewed, with the aim of acquiring a clear, precise understanding of our operational, organizational and strategic specifics, as well as the existing ESG dynamics and challenges.

At **the same time, the external analysis** included a macro-analysis of the context in which we operate, aimed at identifying key global trends (the so-called "megatrends") and emerging regulatory pressures relating specifically to our sector, the competitive landscape, and the evolution of national and international legislative frameworks.

To this end, we conducted:

- a *benchmark analysis* of key competitors and comparable companies, aimed at identifying the most recurring and significant environmental, social, and governance impacts for the industry;
- an *analysis of media coverage*, conducted by monitoring key industry publications and newspapers, with a particular focus on events directly involving us during the reporting year;

- an *analysis of regulatory and sectoral pressures*, based on identifying the most widely discussed impacts by industry associations and international organizations active in the ESG field;
- an *analysis of environmental, social, and governance initiatives and projects*, communicated through institutional channels and authoritative public sources.

This systemic approach has enabled us to identify the most recurrent and relevant sustainability issues, identify best practices, and establish an up-to-date framework aligned with the sector's ESG priorities, providing a solid foundation for the subsequent steps in the double materiality assessment process.

Identification of IROs and related sustainability issues

After the context analysis, we subsequently initiated a structured process to identify potentially material impacts, risks, and opportunities (IROs) related to key sustainability issues.

The identification phase was developed through several complementary activities:

- the preparation of a preliminary list of IROs, drawn up by taking into account both external sources, such as the SASB Materiality Map (a tool developed by the Sustainability Accounting Standards Board to identify relevant ESG issues by sector), S&P Global Ratings assessments, and MSCI ESG Research analyses (international agencies that provide environmental, social and governance ratings and benchmarks), as well as the specifics that emerged internally through context analysis, stakeholder engagement, and comparison with key business processes;
- identifying the actual and potential impacts associated with our business, distinguishing between impacts we directly cause, impacts we contribute to, and impacts related to operations, products, or services through commercial relationships;
- defining risks and opportunities, with a particular focus on environmental and social dependencies that could lead to direct or indirect financial impacts.

This process has allowed us to build a robust information base, useful for the subsequent assessment of IRO significance and for integrating the results into the sustainability report.

Assessment and determination of material IROs

The preliminary list of IROs underwent a structured evaluation process that actively involved the key corporate operations, with the aim of determining which impacts, risks and opportunities were materially significant for our Group.

To **assess impact** materiality, we have adopted a methodology that involves analyzing the severity of each impact, defined by combining three fundamental factors:

- impact *scale*;
- its *scope*;
- and for negative impacts, its irreversible nature (*irremediable character*).

For potential impacts, the severity was also weighted according to the probability of occurrence within the relevant timeframe. Where possible, these assessments were based on documentary evidence, scientific sources, and statistical data to minimize subjectivity. The result was expressed as a final score, to which qualitative and quantitative thresholds were applied to determine significance.

Regarding **financial materiality**, we have adopted a structured methodology that aims to identify and assess the risks and opportunities related to sustainability issues that could significantly impact our economic, equity, or financial performance.

The analysis was based on two fundamental factors:

- the potential *severity* of the financial impacts, i.e. the magnitude of the expected consequences in the event of a risk or opportunity, in terms of not only costs, losses, and write-downs, but also economic benefits, efficiencies, or value growth;
- the probability of occurrence (*likelihood*), i.e. the possibility that said impacts will occur within a given timeframe.

Multiple factors were considered in the assessment process, including regulatory and legislative changes, market trends and performance, technological advancements, increasing stakeholder focus on environmental and social issues, access to natural resources, and potential reputational implications related to ESG management.

To ensure consistency and transparency, quantitative materiality thresholds have been established, calibrated to reflect our economic and financial characteristics, as well as our operational, sectoral, and geographical specificities. This approach has allowed us to establish a comprehensive picture of the connections between sustainability and business performance, which helps guide our strategies and supports informed, responsible decision-making.

Sharing results with management and final validation

The results of the double materiality process were shared with company management in order to ensure strategic alignment and a full understanding of the impacts, risks, and opportunities relevant to our Group Following this discussion, we finalized the validation of the analysis results to support reporting and the integration of sustainability issues into the company's decision-making processes.

Below are the overall results of the double materiality analysis conducted at the Group level, which led to the identification of 19 material IROs, broken down as follows:

- 13 impacts (of which 8 negative and 5 positive);
- 4 financial risks;
- 2 financial opportunities.

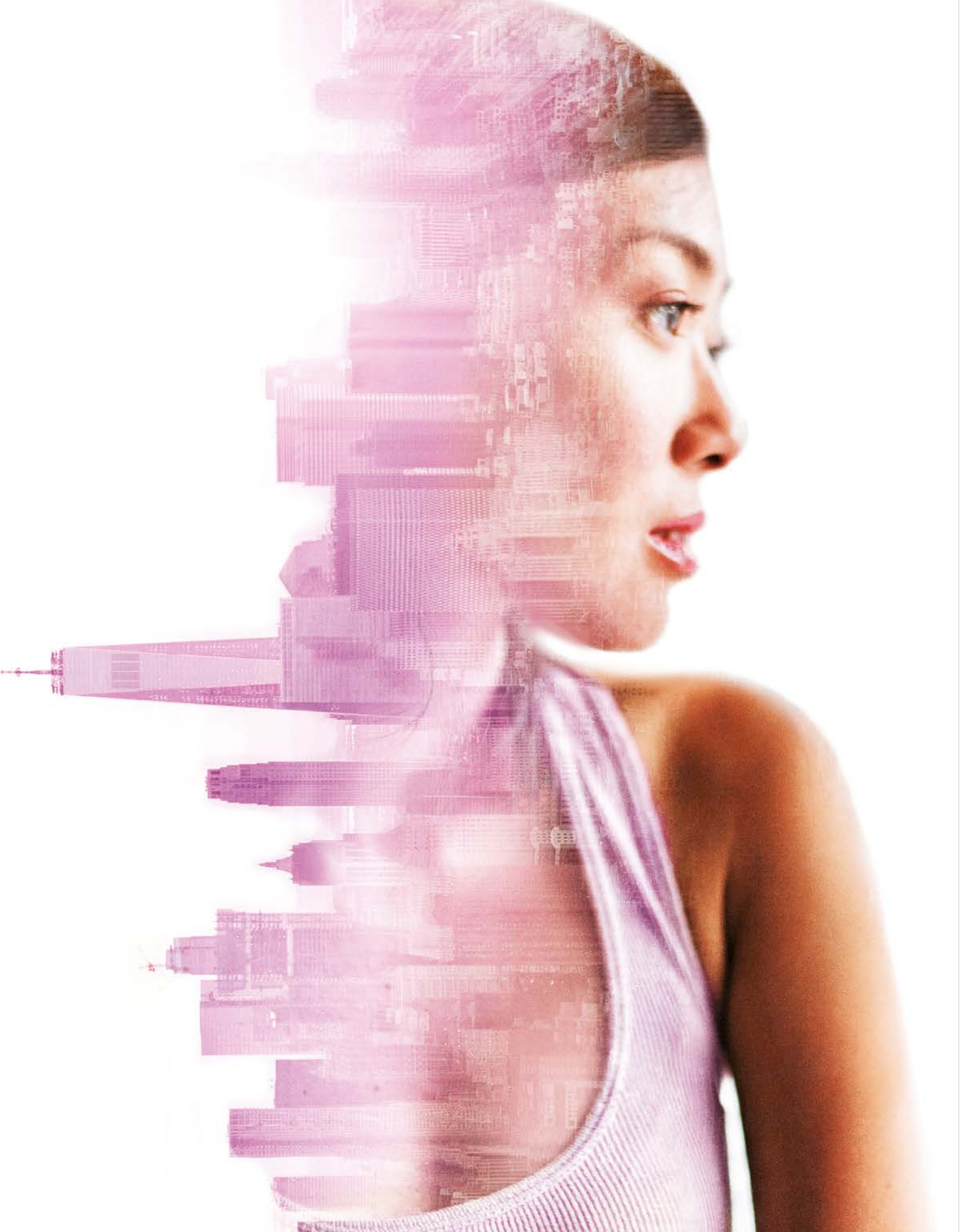
These elements form the basis for reporting the relevant content in this Sustainability Report, as well as for guiding our ESG strategies in the coming years.

ESG	Impacts, risks, and opportunities	Type	SDG topics
E	Generation of climate-altering emissions (GHG)	Negative impact	13 CLIMATE ACTION
	High energy consumption in manufacturing processes	Negative impact	
	Risk related to the climate vulnerability of agricultural supply chains	Risk	
	Compliance risk related to the management of pollutant emissions (nitrogen oxides, sulfur oxides, etc.)	Risk	12 RESPONSIBLE CONSUMPTION AND PRODUCTION; 13 CLIMATE ACTION
	Emissions of air pollutants from the production of fertilizers and chemicals	Negative impact	
	Non-optimal waste management in industrial chemical cycles	Negative impact	12 RESPONSIBLE CONSUMPTION AND PRODUCTION
	Opportunities arising from the adoption of circular production models and the development of solutions designed according to eco-design principles	Opportunity	
S	Opportunities related to investments in programs and training	Opportunity	3 GOOD HEALTH AND WELL-BEING
	Employee training and professional development	Positive impact	
	Workplace health and safety risks	Risk	
	Employee health and safety in the workplace	Negative impact	
	Violation of fundamental labor rights at the Group's international sites	Negative impact	
	Incomplete protection of working conditions in the supply chain, including child and forced labor	Negative impact	8 DECENT WORK AND ECONOMIC GROWTH
	Promoting the health and safety of suppliers' workers	Positive impact	
	Promoting listening and social dialogue	Positive impact	4 QUALITY EDUCATION; 11 SUSTAINABLE CITIES AND COMMUNITIES
	Contribution to the sustainable development of agricultural communities	Positive impact	
	Risk related to chemical products' non-compliance with safety requirements for end users	Risk	12 RESPONSIBLE CONSUMPTION AND PRODUCTION; 17 PARTNERSHIPS FOR THE GOALS
	End user health and safety	Negative impact	
	Adoption of responsible marketing practices and transparent product labeling	Positive impact	8 DECENT WORK AND ECONOMIC GROWTH; 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

Each impact, risk, and opportunity was also associated with one (or more) of the Sustainable Development Goals (SDGs) defined by the United Nations in the 2030 Agenda. The 2030 Agenda goals are important because they define a common international framework for the initiatives to be undertaken and the objectives to be achieved in order to promote sustainable development dynamics, taking into account environmental, social and economic/governance aspects.

From this point of view, defining the relevant target benchmark(s) for IRO initiatives allows our Group's contribution to the 2030 Agenda to be made explicit, thus defining its commitment within the broader international reference framework.

