



# SUSTAINABILITY REPORT 2023



# LETTER TO STAKEHOLDERS

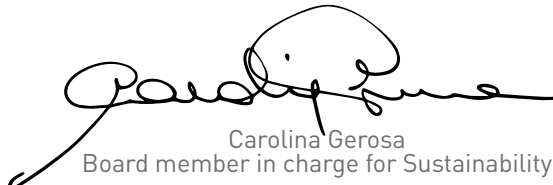
The past year has seen a number of significant developments in the area of sustainability. In particular, the Corporate Sustainability Reporting Directive came into force, requiring compliance with the new European Sustainability Reporting Standards from 2025, thus introducing new mandatory reporting elements, including the requirements of the European Taxonomy. The Carbon Border Adjustment Mechanism Regulation was implemented, which requires reporting of CO<sub>2</sub> emissions associated with imported goods from countries that have not taken action to reduce emissions, and in the future will require financial compensation for these emissions. Last in chronology, but certainly not least in importance, was the European Parliament's approval of the Packaging and Packaging Waste Regulation in spring 2024, which introduced challenging targets for the packaging sector.

The combined effect of these changes has led to intense projects for planning and reporting as we prepare to report under the new standards. We are in the process of completing the Scope 3 GHG emissions inventory for the entire Group. This has produced an abundance of information that will help us define an emission reduction plan so as to meet the interim emission reduction targets set by the European Union on the road to achieving carbon neutrality by 2050. In terms of supply chain management, we have expanded the assessment of ESG elements to all Group suppliers. Research and development activities continued at great intensity in 2023, enriching our product portfolio with new sustainable solutions, many of which are highly innovative compared to the market. Over the year we also fine tuned the measurement of the recyclability of our products and so we can report this for the first time.

We have increased the use of recycled packaging materials by 25% and taken action on technologies and processes to reduce the consumption of materials, including through their internal reuse. As far as energy consumption and related emissions are concerned, we have continued to strive for efficiency in all environments and processes and have expanded self-generation from photovoltaics in the Group, as well as planned further expansion for the two-year period 2024-2025. Equally important were the activities undertaken to improve the well-being, health and safety of employees. In particular, new tools have been introduced to ensure equal opportunity and non-discrimination principles are adopted across the organisation, and innovative training methods have been used to more effectively disseminate a culture of health and safety. In 2023, we completed the planning of consumer outreach activities, an important step because of the impact people can have by how they deal with products at the end of the product life. These projects are being rolled out in 2024 – to everyone's great satisfaction – and will be detailed in the next report.

Significant progress has also been made on the governance front. The entire Group has adopted a single set of policies based on the precautionary principle, ensuring that the most stringent requirements for each individual are applied to all—an approach that is also being extended to our procedures. This step was taken to make sure sustainability is integrated into all aspects of the business through shared interpretations. In light of our progress to date, we have decided to create a specific sustainability mandate within the Board of Directors so as to formalise the coordination efforts to date, raise the profile of sustainability and enhance our ability to respond effectively to rapidly changing scenarios.

As for the recognition we achieved this year on the sustainability front, such as the Ecovadis Gold Medal for the Group and the District Sustainability Report Award, such aspects are an important endorsement of the professionalism and enthusiasm with which the entire organisation, thanks in part to the valuable work of the Sustainability Committee, is moving towards a more sustainable future. These achievements spur us on to face new and challenging goals with renewed enthusiasm. As such, we are renewing our commitment to create shared value for all our stakeholders, in pursuit of a world where everyone can thrive and that everyone wants to be part of.



Carolina Gerosa  
Board member in charge for Sustainability

# 2023

## RESULTS

### GROUP



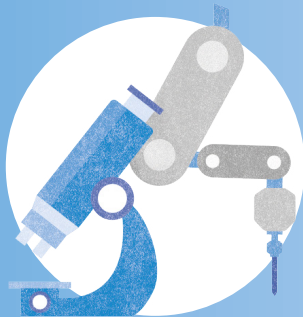
**88**

YEARS  
IN BUSINESS



**257**

MEUR  
TURNOVER



**3.8**

MEUR INVESTED  
IN RESEARCH  
& DEVELOPMENT



**+25%**  
COMPARED  
TO 2022

**80,649**

EUR DONATIONS TO  
CHARITABLE ASSOCIATIONS  
AND ORGANISATIONS

### PEOPLE



**873**

PEOPLE  
IN THE GROUP



**95%**

ON PERMANENT  
CONTRACTS



**13,321**

HOURS OF  
TRAINING

## SUSTAINABILITY



++**+23%**++  
COMPARED  
TO 2021

**86%**

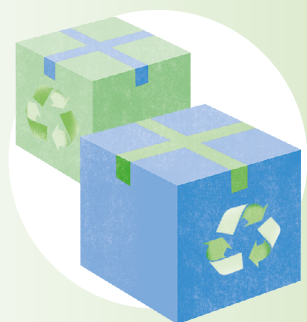
WASTE  
RECYCLED



++**+5%**++  
COMPARED  
TO 2021

**56%**

SALES OF PRODUCTS  
DESIGNED TO BE  
RECYCLED



**45%**

RECYCLED  
PACKAGING  
PURCHASED



**56%**

ELECTRICITY  
PURCHASED FROM  
RENEWABLE SOURCES

## RATINGS AND CERTIFICATIONS



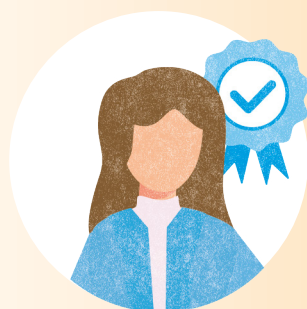
**100%**

PLANTS  
CERTIFIED  
BRSGC



**80%**

PLANTS CERTIFIED  
ISO 9001, ISO 14001,  
ISCC+, FSC



**70%**

EMPLOYEES COVERED  
BY ISO 45001  
CERTIFICATIONS



**CSR** RATING  
ECOVADIS

OBTAINED BY  
CELOGRAFICA GEROSA  
S.p.A. FOR THE GEROSA  
GROUP



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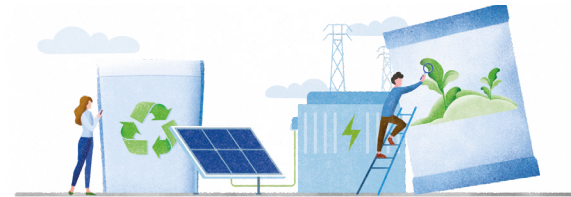


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# THE GEROSA GROUP

Operating in the flexible packaging and labels industry, the Gerosa Group is a benchmark in the industry for the quality of its products and services, as well as for its extensive expertise in sustainable packaging research and development. The history of the Gerosa Group began in 1935, when Luigi and Giuseppe Gerosa founded a printing company in Inverigo, a family business that soon grew into an industrial player. Over the years, it has grown into a family-owned and managed group of companies with a presence in five

European countries, exporting flexible packaging and labels to all the continents.

Today, the Gerosa Group consists of seven companies: five manufacturing companies, two in Italy, two in Spain and one in Romania; and two trading companies, one in Germany and one in France. Geographical diversification is designed to ensure that we operate in areas of manufacturing excellence close to key target markets.



Our products are primary and secondary packaging and labels, mainly for the food and beverage sector, although we also have major customers in other sectors such as parapharmaceuticals, pet food and detergents. We also manufacture semi-finished products for a number of industries.



## APPLICATIONS



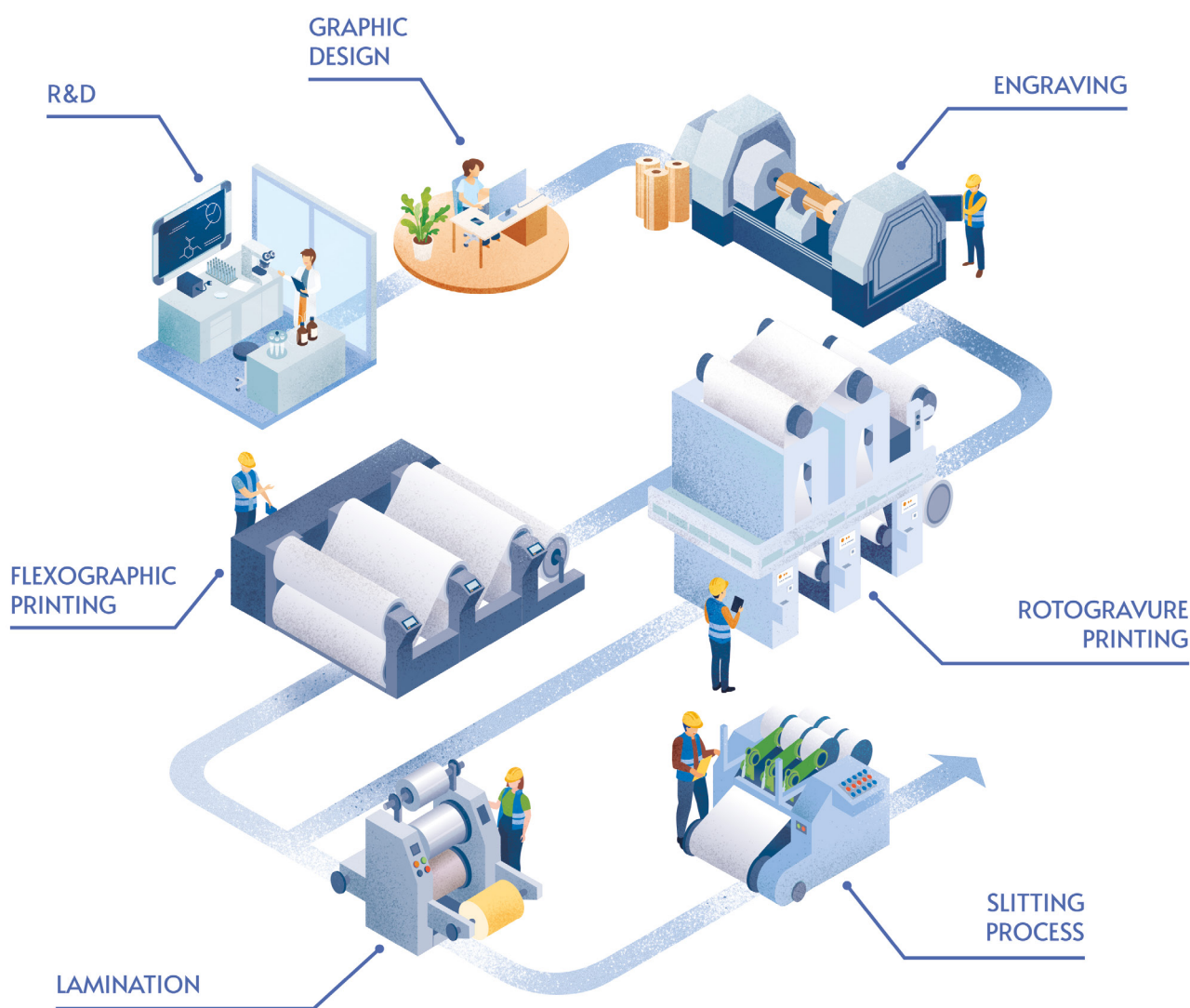


Recognising the diversity of the market, we use all the major printing – gravure, flexo, digital – and laminating technologies, and we also specialise in a wide range of applications such as cold-sealing, stand-up pouches, laser cutting, holograms, alpha-numeric printing and the latest digital innovations, including invisible internet code printing to convey information even on the smallest of surfaces.

We are known in the market for our high level of technical and technological expertise, particularly when it comes to complex products such as primary packaging for the food industry. At the same time, we have built our reputation on our strong

capacity for innovation and development, efficiency and flexibility. These have become the defining characteristics and strengths that have made us a key partner in the development of innovative and sustainable packaging for many leading Italian and international companies, who choose us to help them achieve their goals in a rapidly changing world. Our advanced services are another area in which we excel, offering these in the areas of food safety and environmental sustainability, and last but not least, we have developed a high level of expertise and graphic quality over more than 40 years of experience in photoengraving cylinders for printing.