The issues identified reflect the impacts we generate along the Value Chain (Innovation, Research and Development, Value Creation, Responsible Supply Chain Management), on People and the Community (Human Resource Development, Community Support, Workplace Health and Safety) and on the Environment (Climate Change, Water Resource Protection, and Sustainable Waste Management).



Governance for sustainability

3

3.1 A robust and responsible model

C9 – Gender diversity index in governance bodies

The corporate structure has changed considerably over its 200 years of operation, adapting to the evolutions that have led a small local business to become an international Group.

Throughout this transformation process, we have always adopted a system of corporate governance that would enable responsible and transparent management of business activities, ensuring corporate risk control and quality customer service.

To date, the parent company's corporate governance system is based on a traditional structure, which includes:

- the Shareholders' Meeting;
- the Board of Directors;
- the Management Committee;
- the Board of Statutory Auditors;
- the Supervisory Board, pursuant to Italian Legislative Decree No. 231/2001
- the external auditing firm

The Board of Directors for SCL S.p.A.

The Board of Directors holds the broadest powers for the ordinary and extraordinary management of the company, with the power to perform any act deemed appropriate for the pursuit of the corporate purposes, with the exception of those reserved by law or bylaws to the Shareholders' Meeting or to the Shareholders. The current composition was established by the Shareholders' Meeting on October 24, 2023, with a mandate until December 31, 2024.

ADVISOR	POSITION	ROLE	INDEPENDENCE
Paolo Bonini	Chairman	Executive	No
Alessandro Pellero	Director	Executive	No
Francesco Tiso	Advisor	Non-Executive	Yes

The Management Committee

The Management Committee, established by the Board of Directors on June 16, 2022, is responsible for deliberating on issues relevant to company management and development. It is composed in a variable manner and includes shareholders and the Chief Executive Officer as permanent members.

The Board of Statutory Auditors

The Board of Statutory Auditors oversees compliance with current legislation, the Articles of Association, the principles of proper administration, and the adequacy of the organizational structure and internal controls. The current Board of Statutory Auditors was appointed by the Shareholders' Meeting on April 30, 2024, and will remain in office until the approval of the financial statements on December 31, 2026.

STATUTORY AUDITOR	POSITION
Gaetano Salvioli	Chairman
Annarita De Carne	Acting Auditor
Dario D'Alò	Acting Auditor
Francesco Drago	Alternate auditor
Camilla Cominelli	Alternate auditor

The Supervisory Board, pursuant to Italian Legislative Decree No. 231/2001

To implement the Governance Model, the company has opted for a collegial Supervisory Body, composed of one external and one internal member. The latter is the individual responsible for overseeing the practical implementation of the Model; anyone who becomes aware of information regarding a violation or suspected violation of the ethical principles and conduct outlined in the Model can refer and submit a report to this individual. The current Supervisory Board was appointed by the Board of Directors on December 22, 2011, and is still in office at this time.

MEMBER	POSITION
Francesco Barbieri	Chairman
Roberta Galli	Acting Auditor

The Independent Auditing Firm

The Independent Auditing Firm is responsible for auditing the financial statements to ensure that the information is complete and accurate, and to ensure that the company's financial reports comply with applicable laws. The Independent Auditing Firm appointed by the Shareholders' Meeting is PricewaterhouseCoopers S.p.A., which will remain in office until the financial statements ending on December 31, 2024.

3.2 Ethics and compliance

B11 – Convictions and penalties for active and passive corruption

In order to promote a corporate culture based on shared principles and responsible behavior, we have adopted a Group Code of Ethics since 2011, supplemented by specific codes of corporate conduct drawn up at the individual company level. These tools respond to national regulatory needs and customer demands, reinforcing our commitment to transparency, integrity, and sustainability.

The **Code of Ethics** is a fundamental reference for defining the **ethical and social values** that inspire our work.

It establishes the general principles that govern relations with all stakeholders, including:

- impartiality, honesty and integrity, to prevent all forms of discrimination;
- the right to personal safety, dignity and respect, ensuring the physical and moral protection of workers;
- fairness in exercising authority and equity in managing relationships;
- preventing conflicts of interest and promoting fair competition;
- transparency and integrity of information;
- social and environmental responsibility, with a particular focus on protecting local communities;
- protecting IT systems and data confidentiality.

The Code of Ethics applies to all parties operating on behalf of the Group, including directors, employees, collaborators, suppliers, and business partners, both in Italy and abroad. Its dissemination is facilitated through communication and training activities, with the aim of ensuring full understanding and adherence to the principles contained therein.

In accordance with the provisions of Italian Legislative Decree No. 231 of June 8, 2001, an Organization, Management and Control Model has been adopted since 2012, structured into two sections:

- a general section, which describes the purposes, recipients, structure and functions of the Supervisory Board, as well as the preventive control system;
- a special section, that identifies areas of risk and relevant offenses, defining the applicable preventive measures and penalties.

Model 231 has been drawn up in accordance with the Confindustria Guidelines and is an essential tool for preventing crime and promoting transparent, responsible, and legally compliant corporate management. The Supervisory Board, which is autonomous and independent, is responsible for monitoring the effective implementation of the Model and proposing any necessary updates.

Our operations take place in sectors regulated by stringent regulations on quality, environment, health and safety, with a particular focus on the products of the Specialty Chemicals business unit, which are intended for highly critical markets such as nuclear, pharmaceutical, and food industries. In this context, compliance with national and international regulations is ensured through certified management systems (ISO 9001, ISO 14001, ISO 45001), periodic audits, emergency plans and internal control procedures.

Additionally, tools for listening to and engaging stakeholders have been implemented, including a whistleblowing platform, which was adopted in 2024. This platform is accessible both internally and externally, ensuring the anonymity and confidentiality of its users.

Finally, suppliers are selected and evaluated based on ESG criteria, using self-assessment questionnaires, periodic audits, and contractual clauses that require adherence to the principles of the Code of Ethics. Particular attention is paid to supply chain traceability and the prevention of risks associated with sourcing from geopolitically sensitive areas.

3.3 Management and control systems

B11 – Convictions and penalties for active and passive corruption

Since 2010, we have adopted an Integrated Management System (IMS) aimed at combining sustainable processes with product quality excellence. This system provides a unified reference for document and data management, enabling resource optimization, cost containment, and more effective integration of various skill sets. The IMS enables us to pursue our commitments to quality, the environment, and workplace health and safety through a structured and transparent approach.

Environmental, energy, and safety performance are monitored annually through specific indicators for each business unit. These indicators feed into an Improvement Plan that, following Deming cycle logic (*Plan-Do-Check-Act*), guides the continuous evolution of the system. The Plan establishes actions, timelines, monitoring indicators, and corrective measures in the event of deviations from expected objectives.

The IMS includes periodic reviews of company policies and internal procedures, introducing and incorporating best practices inspired by international standards. Transparency is ensured by making policies and procedures fully accessible to all employees, fostering a conscious and participatory work environment. This holistic approach makes it possible to improve business performance and bring it in line with global sustainable development goals.

Regulatory compliance is an integral part of the IMS, understood not only as compliance with current laws but also as adherence to high ethical and professional standards. In 2023, the Larderello production site successfully passed the periodic audits for ISO 9001, ISO 14001, ISO 45001 and ISO 50001 certifications.

EMAS (Eco-Management and Audit Scheme) registration was also obtained, issued by the Ecolabel and Ecoaudit Committee – EMAS Section, following the preparation of an initial environmental analysis, the implementation of an ISO 14001-compliant Environmental Management System, and the validation of our Environmental Statement by an accredited assessor.

The Cerquilho site has maintained its ISO 9001:2015 certification, while the Mar del Plata plant has confirmed its ISO 9001:2015 and FSSC 22000 certifications for food safety. The Climate Protection Certificate issued by RIGK GmbH for our contribution to environmental protection was also confirmed.

In addition to the above, **the process of extending ISO 9001 certification to our commercial offices in India, the Philippines, and China** was launched in 2024, while **ISO 14001 and ISO 45001 certifications are being implemented** at our production plants in **Argentina and Brazil**, with completion expected by the end of 2025.

Our commitment to people

4

4.1 Creating value with people

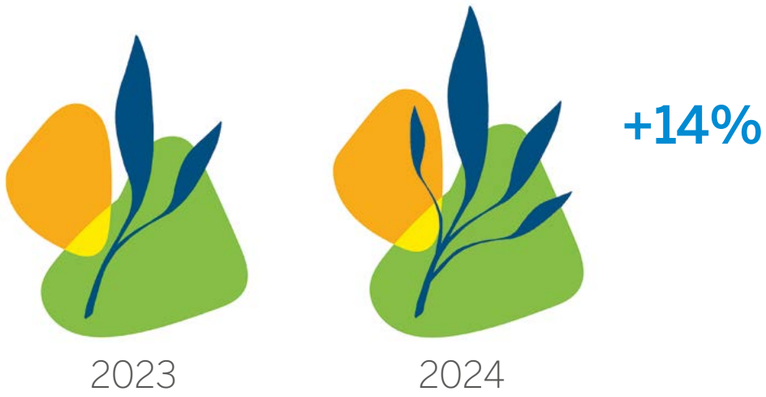
B8 – Workforce - General characteristics

We have always recognized the vital role our people play in contributing to the creation of value on a daily basis.

This is why we pay particular attention to **human capital**, ensuring **working conditions that respect** individual dignity and provide **safe and healthy professional environments**.

As of December 31, 2024, the company's workforce, including all commercial branches, totaled **322 employees**, an increase of 14% compared to the previous year. This increase is mainly due to the strengthening of our operating structures in India and Southeast Asia. Employment relationships are predominantly stable and continuous: 98% of staff are hired on permanent contracts, reflecting our commitment to building lasting professional relationships.

Staff resources

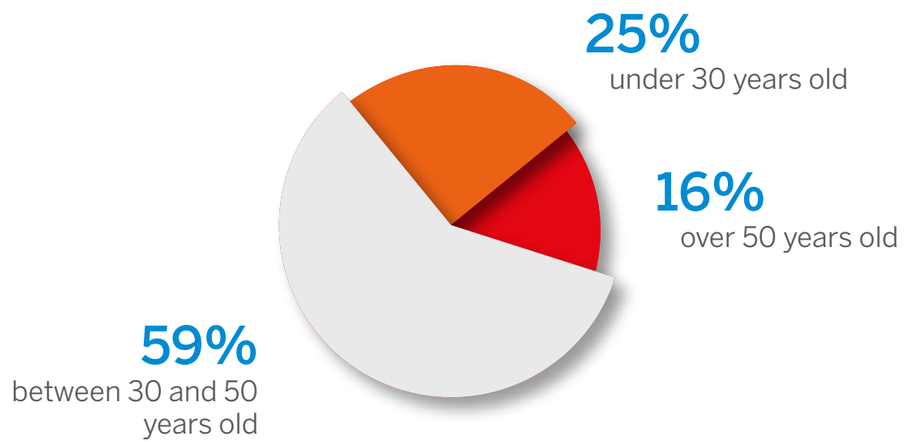


Employees by contract type 2024

In the two-year period, there has been a structural change in the workforce, with a significant increase in employees in India and the Philippines. Part-time contracts represent a marginal share and are primarily activated to meet workers' personal needs.

Furthermore, we remain a youthful organization: in 2024, 25% of the corporate workforce is under the age of 30, while 59% is between the ages of 30 and 50.

Company workforce 2024



Employee well-being is considered as a key element for the success and sustainability of our business model. We believe that high employee satisfaction indirectly leads to increased productivity, reduced absenteeism, and lower turnover. To this end, we foster the potential of our staff through training and learning programs, promoted in accordance with the principles of equality and equal opportunities, avoiding any form of discrimination or favoritism. Particular attention is paid to work-life balance, fostering a culture of flexibility.

The remuneration policies adopted aim to ensure a fair and productive work environment.

One need only consider that in 2024, the **average hourly wage gap between women and men** favored women by **17%**, with an average hourly wage of **€15.8 for women and €13.5 for men**.

This figure is part of a broader context in which the company adopts remuneration policies that guarantee, in all its operating locations, wages above the local legal minimum.

In Italy, employees receive salaries that exceed the minimum rates set by applicable collective bargaining agreements. In China, wages are higher than the minimum set by local authorities, which vary from city to city. In India, wages exceed the thresholds defined by the Minimum Wages Act of 1948. Even in Germany, the Philippines, and the United States, where collective bargaining agreements are not in place, all employees receive compensation exceeding the minimum wage required by law. In Argentina and France, the wages paid exceed both the legal minimum and the rates set by current collective agreements.

The reward system is based on achieving specific goals for certain professional categories and is complemented by corporate welfare tools designed to improve employees' purchasing power.

Despite a growing workforce, in 2024, 84 employees left the company. The turnover rate stands at 27%. Collective bargaining coverage affects 65% of employees, and varies significantly between locations: some entities such as SCL Italia, Quimicos Essiod, Pack Industria, and SCL France apply national collective agreements; other locations, including SCL China, SCL Filipinas, SCL India, SCL Deutschland, and SCL Americas, do not adopt any collective bargaining agreement.

In 2024, 2,388 hours of training were provided, with an average of 7.4 hours per employee, aligning with the redefinition of training activities to better meet the emerging needs of staff and the international operating environment.

4.2 Health and safety: beyond compliance

B9 - Workforce - Health and safety

In 2024, we reaffirmed and strengthened our commitment to protecting the health, safety, and well-being of our people – values that remain a fundamental pillar of our corporate culture. The approach we've adopted goes beyond mere regulatory compliance, aiming for continuous and structured improvement through:

- promoting and strengthening a culture of safety, with the goal of increasing risk awareness and encouraging responsible behavior by all employees;
- implementing preventive measures to protect health and safety, actively involving not only internal staff, but also customers, suppliers, and partners;
- technological investments aimed at the evolution of work processes and conditions, with the goal of achieving ever-higher standards in terms of quality, safety, and comfort;
- the design and implementation of an integrated and articulated management system, capable of effectively identifying and mitigating risks associated with daily operations, in compliance with the regulations in force in the various countries where we operate.

Rate of reportable workplace accidents (%) **-63%**

4.2.1 Health and safety management system

B9 - Workforce - Health and safety

Throughout 2024, we consolidated our approach to workplace health and safety, building on the progress made in 2023; the Integrated Management System, inspired by best practices and recognized international standards, continues to be a key tool for ensuring safe and responsible work environments. We have adopted an ISO 45001-certified management system, which is currently implemented at our Larderello sites and Milan office, and are expanding this system to the Quimicos Essiod and PACK Industria plants, with the goal of completing the process by the end of 2025.

Particular attention has been given to managing the risks associated with the use and handling of chemical substances. Aware of the consequences these activities can have on workers, consumers, and the environment, we take preventive measures aimed at reducing risks and promptly managing any incidents, limiting their impact. Risk analysis and classification, supported by systematic updates to the Risk Assessment Document (DVR), make it possible to accurately identify potential sources of danger and to implement appropriate prevention and protection measures. Once again this year, specific training plans were established and monitored to ensure everyone receives training that aligns with the risks associated with their activities, thereby strengthening the culture of safety within the company.

The **rate of recordable accidents decreased significantly, from 3.83 to 1.44**[4], confirming the effectiveness of the prevention measures adopted. There were no fatalities or serious workplace health or safety incidents.

[4] The recordable accident rate was calculated as the total number of accidents divided by the number of hours worked, multiplied by 200,000.

4.2.2 Tools and measures for a safe work environment

B9 – Workforce – Health and safety

In 2024, our commitment to workplace health and safety was also reaffirmed as one of our strategic priorities, building upon the measures already implemented in previous years. Health monitoring activities continued through the involvement of competent physicians for periodic examinations, while the internal committees at each facility continued to coordinate, monitor, and oversee aspects related to workplace health and safety.

At the same time, the continuation of mandatory health and safety training was ensured, in accordance with the applicable regulations in the countries where we operate. In particular, in-depth training is provided on the risks associated with handling chemicals, the proper use of workplace and personal protective equipment, as well as the procedures to follow in the event of an emergency. These actions are a key part of our strategy on prevention and promoting a safe work environment.

4.3 Staff development and growth

B10 – Workforce – Remuneration, collective bargaining and training

Continuous training and professional growth are recognized as key elements for fostering people's sense of accomplishment and for cementing corporate success.

In this context, feedback and discussion regarding performance and future expectations are essential tools for fostering an open and constructive dialogue, geared towards continuous improvement. Particular attention is paid to communicating both strengths and areas for improvement, with the goal of fostering personal and professional growth. To support this approach, the Human Resources Unit conducts an annual analysis of training needs, shared with the department heads, to identify both regulatory requirements – particularly regarding safety and compliance – and corporate development needs, with a focus on specialized, managerial, and digital and technological innovation skills. This approach has been maintained and consolidated, demonstrating our commitment to a growth model that aligns with our corporate values and the evolving market landscape.

The development of both technical and soft skills is promoted through structured programs and initiatives aimed at developing individual potential.

4.3.1 Continuous training and professional development

B10 – Workforce – Remuneration, collective bargaining and training

We have always prioritized skill enhancement and professional development for our personnel. In this context, on-the-job training remains a preferred method, thanks to the direct involvement of department heads in guiding and mentoring. This approach allows learning to be integrated into daily operational processes, fostering professional growth that aligns with role responsibilities and company objectives.

A total of 2,388 hours of training were provided during 2024, an increase of 4% compared to the previous year.

The training commitment averaged 7.4 hours per employee, with a distribution of 8.1 hours for male staff and 4.6 hours for female staff. The goal is to strengthen the skills needed for current roles while fostering greater awareness of growth opportunities and professional aspirations.

Training activities are monitored annually using specific indicators to ensure their effectiveness and alignment with the Group's strategic priorities. This commitment is part of a broader effort to enhance human capital, aimed at promoting an inclusive, safe, and continuously developing work environment.

4.3.2 Inclusion, diversity, and equal opportunity

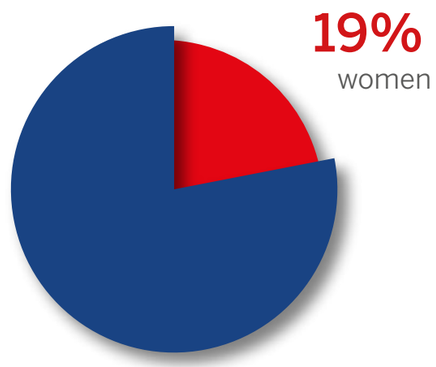
B10 – Workforce – Remuneration, collective bargaining and training

We strive every day to promote a work environment that is stimulating and open to diversity, ensuring equality in the workplace and equal opportunities. A zero-tolerance policy towards any form of discrimination or harassment in the workplace is enforced. Employees are encouraged to promote these values – our core values – by reporting any situation that is not in line with our corporate culture through the Whistleblowing platform.

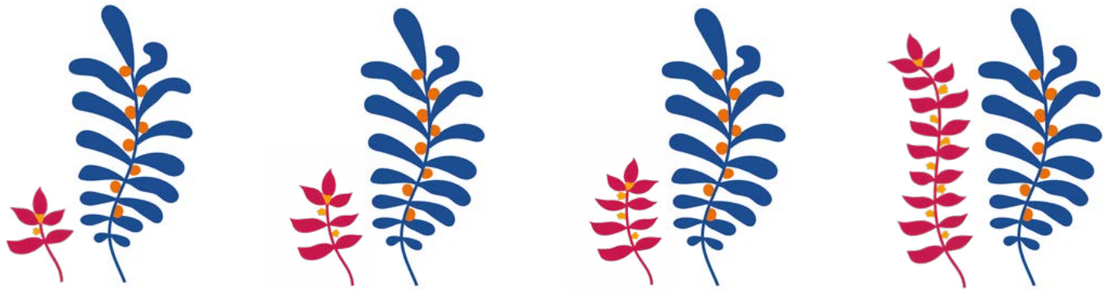
In this sense, the employee selection process is geared towards gradually reducing the gender gap. Historically, the workforce composition reflected a prevalence of operational profiles, consistent with an industrial approach focused on production activities. In recent years, the evolution of our business model has led to strengthened research, technical and commercial operations, fostering a greater diversification of professional profiles.

At the end of 2024, women accounted for 19% of the total workforce, with a particularly significant presence in certain regions, including Italy (16%), Brazil (20%), Argentina (23%), and China (46%), where the highest percentages of female employment compared to the local total are recorded.

Overall workforce



Female employment relative to the local total



These figures indicate potential for growth in managerial roles. The data relating to remuneration highlights a distinctive element: the gender pay gap is reversed compared to the industry average, with women's average hourly pay exceeding that of men by 17%. This result reflects our commitment to recognizing and valuing merit, promoting conditions of equity and inclusion. The continuous monitoring of these dynamics is an additional tool to support policies focused on equality and professional development.