#### PRODUCTION PROCESS



The Gerosa Group fully embraces the ethical values of its founders, who firmly believed that a company should create value over time for its shareholders, employees, business and financial partners, and the community at large. These values have been passed down from generation to generation, but now they have been translated into environmental, social and governance (ESG) topics and formalised and integrated into corporate strategy and management.

We have voluntarily published an annual sustainability report for the past six years. Our 2023 Sustainability Report has been prepared in accordance with the latest version of the Global Reporting Initiative (GRI) Sustainability Reporting Guidelines and has been independently verified.

Recognising that environmental and social impacts are also generated along our value chain, our materiality analysis also examined activities that we do not

directly control, both upstream and downstream of the Gerosa Group, with the aim of improving internal processes and promoting a sustainable and ethical economy.

To gain a more in-depth understanding of our value chain, we have identified our key stakeholders and the relationships and business we have with them. We buy goods and services from suppliers and it is vital that we understand the environmental, social and ethical risks associated with their activities, so all suppliers are vetted on sustainability criteria, while ensuring that the supply network remains reliable and competitive over time. We sell goods and services to our customers and build strong relationships with them to develop sustainable and innovative packaging. We work with trade associations, local communities, schools and universities on social, educational and research projects, building partnerships to create shared value.

VALUE CHAIN





## SUSTAINABLE AND INNOVATIVE PACKAGING

The future of packaging is full of promise and rich in potential, not least because of the ever-improving management of its environmental impact, which makes it a perfect fit for the European Green Deal in general and the circular economy in particular.

The whole industry is facing an environmental challenge, but the challenge is particularly complex for food contact packaging, as this sector has to take into account the increasing constraints and sustainability requirements imposed by laws and regulations, such as the recent proposal for a European Union Regulation on Packaging and Packaging Waste (presented at the end of 2022), which amends Regulation (EU) 2019/1020 and Directive (EU) 2019/904 and repeals Directive 94/62/EC. At the same time, packaging that comes into contact with food must comply with strict regulations to protect human health, including Framework Regulation (EC) 1935/2004, which sets out EU-wide general requirements for all food contact materials and articles intended to come into contact with food. Importantly, food packaging has multiple, complex functional properties that protect and preserve the packaged food over time, making it a real contributor to the fight against food waste. According to the latest data published by the FAO, this waste amounts to

931 million tonnes of food wasted in the final stages of the supply chain, from retail to household use and catering, an amount that represents 17% of the food available to the world's population on an annual basis (UNEP Annual Report 2021).

We recognise the complexity and strategic importance of developing safe, sustainable and innovative packaging, which is why we invest significant time and resources in the research and development of recyclable and compostable products in line with the concept of a circular economy. We have identified many areas of sustainable packaging development, mainly based on the production of solutions optimised for ever lighter weight, solutions designed for recycling, certified compostable laminates, packaging containing recycled plastic, and paper and paper-based packaging.

We have undertaken multiple projects in these areas, some of which have resulted in products that are now in our portfolio and appreciated by our customers. Other such products are still in the experimental phase, having been started during the year in line with the latest regulations and developments in technology and materials.

### ONGOING PROJECTS



REDUCTION  
OF THICKNESS



MONOMATERIAL  
SOLUTIONS



MULTI-MATERIAL  
RECYCLABLE  
SOLUTIONS



SOLUTIONS USING  
MATERIALS FROM  
RENEWABLE SOURCES



PAPER-BASED  
SOLUTIONS



SOLUTIONS  
USING RECYCLED  
MATERIALS



COMPOSTABLE  
SOLUTIONS



In 2023, we carried out an initial mapping of our products, identifying those designed for recycling across the Group. In classifying products that can be recycled, we have taken a very cautious approach, identifying only 100% single-material products as recyclable, excluding a priori all composite products, among which there are undoubtedly many materials that can indeed be classified as recyclable. In view of the entry into force of the European Union regulations on packaging and packaging waste, we have started mapping using a new, more up-to-date methodology that meets the regulatory criteria and will allow us to build on the research and development carried out in recent years, reporting improved data compared to what is currently provided and confirmed using objective criteria.

The percentage of sales of products designed to be recycled in 2023 was 56%, a value that, excluding the

labels, capsules and cartons sector (so the approximate sales of the Spanish subsidiaries) reached 66% in 2023.

We also conducted an analysis of the percentage increase in the number of products designed to be recycled as a percentage of total products sold over the three-year period 2021-2023. This analysis was carried out on a narrower scope, excluding the sales of Artema Plast s.r.l., for which it was not possible to reconstruct the data for 2021 and 2022. The analysis carried out within this limit shows a 5% increase in products designed to be recycled. This trend is in line with the growing consumer demand for sustainable products and is driven by the foresight of our customers, with whom we share a strong commitment in this area, and their trust in us to support them in increasingly ambitious projects for increasingly sustainable products.

## SUSTAINABLE PACKAGING: PACKAGING DESIGNED TO BE RECYCLED

Percentage  
of 2023 sales of  
**PRODUCTS DESIGNED  
TO BE RECYCLED**

**56%**<sup>1</sup>

**+5%**<sup>2</sup>

of products designed  
to be recycled  
**COMPARED TO 2021**



<sup>1</sup> 2023 data calculated using the entire Group perimeter.

<sup>2</sup> Data for the three-year period, calculated on the basis of the Group perimeter, excluding Artema Plast s.r.l.



The challenges are truly industry-wide, across the supply chain, so we promote and embrace the concept of "open innovation" by creating and participating in development teams that from time to time include the various players in the supply chain, including start-ups, universities, research centres, associations, clients, suppliers and technology manufacturers.