4.3.3 Employee safeguards at the Group's international sites

B10 – Workforce – Remuneration, collective bargaining and training

Throughout 2024, we also initiated a process to strengthen our health, safety, and environmental policies at our international production sites, with the aim of aligning operating standards with those already established at our Italian locations. This initiative stems from the desire to address the inconsistencies identified during the reporting phase, which revealed varying performance across different facilities, particularly regarding the frequency of workplace injuries and occupational illnesses. As such, we initiated a process to centralize coordination activities, promoting the adoption of Group best practices, ensuring greater consistency in risk management, and introducing mechanisms for periodic monitoring of operating conditions at our international sites through discussions with local representatives and the structured collection of documentary evidence. This process as already yielded its first results: in 2024, there was a significant reduction in accident events at international sites, confirming the effectiveness of the actions taken. We will continue in this direction, with the goal of building an increasingly robust, consistent, and cross-functional safety management system across all our operating regions.

4.4 Responsible innovation and value along the supply chain

Innovation supported by research and development has driven the Group's growth in its 200-plus years of history and is our primary operational strength.

We promote an industrial model based on responsible innovation that integrates environmental sustainability, operational efficiency, and a commitment to quality throughout the entire value chain.

Production processes are structured according to circularity principles, fully reusing process water and recovering rainwater through ultrafiltration and reverse osmosis systems, thus contributing to the protection of water resources and the reduction of waste. The implementation of energy-efficient technologies and the progressive digitization of control and maintenance systems have significantly optimized consumption, particularly of geothermal steam, and improved the timeliness of operational management.

We are also committed to enhancing the supply chain through supplier selection criteria that include environmental, social, and ethical aspects. Priority is given to those suppliers who demonstrate sustainable practices and documented management systems. To this end, a structured monitoring process has been implemented, which includes the use of self-assessment tools and the periodic collection of evidence to support the declarations provided by suppliers. Prioritizing local partners, where feasible, helps reduce the environmental impact of logistics and strengthens community ties.

At the same time, we invest in protecting worker health and safety, fostering a culture of prevention and responsible behavior. Focusing on training, adopting innovative devices, and proactively managing risk situations results in safer work environments and greater staff participation in improvement processes. This set of actions, consistent with European reporting standards, represents a distinctive element in building a sustainable, competitive, and value-oriented industrial model shared throughout the supply chain.

4.4.1 Research supporting sustainable agriculture

Agriculture is a constantly evolving sector, an area in which the issue of sustainability is driving a radical shift toward more efficient and environmentally friendly technologies. Operating in areas where complexity is increasing requires ever-growing levels of experience and knowledge. The ability to innovate and evolve lies in ongoing training, one of the pillars of our development strategy.

Thanks to the experience we have gained throughout our long-running industrial operations, for the past two decades we have dedicated ourselves to **researching and developing new sustainable solutions** to meet the challenges of modern agriculture.

Working at the forefront of the global agricultural scene, our primary objective is to propose technologies that ensure healthy plant growth and increased yields at the highest standards.

The revolutionary technologies developed by our R&D center are a set of innovative methods for combining bioactivators and nutrients in order to protect farmers' investments and foster agriculture that is efficient, profitable, and sustainable. They enable farmers to progressively reduce their use of chemicals, such as fungicides and bactericides, which nowadays not only fail to produce the expected results but also make crops less tolerant to adversity and climate change.

We have developed exclusive technologies such as EnNuVi, a patent based on Nutritive Polyphenolic Molecules (NPM), which aim to radically change the impact of agriculture on the environment while supporting the growing demand for productivity.

By meeting a variety of needs and applying cutting-edge technologies, we will continue to support our partners with customized crop management programs, contributing to further agricultural growth while respecting and caring for the environment, without compromising public health and safety.

4.4.2 High-impact projects for society and the environment

The FertiGlobal Research and Development Center

Over the past two decades, we have invested in a path of continuous innovation, built on close collaboration between our various corporate departments. This integrated approach to research and development enables the combination of cross-functional expertise, accelerates decision-making, and develops more effective and sustainable solutions.

Active since 2019, the Larderello R&D hub has solidified its position as a driving force for sustainable innovation. Its interdisciplinary team leverages chemical and biotechnological expertise to cover the entire product development cycle: from conception to formulation, agronomic validation to industrial scalability, and global technical support and regulatory compliance on an international scale.

In 2024, the focus was on registering products based on EnNuVi technology with the CDFA (California Department of Food and Agriculture) and the OMRI (Organic Materials Review Institute) in the United States. At the same time, we began developing an innovative biostimulant made from chitosan, a byproduct of shellfish processing, to reduce the use of nitrogen and phosphate fertilizers.

FertiGlobal Accademy

FertiGlobal Academy

Founded in 2022, the FertiGlobal Academy remains a key initiative for the professional growth of our technical and commercial staff. Through training sessions led by external experts – including university professors and consultants – the Academy fosters a corporate culture geared towards continuous learning and innovation. In 2024, the initiative evolved further thanks to closer collaboration with the marketing department, which supports the dissemination of technical content in a clear and accessible manner for customers and partners alike.

FertiGlobal Magazine

FertiGlobal

Company Magazine

Published quarterly since 2021, the magazine continues to be an effective tool for strengthening the Group's global identity and cohesion. Throughout 2024, there was a growing participation in local events and fairs, during which FertiGlobal representatives shared project experiences and technical solutions, helping to spread a culture of sustainability and innovation beyond the organization itself.

The LIFE ENVision project

ENVision
Enhance, Nurture and Vitalize

Completed in 2023, the LIFE ENVision project successfully validated the commercial viability of EnNuVi bioactivation technology in the European Union, a technology developed and patented by SCL Italia S.p.A.

The Polyphenolic Nutrient Molecules (PNM) in EnNuVi technology (an acronym for Enhance, Nurture, and Vitalize) contribute to long-term agricultural sustainability: by activating the plant's natural defenses, they lead to a significant reduction in fungicide use and water consumption, while simultaneously improving crop quality and productivity.

Encouraged by our results, in 2024 we intensified our experimentation with new crops in a wide range of climatic conditions, while also adapting the EnNuVi line to organic farming.

The HORIZON Innoprotein project

Since June 2023, SCL Italia S.p.A. has been participating in the European project HORIZON Innoprotein, promoted by the European Commission in collaboration with the Circular Bio-based Europe Joint Undertaking. The project was born from the need to address the growing global demand for quality protein, as the world's population is projected to exceed 10 billion by 2050. The European Union, currently dependent on imports for 70% of its protein crops and 90% of its soybeans, is particularly vulnerable. Innoprotein aims to bridge this gap through research and development of safe and sustainable alternative protein sources.

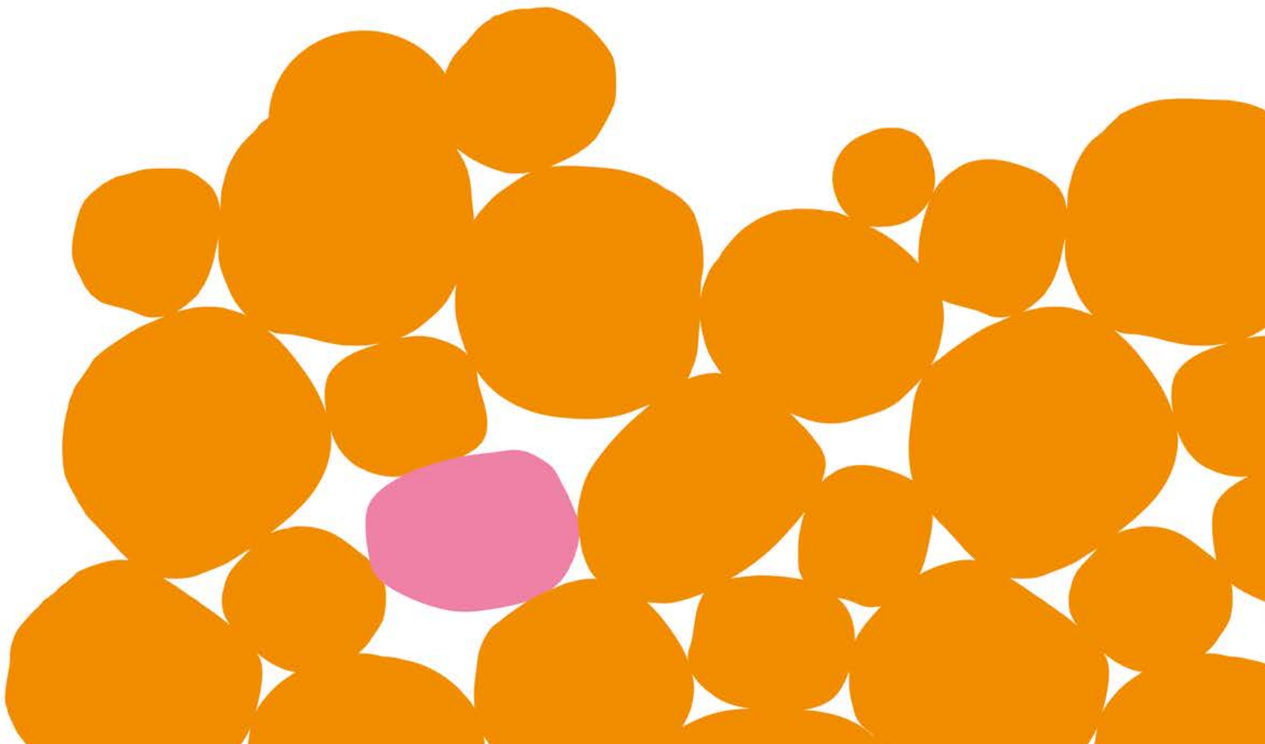
The consortium includes 13 partners from nine European countries, including producers, processing experts, and regulatory experts. The goal is to develop proteins from microorganisms (microalgae, bacteria, and fungi) and entomological sources for food, animal feed, and non-food biobased applications, with a focus on circular economy and zero-waste production.

Within the project, SCL Italia S.p.A. plays a strategic role in formulating innovative biostimulants from waste materials derived from residual biomass – including proteins unsuitable for food use, chitosan, and fatty acids. In 2024, a chitosan-based prototype derived from crustacean shells was developed and is currently being tested in greenhouses. The formulation's modes of action is studied from a physiological, biochemical, and agronomic perspective, with the aim of increasing its effectiveness in terms of crop resistance to environmental stress and reducing the use of chemical fertilizers and pesticides.

4.4.3 Ethical and sustainable supply chain management

C6 – Additional workforce information - Human rights policies and processes

Building a supply chain aligned with ethical principles and sustainability goals is an essential prerequisite for responsible operations. To this end, we employ a supplier selection procedure based on stringent criteria, including the documented availability of financial resources, adequate organizational structures, technical and design expertise, and the adoption of certified management systems (e.g., ISO 9001, ISO 14001). We also require compliance with current health and safety regulations, and, in cases where the supply includes third-party know-how or rights, the ability to generate significant added value.