In this respect, our active participation in the scientific direction of Giflex ([www.giflex.it](http://www.giflex.it)), the national flexible packaging association, and Ceflex ([www.cefex.eu](http://www.cefex.eu)), the association that promotes the sustainability of the flexible packaging industry across Europe, is also worth highlighting for 2023. The objectives of the latter association include the study and development of the packaging economy and the proper end-of-life management of packaging, and the dissemination of knowledge about the positive values of flexible packaging through the spread of verified scientific knowledge.

We are also a member of Flexible Packaging Europe, the industry association with which we share a

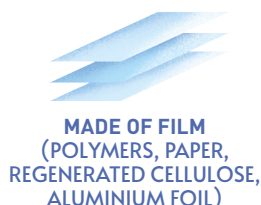
vision of a sustainable European flexible packaging industry, working together to reduce our environmental footprint and create a new packaging culture in Europe and around the world. We are also proud to have become one of the first ambassadors of the Ethical Packaging Charter Foundation in 2021, an offshoot of the Italian Institute of Packaging, which promotes the ethical principles of sustainability for our industry through voluntary contributions to research and training for industry professionals.

We strongly believe in the importance of an active dialogue on food safety with all stakeholders in the industry, especially those in the supply chain, and in the need to promote the serious dissemination of technical and scientific knowledge on the subject. It is with this conviction that, in 2023, we again took advantage of the opportunities offered by international and national industry associations such as Giflex, the Italian Institute of Packaging, Ceflex and Flexible Packaging Europe. All of these initiatives fall firmly under the banner of SDG 17 "Partnership for the Goals".

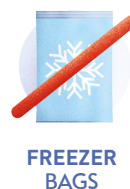
## FLEXIBLE PACKAGING

### WHAT IS A FLEXIBLE PACKAGE

A THIN PACKAGE, USUALLY PRINTED



### WHAT IS NOT A FLEXIBLE PACKAGE



REPRESENTS

50%

OF PACKAGING IN EUROPEAN SUPERMARKETS



### THE BENEFITS OF FLEXIBLE PACKAGING

SMALLER QUANTITIES OF  
RAW MATERIALS  
COMPARED WITH OTHER  
TYPES OF PACKAGING

LOWER CO<sub>2</sub> EMISSIONS  
DURING TRANSPORT  
DUE TO LESS WEIGHT  
AND BULK

UNBREAKABLE AND SAFE  
BOTH DURING  
TRANSPORT AND FOR  
THE CONSUMER

ANTI-WASTE:  
RESEALABLE  
AND CUSTOM-SIZED

## AIMING FOR ZERO WASTE



## SUSTAINABLE PACKAGING THROUGH

### INVESTMENT IN RESEARCH AND DEVELOPMENT

**3.8 MEUR**  
REPRESENTING 1.5%  
OF TOTAL SALES

### OPEN INNOVATION



• START-UPS • RESEARCH CENTRES • UNIVERSITIES



• ORGANISATIONS



• CUSTOMERS



• SUPPLIER ASSOCIATIONS

### COLLABORATIONS

#### GROUP

TECHNICAL EXCHANGE MEETING, QUALITY FOOD SAFETY  
AND SUSTAINABILITY MEETING, PRODUCT INNOVATION  
AND SUSTAINABILITY THINK TANK

#### ASSOCIATIONS

GIFLEX, CEFLEX, THE ITALIAN INSTITUTE OF PACKAGING,  
FLEXIBLE PACKAGING EUROPE

#### OUTREACH PROJECTS

AMBASSADORS FOR ETHICAL PACKAGING  
CHARTER FOUNDATION, AND PROJECTS WITH SCHOOLS  
AND LOCAL COMMUNITIES

It is important to provide very high value-added services to stakeholders throughout the food supply chain, particularly in the areas of food safety and transparency, especially for those customers who operate globally and so require robust food safety assurances to comply with different regulations in different countries. In response, we have established a Group Global Food Safety function which, under the direct supervision of the parent company's senior management, co-ordinates the quality and food safety units at Group companies. These units operate to a common set of policies and issue compliance statements to a common standard.

We monitor product quality and food safety through the application of strict Good Manufacturing Practices (GMPs), achieving excellent results. In 2023, as in previous years, no food safety incidents were reported to the European Rapid Alert System for Food and Feed (RASFF) portal. This is the EU's rapid alert system and its members include the European Commission, EU Member States and the European Food Safety Authority (EFSA). It monitors and notifies in real time direct and indirect risks to human and animal health and the environment from food, feed and food contact materials. In 2023, the company's organisational model once again proved capable of ensuring that the annual number of non-conformities with a potential food safety impact, calculated as a percentage of the number of Group deliveries, was less than 0.1%.

Product innovation, quality and safety, and food safety are key success factors in our industry and have also been identified as key sustainability issues in the new materiality analysis described on page 12, due to their current positive impact on consumer safety. Monitoring and addressing these issues ensures that we have a strong market position and the ability to meet complex needs in an ever-changing world. As the technologies, materials and regulations involved change rapidly, we invest heavily in researching and developing innovative solutions that can be transferred to industrial manufacturing.



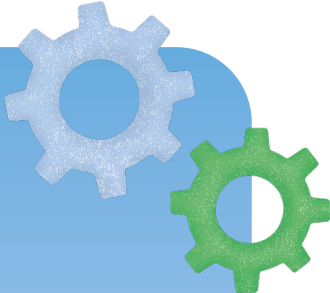
In order to effectively implement food safety and spread an increasingly broad and integrated quality culture throughout the organisation, webinars on Teams were held in February, June and October 2023 with the Group's subsidiaries, in addition to the usual annual Quality, Food Safety and Sustainability meeting, which took place at the Rieusset S.A. plant in Spain. This meeting, now in its 18th year, is an opportunity to share within the Group the state of the art and technical, scientific and regulatory developments in food safety and sustainability.

Finally, but no less importantly, we are also part of the food safety debate for new and emerging products, materials and processes, including recycled and compostable ones. This applies in particular to what is covered by the EU Chemicals Strategy for Sustainability, as detailed in the European Commission's Communication COM/2020/667 of October 2020. We proactively characterise all new food contact products and new chemicals used in their manufacture on an ongoing basis. This ensures that we are ready to update our food safety protocols promptly in line with the latest standards and any guidance from European legislators, while also focusing on regulatory initiatives in proactive non-EU regions. This approach follows the principles of risk assessment for global compliance. This strategy is in line with our vision to anticipate future market requirements and challenges for food contact materials.

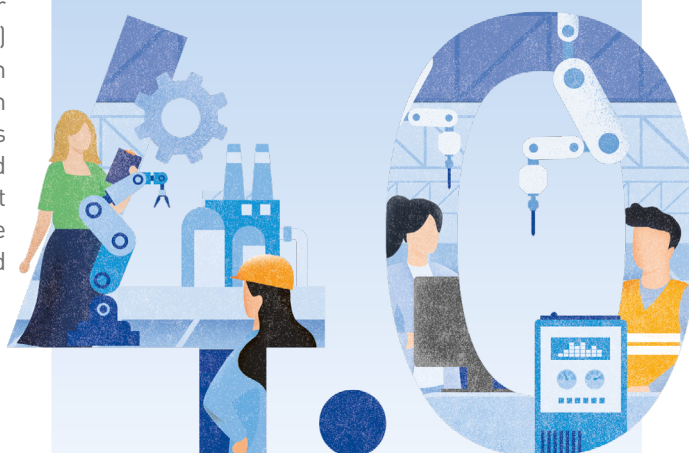
Over the past decade, new technologies have become critical to economic development. On the one hand, they are a thriving market in their own right, and on the other, they are capable of significantly improving the efficiency – including the environmental efficiency – of more traditional industries. We believe that the introduction of elements of Industry 4.0 will play a key role in process innovation, including in our industry, with positive economic, environmental and social impacts. In particular, the processing of large amounts of data, coupled with advanced interface tools between operators and control instruments, can improve manufacturing efficiency and product quality. Automating scheduled tasks improves work ergonomics and limits human involvement in activities that are time-consuming, repetitive and do not require specific skills.

## INNOVATIVE PROCESSES

Our organisation has a strong focus on R&D and innovation, including technologies and processes. For more than 40 years, photoengraving – both electromechanical and laser – has been an integral part of our processes. On the basis of this experience, in 2021 we developed and industrialised in Italy an innovative laser technology capable of meeting the most complex graphic requirements. We are very proud of this extremely challenging project, especially as it is having a genuinely positive impact, including reducing emissions per engraved cylinder by more than 50% (compared to previous technology) and reducing the use of chemical compounds in both the photoengraving and printing processes, with the exact amount of savings depending on what is being engraved. Such is the innovative scope and positive environmental impact of this project that both the Ministry of Economic Development and the Lombardy Regional Government have praised it and even contributed financially to its realisation.



In 2019, Rieusset S.A. launched a project to assess the company's status in terms of Industry 4.0. The first diagnostic phase analysed the following: machinery, information systems and the general level of digitisation. Rieusset S.A.'s performance was above average and, with a view to continuous improvement, a three-year improvement plan was drawn up, which was suspended due to the pandemic and relaunched in 2022 with the aim of completing its implementation in about 2 years.



The Internet of Things is also enabling technologically advanced products in our industry.

Smart or interactive packaging is an increasingly common term used to describe packaging solutions that use materials, surface treatments, and packaging or printing techniques that can provide additional functions beyond the traditional ones of generic product containment and protection. For example, by using special printing technologies to add unique codes to packaging that are imperceptible to the human eye, it is possible to connect packaging to mobile devices or scanners in supermarkets.

In general, investments in the digital transition are decided independently by each Group company in accordance with the Group's policies and are approved by their Boards of Directors on the basis of the Group's shared values and objectives, which take into account the goals of improving economic performance, work ergonomics and the professional skills of employees through specific training.

In 2023, investments were also made in advanced technologies to connect business systems.

In 2020, we won the "Best Packaging Award" at the Packaging Oscar, sponsored by the Italian Institute of Packaging, which has been awarding the most innovative packaging on the market for years, with G4R, an innovative pouch solution for grated cheese.

Equipped with an invisible code that can be scanned with a mobile device to deliver multimedia content, G4R uses Cronogard® technology, which has a protective and anti-bacterial function that extends shelf life and prevents food waste in sensitive goods such as dairy products. The packaging preserves the freshness of the product, thanks in part to the zip-closure mechanism.





## AWARDS FROM 2021 TO 2023

### COMPETITIVENESS AWARD 2023 LAVAZZA GROUP



For the second year in a row, in December 2023, the Gerosa Group won the Lavazza Competitiveness Award, in the products and materials section, with the following motivation "for the transparency shown in the negotiation of cost models, for the consistent and constant level of quality and service provided."

### BEST PACKAGING SUPPLIER 2023 LAVAZZA GROUP



During Lavazza's annual convention for its suppliers, the international coffee brand organised the fourth Supplier Coffee Links Award, and the Gerosa Group received the Lavazza Best Supplier Award 2023 for the second year in a row and the third time in total.

### SUSTAINABILITY AWARD 2023 LA PROVINCIA NEWSPAPER



In November 2023, the Gerosa Group's commitment to sustainability was honoured at La Festa delle Imprese, an important event now in its sixth year, organised by the La Provincia newspaper in collaboration with Intesa Sanpaolo bank. The event aims to highlight the entrepreneurial system as a key element in the development of the area and the community.

### BEST GREEN COMPANY 2023 HUBNET COMMUNICATION ESSE EDITORE



The Gerosa Group was awarded Best Green Company at the 11th BtoB Awards Gala 2023 held at Villa Reale in Monza in June 2023.

### OSCARS OF PACKAGING FINALIST 2023 THE ITALIAN INSTITUTE OF PACKAGING



Using direct laser technology to engrave printing cylinders, we have developed a vacuum-packed coffee pack with a graphic design that creates an emotional connection with the viewer. Normally, products of this type (vacuum packs) are subject to numerous dimensional and technical restrictions, and as a result, the graphic side is often given

minimal importance. The increased resolution has made it possible to emphasise the intensity of the subject's gaze and improve the detail of the eyes and lips.