A supplier environmental and social assessment process has been implemented, structured as a three-year self-assessment. This process involves verifying the adoption of ethical behaviors, including the prohibition of child and forced labor, non-discrimination, compliance with health and safety regulations, freedom of association, and working conditions that adhere to current legislation.

All suppliers are required to sign the company's **Code of Ethics**, which is an integral part of the contractual documentation.

In 2024, a gap analysis was completed against the ISO 20400 standard, which allowed us to assess the degree to which our procurement processes align with international sustainability standards. The findings were shared with key suppliers and led to the development of improvement strategies, with a particular focus on local and small suppliers, who require more time to adapt. A reassessment is planned for 2026.

At the same time, audits of strategic suppliers continued, with the aim of verifying compliance with environmental, social, and safety requirements. Audits are conducted both internally and through qualified external auditors, particularly for suppliers located in more complex geographical areas. A proprietary digital platform for integrated ESG assessment management is also under development, with implementation planned for 2025.

With a view to reducing environmental impact and enhancing the territory, collaboration with local suppliers is prioritized when and wherever possible. Supply chain traceability is also ensured through a stringent internal policy for sourcing critical raw materials, which excludes suppliers operating in conflict zones.

4.5 Territory and community: building value together

In 2024, the social project “L'Orto della Tradizione” (The Garden of Tradition), launched in 2022 at the Larderello production site and coordinated by our sustainability team, continued to operate successfully. The initiative, which employs inmates from the Volterra Correctional Facility under regular employment contracts, is based on the rehabilitative and therapeutic value of farming, promoting the social and professional reintegration of participants. Four inmates were involved throughout the year, two of whom completed the program and one who was released from prison.

The vegetable garden, which spans over 3,000 m², also serves as a testing ground for the agronomic programs developed by FertiGlobal, allowing for field trials of product effectiveness and crop management protocols.
The results obtained in 2024 showed superior performance compared to the reference averages, both in terms of yield and crop quality.

Crops are donated free of charge to the local community, with a **particular focus on the most vulnerable groups**, through a collaboration with Caritas Volterra. The products distributed in 2024 included approximately 450 kg of potatoes, 500 kg of melons, and up to 250 kg of onions.

The project is supported by numerous partners in the hobby gardening sector, including H&G – Blumen, Compo Consumer, Hozelock, Orto Mio, Verdemax, and, as of this year, RAIN as well, which contributed to the construction of the irrigation system by providing materials and technical advice. The collaboration with the Regional Germplasm Bank of Tuscany also continues, which provides seeds of native varieties, contributing to the conservation of rural biodiversity.

SUSTAINABILITY REPORT 2024

In 2024, a new trial was launched with 40 fruit trees (cherries, apples, pears and plums), with the goal of extending the validation of FertiGlobal products to tree crops as well.

Throughout 2024, we continued several initiatives that had already been launched in previous years, reaffirming our commitment to creating shared value with the communities where we operate. In Italy, work-study programs for local school students have been regularly conducted, strengthening our connection with the region's educational system. A new collaboration with the Universities of Tor Vergata and Tarquinia was also launched, aimed at developing theses and research projects on topics related to agronomic innovation. In Brazil, we continued to support UNICEF, helping to improve the living conditions of children and adolescents, while in Argentina, environmental and social monitoring of the plant continued without any new significant impacts compared to 2023.

Environmental protection and sustainable resource management

5

5.1 Combating climate change and promoting resource efficiency

B3 – Energy and greenhouse gas emissions

B4 – Air, water, and soil pollution

Climate change is a major contemporary challenge, with increasingly evident impacts on environmental balances and global economic dynamics. In a context marked by profound environmental transitions and a growing focus on responsible resource management, we have defined a *clear and coherent strategic* orientation that places environmental sustainability at the center of our operational and industrial decisions.

Our commitment to mitigating impacts translates into an integrated approach that encompasses all production processes, and is based on progressively reducing climate-altering emissions, optimizing consumption, and maximizing the value of available resources.

In-house research plays a fundamental role in this process: our laboratories are actively involved in **developing technical solutions aimed at improving efficiency and reducing the environmental impacts** associated with production, with a specific focus on the **responsible use of water, energy, and raw materials.**

Particular attention is paid to energy efficiency and the utilization of local resources, such as geothermal heat and water, which are distinctive assets of the regions where our plants operate. In this context, the use of geothermal heat is of strategic importance: the Larderello hub, which has been active since the 19th century, is one of the world's most important industrial sites for the production of energy from geothermal sources.

Thanks to the natural presence of underground steam, the site can power industrial thermal processes while significantly reducing the CO_2 emissions associated with energy production. Geothermal heat is also used locally for non-electrical thermal applications, such as heating buildings and greenhouses, contributing to the sustainable development of the area.

In the logistical front, we have also implemented solutions focused on efficiency and reducing environmental impact, including the introduction of electric vehicles for internal transport of materials, supporting a production system that is increasingly conscious of and aligned with the challenges of the ecological transition.

As we continue to evolve towards a more efficient industrial model that is less dependent on critical energy sources, we reaffirm our commitment to finding solutions that combine environmental sustainability, technological innovation, and the enhancement of existing assets. With this in mind, the design process for the construction of a photovoltaic system at the Italian plant continued, with the aim of increasing the share of renewable energy used in production processes. The project, currently in an advanced stage of development, involves collaboration with a specialized third-party operator (ESCO – Energy Service Company), which will handle the installation and management of the photovoltaic system on a portion of the industrial area. The project will also involve removing the remaining asbestos cement roofing, ultimately completing the site's structural redevelopment.

The plant, which will have a total capacity of approximately 1,700 kW, will be designed to maximize the use of all available surfaces and will produce electricity from solar sources to power the facility, partially contributing to meeting its annual energy needs. The renewable energy thus generated will be complemented, as is already the case, by certified supplies through Guarantees of Origin (GO), confirming a supply strategy increasingly oriented towards decarbonization.

Our commitment to environmental sustainability extends beyond the production facilities; it is a fundamental pillar of our business model, which combines competitiveness, innovation, and environmental responsibility. With this in mind, we actively participate in international projects and initiatives that can generate shared value throughout the value chain, promoting the transition to a circular, low-carbon economy.

LOW2 CARBON BUSINESS ACTION BRAZIL

Among the most relevant initiatives is the participation in the Low Carbon Business Action program, an EU-funded *Doing-Business platform* aimed at fostering B2B collaborations between European suppliers of low-carbon technologies and companies based in Brazil, Argentina, Chile, and Colombia that are seeking sustainable solutions. Implemented in collaboration with Pack Industria, the initiative focuses on key sectors for the reduction of greenhouse gas (GHG) emissions and represents a concrete opportunity to stimulate virtuous synergies between European and Latin American actors, increasing on the one hand the competitiveness of local industries and, on the other, actively contributing to the fight against climate change and the sustainable transition of the agricultural sector.

In this same direction, we have developed technological solutions aimed at a more resilient and ecosystem-friendly agriculture. These include the EnNuVi technology, which through the ENVision project (Enhance, Nurture and Vitalize the crops to increase yield and healthy plant growth), awarded by the European LIFE program, has demonstrated on a large scale the effectiveness of EnNuVi technology in reducing fungicide use (up to -65%) and water consumption (up to -30%) while increasing crop quality and productivity. This patented technology activates the plant's natural defenses using Nutritive Polyphenolic Molecules (NPM), increasing long-term agricultural sustainability.

ENVision
Enhance, Nurture and Vitalize

The ENVision project has received funding from the LIFE Programme of the European Union

EnNuVi

NPM

The same sustainable innovation-oriented approach guides the environmental management of production sites, where the entire value chain, from product design to industrial process configuration, is subject to a constant improvement process.

This path aims to achieve the highest standards in terms of environmental protection and the protection of human health. Production processes are designed, and when necessary adapted, to minimize the consumption of natural resources and contain the impacts potentially generated on air, soil, subsoil, and groundwater. To this end, environmental monitoring programs are regularly implemented, in compliance with both internal procedures and regulatory requirements, with the aim of ensuring environmental protection and, at the same time, optimizing operational efficiency.

To ensure the quality, reliability, and traceability of our inspections, the sampling and analysis of environmental matrices are performed by certified laboratories, both as part of our internal controls and at the request of the competent authorities. Over time, we have invested significantly in modernizing our facilities and plants, prioritizing production solutions in closed, controlled environments equipped with the most advanced technologies in terms of safety, automation, and sustainability. Production areas are equipped with waterproof flooring, ventilation systems, noise reduction devices, safety sensors, and other solutions consistent with industry best practices.

Due to the nature of the industrial processes used, energy consumption is a critical variable in terms of environmental concerns. As such, we have adopted careful and responsible energy management, supported by continuous consumption monitoring systems at all production sites. These practices make it possible to promptly detect any inefficiencies and to define corrective actions and targeted optimizations, thus contributing to the continuous improvement of environmental and industrial performance.

All these actions are part of a broader strategy aimed at combining technological innovation, responsible resource management, and constant attention to the impacts generated, confirming our role as a promoter of sustainable and regenerative industrial growth, capable of responding concretely and effectively to the environmental challenges of the present and the future.

Throughout 2024, we continued to invest in **responsible energy management**, focusing on efficiency and the progressive decarbonization of our industrial processes.

In an operating environment still marked by volatility in energy markets and the global supply chain, we have maintained a proactive approach aimed at reducing our environmental impact, while promoting low-emission technological and management solutions.

68% renewable sources
+12% vs 2023

Electricity from renewable sources

7.089 MWh

Endogenous steam

13.172 MWh

The Group's **total energy consumption** for 2024 was 29,913 **MW**h, a slight increase (**+7%**) compared to the previous year. This increase, despite occurring during a period of economic recovery, is part of a broader effort to optimize and rebalance energy consumption through the implementation of efficiency measures and the increased use of renewable energy sources.

In particular, the **consumption of energy from renewable sources reached 20,261 MWh** (+12% vs. 2023), equal to about **68%** of the total energy needs. This is a significant result, achieved through a careful strategy of sourcing and leveraging internal resources. Electricity purchased from **certified renewable sources** contributed **7,089 MWh**, while endogenous steam represented a decisive contribution with **13,172 MWh**. This latter resource, renewable and low-emission, is a key element of the circular and sustainable approach adopted at the Italian plant.

On the **non-renewable energy** front, consumption stood at **9,652 MWh** (-2% vs. 2023), including electricity purchased from **non-renewable sources** (806 MWh), in addition to the use of **natural gas** (4,911 MWh), LPG (3,385 MWh), **diesel** (426 MWh) and **gasoline** (124 MWh) **for automotive use**. These figures highlight our commitment to progressively curbing the use of fossil fuels, while ensuring business continuity and the reliability of production processes.