### BEST CONVERTER 2022 OSCARS OF PRINTING (UNIONE GCT MILANO)



At the 2022 Oscars of Printing (Printing Awards), the Gerosa Group took home the "Best Converter" award for its technical expertise, culture of quality, innovative processes and sustainable solutions, which are its key characteristics and have made Gerosa a benchmark in the packaging market for more than 87 years.

### SUSTAINABILITY AWARDS 2022 PACKAGING EUROPE



In November 2022, the Gerosa Group, together with project partner Taghleef Industrie, won the Sustainability Awards 2022, organised by Packaging Europe, in the recyclable materials category for pre-commercialised innovations. The proposed packaging solution aims to replace PET/Al/PE or PET/Met-PET/PE multi-material structures and offers significant benefits in terms of recyclability and unit weight reduction without compromising product protection.

### OSCARS OF PACKAGING FINALIST 2021 THE ITALIAN INSTITUTE OF PACKAGING



In 2021, we developed recyclable packaging "Ge0 Pack", a combined solution of recyclability and total biodegradability without waste, with a 15% reduction in CO<sub>2</sub> compared with standard packaging for equivalent applications. Ge0 Pack was one of the finalists at the 2021 Italian Packaging Oscars, receiving a mention for quality, reduction of raw material consumption, zero waste, overall environmental impact and market trends in terms of end users, product safety, product preservation and traceability.



# MATERIALITY ANALYSIS

In 2023, we updated our materiality analysis in line with the process in the new GRI 3: Material Topics 2021, which will be mandatory for sustainability documents published from 1 January 2023 according to the GRI Standards, and also based on the methodology defined by the European Sustainability Reporting Standards (ESRS), but solely for impact materiality analysis. In 2024, we are conducting the financial materiality analysis on the pathway to the double materiality assessment required by the CSRD - Corporate Sustainability Reporting Directive [2022/2464/EU] on non-financial reporting. This analysis considers not only direct and indirect impacts, but also the risks and opportunities along the entire value chain.

The process, which was completed in early 2024, resulted in the identification of current or potential positive or negative impacts on the environment and people, including impacts on human rights, associated with the Group's operations and those in the upstream and downstream value chain, as well as with our products and services.

The impact materiality analysis was conducted using a review of multiple sources and is based on an analysis of the flexible packaging industry, including its value chain. In terms of the value chain, four distinct and consequential stages were identified: an upstream stage involving the extraction and processing of raw materials and the production of services; the central phase, under the direct control of the Gerosa Group, which involves its production processes and business in general; the immediate

downstream phase, which relates to when the Gerosa Group's clients place the goods in the packaging; an additional downstream phase, related to the consumption and end-of-life of packaging; and finally a cross-cutting stage involving transport throughout the value chain. The analysis of all the above phases led to the identification of a preliminary list of the impacts on the environment and on people. Once all the impacts had been identified, we used a quantitative methodology to assess their significance, taking into account two factors:

- Severity or benefit, depending on whether the impact was positive or negative, assessed/considered in terms of its magnitude, its extent and the possibility of implementing mitigation measures for negative impacts;
- Probability of occurrence of potential impacts, both positive and negative.

We then set numerical thresholds and all impacts identified as relevant or highly relevant were considered significant.

This analysis confirmed many of the topics that have been highlighted as strategic for our business in the past, but at the same time allowed for greater depth and detail on a number of aspects. The end result is the list of material topics below, which has been validated by the Group Sustainability Committee, the General Managers of Group companies and the Board of the parent company.

## MATERIAL TOPICS



## OUR CONTRIBUTION TO THE SDGs

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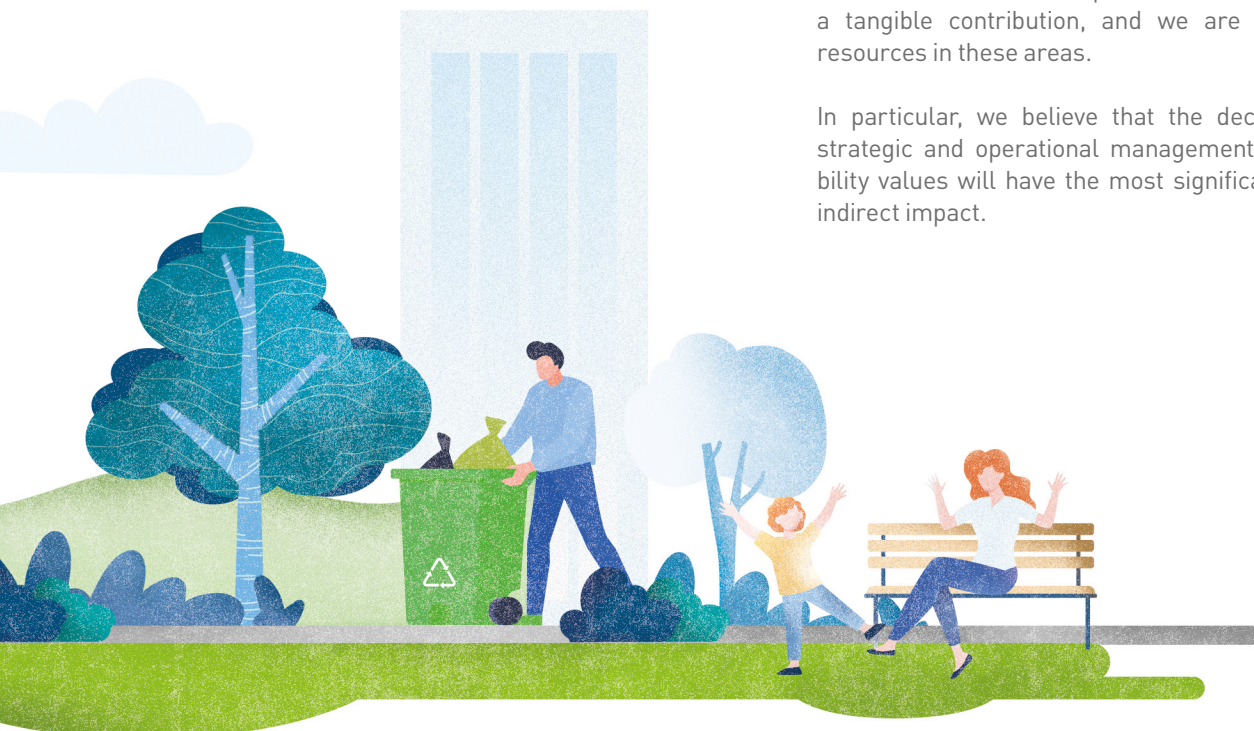
On 25 September 2015, the United Nations adopted the 2030 Agenda for Sustainable Development, a plan of action to advance global development, promote human well-being and protect the environment.

The 2030 Agenda is detailed in 17 goals (Sustainable Development Goals – SDGs), which the governments of the 193 member countries of the United Nations have committed to achieving by 2030. The Agenda is primarily aimed at governments and institutions, given their capacity for large-scale action, but it does seek to engage all components of society. At the Gerosa Group, we feel strongly about making our own contribution to achieving these shared goals, so we take actions that can help achieve them.



To be more effective, we identified goals where we believe we have the expertise and scale to make a tangible contribution, and we are investing our resources in these areas.

In particular, we believe that the decision to base strategic and operational management on sustainability values will have the most significant direct and indirect impact.





**QUALITY EDUCATION:**  
Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.

We support schools in general, with a particular focus on vocational education:

- Ongoing and project-based collaboration with local vocational schools
- Work experience opportunities and apprenticeships
- Continuing education for employees
- Scholarships and bursaries for local schools and educational institutions.



**DECENT WORK AND ECONOMIC GROWTH:**  
Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.

We are committed to development that is economically, socially and environmentally sustainable:

- Adopting ILO–International Labour Organization principles
- Adopting a Code of Ethics
- Establishing a reporting channel for ethical breaches
- Equal opportunity and inclusion projects
- Continuing education programmes
- Social mobility projects
- Training projects for people at risk of social exclusion
- Healthy lifestyle projects for employees, counselling and examinations by the company doctor.



**INDUSTRY, INNOVATION AND INFRASTRUCTURE:**  
Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation.

We play our part in economic development and the positive social impact it brings through continuous investment in research and development, technology, inclusion, training and, more generally, business sustainability:

- Ongoing investment in product research and development
- Ongoing investment in manufacturing technologies
- Investment in the digital transition.



**RESPONSIBLE CONSUMPTION AND PRODUCTION:**  
Ensure sustainable production and consumption models.

We design and manufacture safe packaging that protects food from contamination and spoilage, even as it is distributed around the world through increasingly complex supply chains. This is important in areas where health risks are already high and helps reduce food waste. This includes:

- A dedicated food safety unit that monitors global developments in contaminant regulations and the latest research on contaminants and their effects
- Research and development projects to find packaging that is increasingly effective in protecting against external contaminants and preserving the nutritional properties, aroma and taste of food over time
- In-house cylinder production to ensure high quality printing, especially for nutritional and allergen information, ensuring that even the smallest, most complex fonts are legible
- Promoting health and well-being through voluntary health promotion and healthy lifestyles for employees, supported by the company doctor where available.

We design and manufacture packaging that is truly circular, promoting reduction, reuse and recycling:

- R&D projects for recyclable products
- R&D projects for compostable products
- R&D projects for products using recycled raw materials
- R&D projects with reduced use of raw materials.

We manage chemical compounds carefully:

- In-house unit focusing on preventing harmful emissions and chemical spillage
- Projects to redesign internal processes to reduce the use of hazardous substances.

We manage waste carefully:

- Internal projects to redesign processes to reduce consumption and reuse waste
- Joint projects to promote knowledge of proper post-consumer waste management.

We actively disseminate a culture of sustainability:

- Since 2018, we have voluntarily published our sustainability report in accordance with international standards
- Our sustainability committee meets regularly to assess operational and strategic projects, using a competency-based approach to maximise the positive impacts and minimise the negative impacts of our business
- We participate in local projects to promote, share and disseminate sustainability topics.



**CLIMATE ACTION:**  
Take urgent action to combat climate change and its impacts.

We work to improve the energy efficiency of our processes:

- Combined Cooling, Heat, and Power (CCHP)
- Production and purchase of energy from renewable sources
- Process innovation.

We work to reduce the carbon footprint of our products:

- LCA studies
- Product innovation, research and development.



**PARTNERSHIP FOR THE GOALS:**  
Strengthen the means of implementation and revitalise the Global Partnership for Sustainable Development.

We encourage and participate in projects with clients, suppliers, universities, research centres, start-ups, schools, associations and local communities, each bringing their own expertise to help us achieve our sustainability goals faster:

- Open research and development system
- Participation in industry projects
- Participation in local projects
- Participation in outreach projects.



## SUSTAINABILITY RATINGS AND CERTIFICATIONS

The table below shows the certifications obtained by Group companies. In addition to the well-known management systems common to many industries, such as ISO 9001 quality certification, ISO 14001 environmental certification and ISO 45001 health and safety certification, the Gerosa Group has for years been expanding its commitment to other voluntary certifications, especially those related to management systems and chains of custody and products relevant to the industry in which it operates.

Food safety is clearly an important issue, the operational effectiveness of which has been enhanced by the voluntary compliance of all Group companies since 2007 with the international BRC Global Standard, recognised by the GFSI – Global Food Safety Initiative, a not-for-profit association set up by the Consumer Good Forum. Each site currently has measures in place to achieve BRCGS Packaging Materials Issue 6 certification. In Italy, we were also one of the first companies in our industry to obtain ISO 22000 certification, which all our companies, except Flexocit Imballaggi s.r.l., have now achieved. Flexocit Imballaggi s.r.l.'s choice was dictated by the substantial overlap of the two management systems and the prevalence that BRCGS certification is gaining over ISO 22000 certification. In the coming years, other Group companies will adopt this approach, avoiding duplication and prioritising BRCGS certification.