Overall, our energy and climate strategy remains consistent with our long-term goals of ecological transition, environmental resilience, and alignment with European sustainability reporting standards. Utilizing renewable sources and progressively reducing emissions are central elements of our ESG strategy, which involves continuous and gradual investment in innovative solutions to balance competitiveness, energy security, and environmental responsibility.

SUSTAINABILITY REPORT 2024

5.2 Adapting to climate change

Climate change is profoundly altering the conditions in which agribusiness supply chains operate on a global level. Increasingly frequent extreme weather events, prolonged droughts, irregular seasonal cycles, and the progressive reduction in the availability of natural resources are significantly impacting agricultural productivity and food security. For years, we have prioritized investing in technical and industrial solutions that concretely support farmers and industry professionals, strengthening the resilience of crops and their associated supply chains.

Through the FertiGlobal division, we develop high-value-added technologies, the result of intense formulation research, designed to ensure targeted and effective nutrition even in challenging environmental conditions.

The concentrated suspensions produced at the Italian plant stand out for their ability to enhance the plant's physiological response, optimizing nutrient absorption and contributing to crop resilience, even in the face of stress factors such as heat waves or water shortages. In some applications, the use of our bioactivators has been shown to significantly reduce the need for phytosanitary treatments, thereby promoting agricultural practices that are less impactful and more environmentally friendly.

The strength of our supply chain is also based on a multi-site distribution strategy, which allows us to operate in geographical areas with different climatic characteristics and non-overlapping agricultural seasons. This diversification not only stabilizes demand throughout the year by reducing exposure to seasonal fluctuations, but also allows us to tailor production and packaging to the specific needs of each target market. Thanks to a flexible logistics network and facilities capable of handling a wide range of formats (from 1,000-liter drums to 250-ml bottles), we are able to respond promptly to customer requests in countries such as Brazil, Argentina, India, and Europe, contributing to the operational continuity of local agricultural supply chains.

In addition to logistical and production diversification, strengthening resilience also requires increasingly efficient resource management. This is complemented by continuous monitoring of internal processes and a growing focus on optimizing consumption and resource use, including circular water management and energy efficiency improvements in our facilities. These measures, already underway at the Italian plant, represent another step in building a more adaptive, efficient, and sustainable value chain.

In a constantly changing global landscape, we remain a trusted partner for more resilient agriculture – one that can address environmental challenges, ensure stable production, and actively support the transition to regenerative, climate-smart models.

The ongoing project with Illycaffé has produced significant results, contributing to the improvement of both the quality and the yield of the harvest.

Regenerative agriculture and predictive technologies: a collaboration for sustainability

In 2024, we solidified our collaboration with **Illycaffè**, which was launched with the aim of promoting regenerative agronomic practices **on coffee plantations in Brazil**.

Among the innovations introduced is the development of a digital platform equipped with a predictive algorithm capable of monitoring environmental conditions and preventing the onset of diseases, thereby fostering more efficient agronomic management and reducing the use of chemicals.

The farmers involved benefited from a twofold advantage: on one side, by optimizing resources and costs, and on the other, by increasing crop productivity and profitability. In light of the results achieved, the areas cultivated using this program were further expanded throughout the year.

5.3 Reducing climate-altering emissions

B3 – Energy and greenhouse gas emissions

Managing climate-altering emissions is a central pillar of our environmental strategy, which aims to combine productive efficiency and sustainability in a responsible growth path. The actions carried out in 2024 testify to a structured and conscious approach, aimed at curbing the **company's Carbon Footprint** and progressively reducing its environmental impacts.

The Carbon Footprint is the most comprehensive indicator for assessing an organization's impact in terms of greenhouse gas (GHG) emissions. In accordance with the GHG Protocol guidelines, the calculation includes direct emissions (**Scope 1**), indirect emissions from purchased energy (**Scope 2**), and indirect emissions along the value chain (**Scope 3**) generated by activities not directly owned or controlled by the company but closely related to its operations (e.g., *raw material sourcing, product transportation, business travel, and downstream use*).

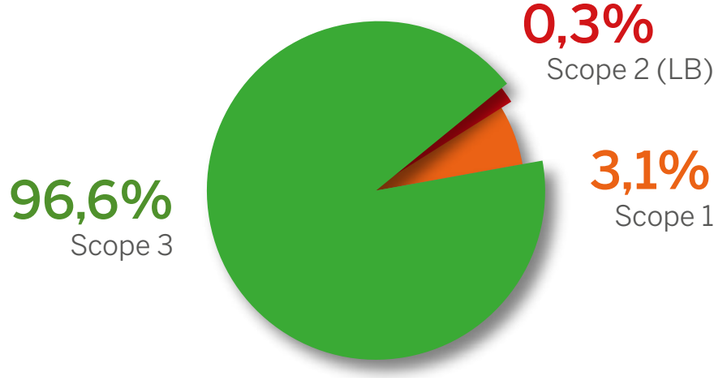
For 2024, reporting was conducted across the entire company, using the **operational control**[5] criterion, in accordance with the GHG Protocol. The companies and equity investments over which the Group exercises direct control of production and management activities are therefore included in the reporting. The reference scope guarantees a comprehensive representation of emissions across all geographic and operational areas.

[5] Operational control, according to the GHG Protocol, is the ability of a company to manage the operational and health policies of an activity or plant. The inclusion of emissions in the reporting scope occurs when the company has the full power to introduce and implement operational policies. There are several methods for defining the scope of consolidation of emissions (e.g., operational control, financial control, shareholding), and the choice of criterion may influence the composition of the scope.

In 2024, the Group's total Carbon Footprint was 63,714 **tons of CO_2 equivalent**, of which:

- **approximately 3.1% is attributable to direct emissions (Scope 1),**
- **approximately 0.3% is from indirect emissions from purchased energy (Scope 2),**
- **approximately 96.6% is from emissions along the value chain (Scope 3).**

The Group's Carbon Footprint



The use of geothermal energy and electricity from renewable sources, combined with the adoption of efficiency measures — including works on plants, revised maintenance strategies, and the introduction of high-efficiency technologies — has made it possible to keep Scope 1 and Scope 2 emissions low, contributing to the stability of our Carbon Footprint. The GHG emission intensity indicator, calculated as the ratio of emissions to production output, also shows a downward trend, confirming the soundness of the path taken.

The calculation methodology used is detailed below:

Calculation methodology

Scope 1

For the calculation of direct emissions (Scope 1), deriving from sources directly controlled by the Group, the following sources were considered:

- **Natural gas**
- **Refrigerant gases**
- **Fuels for company vehicles**
- **Other direct consumption**

Emissions were determined by multiplying activity data by emission factors. The emission factors used come from internationally (DEFRA 2024) and nationally (ISPRA 2024) recognized sources, covering CO_2, CH_4, and N_2O and their conversion into CO_2 equivalent using the IPCC's GWP (Global Warming Potential)[6].

In 2024, direct Scope 1 emissions totaled **1,968 tons of CO_2 equivalent**. The predominant component is the consumption of natural gas, which accounts for about 52% of the total, followed by other direct consumption (40%), fuels used for the company fleet (5%) and, to a lesser extent, refrigerant gases (3%). The overall trend mainly reflects the evolution of energy consumption related to our production activities and the use of fuels at our various operating sites.

Scope 2

Scope 2 indirect emissions include all greenhouse gas emissions from the consumption of electricity purchased and used by the Group, and therefore not produced directly by the company's plants but generated upstream in the energy production processes. In 2024, Scope 2 emissions were quantified using both approaches outlined in the GHG Protocol.

[6] The IPCC (Intergovernmental Panel on Climate Change) is the leading international body for climate change assessment, established by the United Nations to provide scientific assessments on climate change, its impacts, and possible mitigation strategies.

With the **location-based method**, which uses national average emission factors based on Italy's energy mix, emissions total **2,310 tons of CO_2 equivalent**. With the market-based approach, on the other hand, which considers the share of electricity from renewable sources certified by the GSE through Guarantees of Origin and to which an emission factor of zero is assigned, emissions are lower, equal to **222 tons of CO_2 equivalent**. The marked difference between the two values reflects the high share of green electricity purchased by the Group, approximately 90% of total consumption, and demonstrates our commitment to reducing environmental impact through renewable energy sourcing.

Scope 3

Scope 3 emissions include all indirect emissions that do not fall within Scope 2 and that derive from value chain activities upstream and downstream of company operations. For 2024, several relevant categories were considered according to the GHG Protocol.

Category 1 – Goods and services purchased

This category includes emissions from the production of goods and services purchased by the company. In 2024, these emissions were estimated at **33,576 tons of CO_2 equivalent**, calculated by applying economic emission factors (DEFRA 2024) to the expenditure values incurred for goods and services, including maintenance.

Category 2 – Capital goods

Emissions from the production of capital goods purchased during the year, such as machinery and plants with a multi-year useful life, are considered. In 2024, these emissions amounted to **172 tons of CO_2 equivalent**, estimated using economic emission factors (DEFRA 2024) applied to investments in capital goods.

Category 3 – Energy- and fuel-related activities

This includes upstream emissions generated by the extraction, production, and transport of purchased energy and fuels, excluding those already accounted for in Scope 1 and 2. For 2024, emissions total **305 tons of CO_2 equivalent** (167 tons from natural gas and 138 tons from electricity), calculated using DEFRA 2024 emission factors referring to extraction and distribution processes.

Category 4 – Upstream transport and distribution

This category concerns emissions from the transport of purchased goods to production sites. In 2024, emissions amounted to 10,643 **tons of CO_2 equivalent**, estimated by considering the weight of the goods handled, the distances traveled, and the means of transport used.

Category 5 – Waste and production waste

This includes emissions related to the treatment and disposal of waste produced by company activities. In 2024, emissions amounted to **230 tons of CO_2 equivalent**, calculated on the basis of the quantities delivered and the treatment methods, applying DEFRA 2024 emission factors.

Category 6 – Business travel

This includes emissions from employee travel by various means of transport and overnight stays in accommodation facilities. In 2024, these emissions totaled **418 tons of CO_2 equivalent**, of which 332 tons from air travel and 70 tons from cars, estimated on the basis of the kilometers traveled and the modes of transport used with DEFRA 2024 emission factors.

Category 7 – Employee commuting

This category considers emissions related to employees' daily commutes between their home and workplace, including the share of remote working. In 2024, emissions amounted to **124 tons of CO_2 equivalent** (95 tons from public transport, 29 tons from cars and motorcycles), calculated from data collected through an internal survey and integrating DEFRA 2024 emission factors.

Category 9 – Downstream transport and distribution

This concerns emissions from the transport of products sold to end customers. In 2024, these emissions amounted to **3,853 tons of CO_2 equivalent**, estimated on the basis of the tons transported, the distances traveled, and the means used, using DEFRA 2024 emission factors.

Category 10 – Processing of products sold

This includes emissions produced by third parties during the further processing of products sold by the company, before their final use. In 2024, these emissions were quantified at 12,203 **tons of CO_2 equivalent**, calculated on the basis of the main uses (plastics, fertilizers, pharmaceuticals, industrial fluids, electronics, and oil & gas) and the related sectoral emission factors.

Overall, the Group's Scope 3 emissions in 2024 totaled **63,714 tons of CO_2 equivalent**. The most impactful categories are goods and services purchased, processing of products sold, and transportation (upstream and downstream), which together account for **more than 91%** of total emissions.

The analysis confirms that the predominant part of our carbon footprint is generated along the **value chain, upstream and downstream of direct operational boundaries**.

5.4 Waste management and the circular economy approach

B3 – Resource use, circular economy, and waste management

We recognize responsible waste management as an essential element for achieving a truly sustainable production model. At all our operational sites, management, *classification, storage, and disposal activities* are governed by specific local procedures, developed in full compliance with the environmental regulations of the respective countries. These procedures go beyond mere compliance with legal requirements, promoting the adoption of virtuous practices focused on the prevention, recovery, and valorization of waste materials.

In line with circular economy principles, we adopt strategies aimed at reducing waste production and encouraging its reuse within our production cycles. The goal is to transform waste into resources, thereby reducing our overall environmental impact and managing raw materials more efficiently. Specifically, the Italian plant has implemented best practices for reworking non-compliant products and recovering mixed packaging, preventing these materials from being treated as waste and reintroducing them into production processes where possible.

Compared to the previous year, the overall trend of waste generated is up 16%: an increase of +71% for hazardous waste partially offset by a reduction of -8% for non-hazardous waste.
Over **53% of waste is destined for recovery.**

Responsible waste management is also accompanied by structural interventions aimed at ensuring safety and environmental protection. All our plants have dedicated, confined, and protected temporary storage facilities, managed according to stringent company procedures.

Despite a +2% increase in the Group's production, Waste Intensity (amount of waste produced per unit of output) remained constant at 0.04, confirming tangible progress towards less impactful and more environmentally efficient industrial production.

The Italian plant adheres to specific waste management criteria, including classification and storage activities designed to ensure safe and compliant processing.

The main types of wasted managed include non-compliant products, residues from plant cleaning and maintenance, and packaging materials such as pallets, bags, and mixed containers. The presence of an internal waste segregation system and regular visual inspections makes it possible to promptly identify any non-conformities and ensure materials are properly disposed of.

These measures include concrete flooring, containment basins, and regular inspections, all aimed at preventing any potential contamination and ensuring materials are properly delivered to authorized disposal or recovery facilities.

At the **Brazilian plant**, most of the waste materials come from the use of raw materials for production, particularly plastic packaging and polypropylene (PP) laminated paper. To ensure regulatory compliance and operational efficiency, a **Solid Waste Management Plan** (SWMP) has been implemented, which established the proper disposal of waste with a focus on recycling and recovery. Concurrently, the implementation of the "5S" Policy has improved space organization, reduced waste, and fostered a corporate culture geared towards sustainability.

In line with this integrated approach, the **Argentine plant** also implements rigorous waste management procedures, specifically addressing raw material packaging, cleaning residues from production equipment, and waste from laboratories and maintenance. All activities are conducted in accordance with national regulations and aim to reduce environmental impact, prioritizing material recovery where possible.

All production sites regularly monitor the amount of waste generated, continuously updating management practices and performance indicators. The results show a progressive reduction in waste produced per ton of finished product, a tangible sign of the effectiveness of the actions taken.

This systemic approach, supported by a corporate culture focused on circularity, confirms our commitment to an increasingly efficient and responsible industrial model that generates value through the intelligent management of resources.

5.5 The importance of water resources

B6 – Water

Water resources play a strategic and pervasive role in our industrial processes, and their protection is a priority in our environmental management. In a context where water availability is increasingly threatened by drought, extreme weather events, and human pressures, we are adopting an approach focused on efficient, responsible, and circular water use, promoting technical and management solutions aimed at reducing withdrawals from external sources and progressively closing water cycles.

Across all our production facilities, both in Italy and abroad, we prioritize integrated water flow management by monitoring consumption, implementing advanced treatment systems, and reusing water in industrial processes. Specifically, Italian plants operate on a closed-loop model, which allows for the complete recovery of process water: excess water, enriched with residual substances, is conveyed, treated, and reintroduced into the production cycles without generating external discharges.

Among the most significant improvements made in recent years is **the installation of ultrafiltration and reverse osmosis systems**. These systems enable the treatment and enhancement of on-site collected rainwater, transforming it into demineralized water for use in the most sensitive production processes.

Thanks to these technologies, in 2024, approximately **5,764 cubic meters of rainwater were recovered**, treated, and used as a direct input for the production of finished goods, confirming the concrete effectiveness of the circular model adopted by the Group.

This result represents not only technical and operational progress, but also a tangible response to the challenges posed by climate change and the increasing pressure on natural resources.

This is complemented by a constant focus on water quality and compliance with environmental regulations. For example, at our Argentine plant, we continuously monitor the chemical and physical parameters of the water used, which it undergoes specific purification treatments to ensure it meets current standards before eventually being returned to the environment.

Thanks to these actions, we have strengthened our commitment to sustainable water management, progressively reducing our water footprint and contributing to the preservation of local ecosystems. Water is therefore managed not only as a production input, but as a shared resource to be protected, valued, and restored.

In 2024, the total amount of water withdrawn by production plants was **72,727 megaliters**, an increase of **+26%** compared to 2023.

SUSTAINABILITY REPORT 2024

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VSME Table of Contents

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Description of future practices, policies and initiatives for the transition to a more sustainable economy	N/A		N/A
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Greenhouse gas reduction and climate transition targets (in tCO_2e)	N/A		N/A
Reduction of greenhouse gases	N/A		N/A
Disclosure of the list of key actions the entity is pursuing to achieve its objectives.	N/A		N/A
Transition plan for companies operating in sectors with a high climate impact	We do not yet have a climate transition plan, but we expect to adopt one in the next few reporting years.		

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Climate risks	N/A		N/A
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Serious and negative human rights incidents	N/A		N/A
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Gender diversity index in governance bodies	3. Governance for sustainability "3.1. A robust and responsible model" Appendix – "Performance Tables"	58 126	GRI 2-10 GRI 2-11
Additional Disclosures			
Disclosure of any other general and/or specific information of the reporting entity	N/A		N/A
Disclosure of any other entity-specific environmental and/or environmental data	N/A		N/A
Disclosure of any other social and/or specific information of the corporate entity	N/A		N/A
Disclosure of any other information on governance and/or specific governance of the entity	N/A		N/A

Performance tables

Chapter 3 – Governance for sustainability

B11 – Convictions and penalties for active and passive corruption

B11–43	2023	2024	Trend (%)
Total number of convictions	0	0	-
Total amount of fines incurred for violation of active and passive corruption laws.	0	0	-

C8 – Revenues from certain sectors and exclusion from EU benchmarks

C8-63	2023	2024	Note
(a) controversial weapons (such as anti-personnel mines, cluster munitions, chemical weapons and biological weapons);	0	0	N/A
(b) tobacco cultivation and production;	0	0	N/A
(c) fossil fuel sector (coal, oil and gas) including a breakdown of revenues from coal, oil and gas;	0	0	N/A
(d) production of chemicals if the company is a producer of pesticides and other agrochemicals.	0	0	Our products do not include pesticides, herbicides, fungicides, or disinfectants for agricultural use.

C9 - Gender diversity ratio in the governing body

C9–65	2023	2024	Trend (%)
Number of female members	2	2	-
Number of male members	6	6	-
Gender diversity index	**0.3**	**0.3**	**-**

Chapter 4 – Our commitment to people

B8 - Workforce[7] - General characteristics

B8-39 - Number of employees

Country B8-180	Type of employment contract B8-177	Genere B8-178	2023	2024	Trend (%)
Italy	Permanent	Men	67	64	-4%
		Women	2023	2024	Trend (%)
	Fixed-term	Men	7	6	-14%
		Women	-	-	-
Total			**87**	**83**	**-5%**
Rest of Europe	Permanent	Men	5	5	-
		Women	1	1	-
	Fixed-term	Men	-	-	-
		Women	-	-	-
Total			**6**	**6**	**-**
Argentina	Permanent	Men	41	40	-2%
		Women	13	12	-8%
	Fixed-term	Men	-	-	-
		Women	-	-	-
Total			**54**	**52**	**-4%**
Brazil	Permanent	Men	53	58	+9%
		Women	16	16	-6%
	Fixed-term	Men	-	-	-
		Women	-	-	-
Total			**69**	**73**	**+6%**
Rest of the Americas	Permanent	Men	2	4	+100%
		Women	1	1	-
	Fixed-term	Men	-	-	-
		Women	-	-	-
Total			**3**	**5**	**+67%**
China	Permanent	Men	21	19	-10%
		Women	13	16	+23%
	Fixed-term	Men	-	-	-
		Women	-	-	-

[7] Unless otherwise indicated, all workforce data reported in these tables are expressed in terms of the number of people (headcount) and not Full Time Equivalent (FTE). Therefore, the values refer to the actual number of employees, regardless of the type of contract or the hourly regime.

Total			**34**	**35**	**+3%**
India	Permanent	Men	9	39	+333%
		Women	-	1	+100%
	Fixed-term	Men	-	-	-
		Women	-	-	-
Total			**9**	**40**	**+344%**
Philippines	Permanent	Men	19	23	+21%
		Women	1	2	+100%
	Fixed-term	Men	-	0	-
		Women	-	0	-
Total			**20**	**25**	**+25%**
Rest of Asia	Permanent	Men	1	3	+200%
		Women	-	-	-
	Fixed-term	Men	-	-	-
		Women	-	-	-
Total			**1**	**3**	**+200%**
Group Total	Permanent	Men	218	255	+17%
		Women	58	61	+5%
	Fixed-term	Men	7	6	-14%
		Women	-	-	-
Total			**283**	**322**	**+14%**

B8 – Workforce – General characteristics

B8-39 – Turnover rate

Country B8-180	Employee turnover rate	2023	2024
Italy	Employees who left the company	11	16
	Average no. of employees during the reporting period	86	87
	Turnover rate	**13%**	**18%**
Rest of Europe	Employees who left the company	0	1
	Average no. of employees during the reporting period	5	6
	Turnover rate	**-**	**17%**
Argentina	Employees who left the company	4	5
	Average no. of employees during the reporting period	54	54
	Turnover rate	**7%**	**9%**
Brazil	Employees who left the company	23	27
	Average no. of employees during the reporting period	69	69
	Turnover rate	**33%**	**39%**
Rest of the Americas	Employees who left the company	1	3
	Average no. of employees during the reporting period	3	4
	Turnover rate	**33%**	**75%**
China	Employees who left the company	12	14
	Average no. of employees during the reporting period	35	36
	Turnover rate	**34%**	**39%**
India	Employees who left the company	1	7
	Average no. of employees during the reporting period	6	35
	Turnover rate	**17%**	**20%**
Philippines	Employees who left the company	6	11
	Average no. of employees during the reporting period	15	23
	Turnover rate	**40%**	**48%**
Rest of Asia	Employees who left the company	1	-
	Average no. of employees during the reporting period	1	2
	Turnover rate	**100%**	**-**
Group Total	Employees who left the company	59	84
	Average no. of employees during the reporting period	274	316
	Turnover rate	**22%**	**27%**[8]

B9 - Workforce – Health and safety

B9-41 (a) – Recordable workplace accidents

	UdM	2023	2024	Trend (%)
B9-41 (a) - Recordable workplace accidents	Number	10	4	-60%
Total hours worked by employees during the year	Number	521.683	556.883	+7%
B9-185 - Recordable workplace accident rate[9]	**Number**	**3,83**	**1,44**	**-63%**

B9 – Workforce – Health and safety

B9-41 (b) – Occupational illnesses

	UdM	2023	2024	Trend (%)
B9-41 (b) – Occupational illnesses	Number	3	1	-67%
Deaths due to workplace accidents	Number	-	-	-
Deaths due to occupational illnesses	Number	-	-	-
B9 – 191 - Total deaths	**Number**	**-**	**-**	**-**

[8] Value calculated with respect to the total number of employees as of 12/31. The employee turnover rate was calculated as the ratio of the number of employees who left the company during the year to the average number of employees in the same period, multiplied by 100.

[9] Value calculated as the ratio of the number of recordable accidents that occurred in the year to the total hours worked by employees, multiplied by the standard factor of 200,000 hours (corresponding to the annual amount of 100 hours worked full-time).

B10 - Workforce - Remuneration, collective bargaining and training
B10-42 (b) – Percentage pay gap between female and male employees

	B8-178 - Gender	2023	2024	Trend (%)
Annual gross compensation - Euro	Men	N/A	6.113.656	-
	Women	N/A	1.661.768	-
Average hours worked per year	Men	N/A	452.902	-
	Women	N/A	104.981	-
Average gross hourly compensation - Euro	Men	N/A	13,5	-
	Women	N/A	15,8	-
B10-195 - Percentage gap between female and male employees		**N/A**	**-17%**	**-**

B10 - Workforce - Remuneration, collective bargaining and training
B10-42 (c) – Percentage of employees covered by collective bargaining agreements

	UdM	2023	2024	Trend (%)
B10-202 - Employees covered by collective bargaining agreements	Number	210	208	-1%
Total employees	Number	283	322	+14%
B10-203 - Percentage of employees covered by collective bargaining agreements	**%**	**74%**	**65%**	**-13%**

B10 - Workforce - Remuneration, collective bargaining and training
B10-42 (d) – Average number of training hours per employee

B8-178 - Gender	2023		2024		Trend (%)
	Total hours of training per year	Average number of training hours	Total hours of training per year	Average number of training hours[10]	
Men	2.014	9,0	2.105	8,1	+5%
Women	275	4,7	283	4,6	+3%
Not disclosed	-	-	-	-	-
Other	-	-	-	-	-
Group Total	**2.289**	**8,1**	**2.388**	**7,4**	**+4%**

[10] Value calculated by dividing the total training hours by the number of employees in the relevant gender category.

C5 – Additional (general) workforce characteristics
C5-59 – Female-male ratio at management level

B8-178 - Gender	2023	2024	Trend (%)
Women	9	9	-
Men	30	28	-
Ratio	**0,30**	**0,32**	**-**

Chapter 5 - Environmental protection and sustainable resource management

B3 – Energy and greenhouse gas emissions
B3-29 – Total energy consumption in MWh

	B-82 - Energy source	Consumption from renewable sources	Consumption from non-renewable sources	Total consumption
2023	EE purchased	6.275	885	7.160
	Fossil fuel	-	-	-
	Natural gas	-	5.309	5.309
	LPG	-	3.280	3.280
	Automotive diesel fuel	-	316	316
	Automotive gasoline	-	45	45
	Endogenic steam	11.808	-	11.808
	Group Total	**18.083**	**9.835**	**27.918**
2024	EE purchased	7.089	806	7.895
	Fossil fuel	-	-	-
	Natural gas	-	4.911	4.911
	LPG	-	3.385	3.385
	Automotive diesel fuel	-	426	426
	Automotive gasoline	-	124	124
	Endogenic steam	13.172	-	13.172
	Group Total	**20.261**	**9.652**	**29.913**
	Trend (%)	**+12%**	**-2%**	**+7%**

B3 – Energy and greenhouse gas emissions

B3-30 – Total greenhouse gas (GHC) emissions in tCO_2e

	GHG Emissions	Business data	GHG Emissions	GHG intensity[11]
2023	Scope 1	Combustion of liquid fuels and gas combustion/ leakage	1.946	0,085
	Scope 2	Electricity and other energy vectors	251[12]	0,011
	Scope 3	Goods and services purchased, upstream transport, processing of products sold, use of products sold, downstream transport and other sources	59.616	2,616
	Group Total		**61.813**	**2,712**
2024	Scope 1	Combustion of liquid fuels and gas combustion/ leakage	1.968	0,084
	Scope 2	Electricity and other energy vectors	222[13]	0,009
	Scope 3	Goods and services purchased, upstream transport, processing of products sold, use of products sold, downstream transport and other sources	61.524	2,636
	Group Total		**63.714**	**2,730**
	Trend (%)		+3%	+0,6%

B3 – Energy and greenhouse gas emissions

B3-31 – Intensity of total greenhouse gas (GHC) emissions

	Turnover (Euro)	GHG intensity[14]
2023	73.209.549	0,00084
2024	68.245.871	0,00093
Trend (%)	-7%	+11%

[11] Calculated by dividing gross greenhouse gas emissions by tons of production

[12] Market-Based

[13] Market-Based

[14] Calculated by dividing total gross greenhouse gas emissions by turnover (in euros)

B3 – Energy and greenhouse gas emissionsa

B3-52 – Type of GHC Scope 3 emissions in tCO_2e

GHG Emissions	Tipologia	2023	2024	Trend %
Upstream	1. Goods and services purchased	35.314	33.576	-5%
	2. Capital goods	178	172	-3%
	3. Extraction and transport of energy and fuels	319	305	-4%
	4. Transport and distribution	4.960	10.643	+115%
	5. Waste and production waste	219	230	+5%
	6. Business travel	97	418	+331%
	7. Employee travel	215	123	-43%
	8. Leased assets	-	-	-
	Totale Upstream	**41.302**	**45.467**	**+10%**
Downstream	9. Transport and distribution	3.496	3.853	+10%
	10. Processing of products sold	14.818	12.204	-18%
	11. Use of products sold	-	-	-
	12. End-of-life treatment of products sold	-	-	-
	13. Leased assets	-	-	-
	14. Franchising	-	-	-
	15. Investments	-	-	-
	Total Downstream	**18.314**	**16.057**	**-12%**
Group Total		**59.616**	**61.524**	**+3%**

B5 – Biodiversity

B5-34 – Land use in hectares

B5-141 - Type of land use	2023	2024	Trend (%)
Total waterproofed area	5,7	5,7	-
Total nature-oriented area on site	3,5	3,5	-
Total off-site nature-oriented area	-	-	-
Total land use	**9,2**	**9,2**	-

B6 - Water

B6-35 – Water withdrawal in Liters

	Annual water withdrawal	Total employees	Total hours worked	B&-144 – Daily water withdrawal per employee[15]
2023	57.546.000	283	521.683	882
2024	72.727.000	322	556.883	1.045
Trend (%)	+26%	+14%	+7%	+18%

B6 - Water

B6-36 – Water consumption in m^3

	Water input / Water withdrawn	Water outlets / Water discharges	Water consumption[16]
2023	57.546	2.616	54.930
2024	72.727	2.138	70.589
Trend %	+26%	-18%	+29%

B6 - Water

B6-155 – Water withdrawal in water-stressed areas in Liters

	Qualitative information	Water withdrawal	Water consumption
2023	All sites	57,546	72,727
	Sites in water-stressed areas	-	-
2024	All sites	57,546	72,727
	Sites in water-stressed areas	-	-

B5 – Biodiversity

B5-33 – Biodiversity-sensitive area

B8-180 - Country	Area (hectares)	Biodiversity-sensitive area	Specification (located in/ near biodiversity-sensitive areas)
Argentina	4,0	-	-
Brazil	1,9	-	-
Italy	3,3	-	-
Group Total	**9,2**	**-**	**-**

[15] Value calculated by dividing total consumption by the total number of employees and working days

[16] Value calculated as the difference between the water withdrawn and the water discharged

B7 – Resource use, circular economy, and waste management

B7-38 – Waste generation by type in tons

	Type	Hazardous Waste	Non-hazardous waste	Total waste
2023	Waste destined for recycling or reuse	87	513	600
	Waste destined for disposal	185	110	295
	Group Total	**272**	**623**	**895**
2024	Waste destined for recycling or reuse	79	470	549
	Waste destined for disposal	385	107	492
	Group Total	**464**	**577**	**1.041**
	Trend (%)	+71%	-8%	+16%

B7 – Resource use, circular economy, and waste management

B7-170 – Waste generation by EWC (European Waste Catalog) code in tons

	Tipologia	Codice EWC	2023	2024	Trend (%)
Hazardous waste	Recycling or reuse	150202*	15	-	-100%
		150110*	43	54	+26%
		150202*	-	3	+100%
		160303*	28	22	-21%
		130208*	1	-	-100%
			87	79	-9%
	Disposal	110119*	1	-	-100%
		160303*	1	31	>100%
		160305*	1	1	-
		161001*	181	352	+94%
		170603*	1	1	-
			185	385	+108%
	Totale Gruppo		**272**	**464**	**+71%**
Non-hazardous waste	Recycling or reuse	070699	33	41	+24%
		151106	61	47	-23%
		161002	16	19	+19%
			110	107	-3%
		150103	169	149	-12%
		150106	183	193	+5%
		Disposal	9	-	-100%
		161002	80	120	+50%
		170203	8	-	-100%
		170405	28	8	-71%
		170904	36	-	-100%
			513	470	-8%
	Group Total		**623**	**577**	**-8%**
Total waste			**895**	**1.041**	**+16%**

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