Product sustainability is also becoming an increasingly important factor in consumer choice, driving demand for low-carbon and recycled or recyclable materials. However, for consumers to have reliable information about the sustainability of products, information needs to be traceable across the supply chain. To achieve this goal, all Group companies, with the exception of Flexocit Imballaggi s.r.l., have obtained the voluntary ISCC+ (International Sustainability and Carbon Certification), which guarantees the traceability of both biocircular materials (bio-based plastics from non-fossil sources) and circular materials (post-consumer, waste and non-biological recyclable raw materials), from raw material sourcing to product sales.

In 2023 also Artema Plast s.r.l. – in addition to Cellografica Gerosa S.p.A., Cellografica Gerosa S.A. and Rieusset S.A. – voluntarily obtained FSC certification, which enables the traceability of materials from FSC-certified forests or, in the case of recycled materials, from the point of collection.

Cellografica Gerosa S.p.A. has obtained DIN Compostable product certification, which means that products with compostable characteristics can be traced and identified with a unique mark. Certification is awarded in accordance with current international standards: DIN EN 13432:2000-12, ISO 17088:2012 and ASTM D 6400:2012-01.

Cellografica Gerosa S.p.A., Flexocit Imballaggi s.r.l. and Artema Plast s.r.l. are also members of Sedex, a global non-profit organisation that aims to promote ethical principles along the supply chain and collects company information on sustainability, for which member companies can be audited by SMETA, the globally recognised social audit. It is with great satisfaction that we share the results of the SMETA 4 Pillars audit on Artema Plast s.r.l. in December 2023: no non-conformities were found and three best practices were recognised: one related to the environmental management system and two to human resources management, with specific reference to training activities for all employees on non-discrimination and equal opportunity topics and work organisation.

Ecovadis is one of the leading international sustainability rating platforms. The Ecovadis rating is a score from 0 to 100 that reflects the quality of a company's sustainability management system at the time of assessment. Once a minimum score has been achieved, medals of varying value are awarded, from bronze to platinum, depending on the points band the company achieves. In addition to the score and medal, Ecovadis also assigns a "percentile" ranking, which compares the company's score with that of all companies in all sectors in the Ecovadis database over the previous 12 months. The scorecard also shows the percentile ranking within your specific industry. The ratings of the parent company Cellografica Gerosa S.p.A. and the Spanish subsidiaries Rieusset S.A. and Cellografica Gerosa S.A. were renewed in 2023; Flexocit Imballaggi s.r.l. and Artema Plast s.r.l. submitted the application – for a rating in the first quarter of 2024 – in the last quarter of 2023 and in the first quarter of 2024 respectively. We are very proud of our results, especially those of Rieusset S.A. and Flexocit Imballaggi s.r.l., which are in the 99th percentile of all companies evaluated by Ecovadis. In addition, the parent company, Cellografica Gerosa S.p.A., has received a Group rating, which includes all subsidiaries, even those not rated independently, and places the entire Group in the 98th percentile of the global Ecovadis population and in the 99th percentile of the sector. This means








that we are in the top 2% of all companies evaluated by Ecovadis and in the top 1% of our sector. Such an important milestone has been achieved thanks to the commitment of all the people in the Group

to continuously improve business performance and create value for the Gerosa Group and all its stakeholders.

#### CERTIFICATIONS

	 Cellografica Gerosa S.p.A.	 Cellografica Gerosa S.A.	 Rieusset S.A.	 Flexocit Imballaggi s.r.l.	 Artema Plast s.r.l.
UNI EN ISO 9001	✓	✓	✓		✓
UNI EN ISO 45001	✓	✓	✓	POSTPONED	
UNI EN ISO 14001	✓	✓	✓		✓
UNI EN ISO 22000	NOT RENEWED (REPLACED BY BRCGS)	✓	✓	NOT RENEWED (REPLACED BY BRCGS)	NOT RENEWED (REPLACED BY BRCGS)
BRCGS	✓	✓	✓	✓	✓
ISCC+	✓	✓	✓		✓
FSC	✓	✓	✓		✓
DPG <sup>1</sup>	N/A	N/A	✓	N/A	N/A
DIN COMPOSTABLE	✓			POSTPONED	
SEDEX	✓			✓	✓

#### RATING

	 Cellografica Gerosa S.p.A.	 Cellografica Gerosa S.A.	 Rieusset S.A.	 Flexocit Imballaggi s.r.l.	 Artema Plast s.r.l.
ECOVADIS	✓	✓	✓	✓	POSTPONED
	98 <sup>th</sup> PERCENTILE	89 <sup>th</sup> PERCENTILE	99 <sup>th</sup> PERCENTILE	99 <sup>th</sup> PERCENTILE	
					
	Ecovadis CSR Rating obtained by Cellografica Gerosa S.p.A. for the Gerosa Group	Ecovadis CSR Rating obtained by Cellografica Gerosa S.A.	Ecovadis CSR Rating obtained by Rieusset S.A.	Ecovadis CSR Rating obtained by Flexocit Imballaggi s.r.l.	

<sup>1</sup> Certificate of compliance with DPG Deutsche Pfandsystem GmbH, the packaging collection and recovery system in Germany (the "disposable deposit system").

# ECONOMIC PERFORMANCE

As a company we feel called to **create value for stakeholders**, through innovations that improve competitiveness and are able to **synergistically create positive impacts** for people and the environment.

We believe that the first important step in demonstrating our corporate responsibility is to show that we are an economically viable, healthy company. Only in this way is it possible to invest in future development and solidity, to reward employees, suppliers and shareholders fairly, and to contribute through taxes to the management of assets and the provision of public services for the benefit of the community. In essence, this is the creation of widespread value.

In the year under review, the Gerosa Group generated economic value of €257 million, enabling it to distribute €251.8 million to its stakeholders.

2023 was characterised by strong inflation in the first quarter, which then slowed and eased for the rest of the year, and exponential growth in interest rates, which reached levels not seen for decades. These factors had an impact on Economic Value Generated and Economic Value Distributed, as well as on the distribution of Economic Value Distributed between different cost items. In particular, rising interest rates led to a disproportionate increase in lender remuneration, despite a 28% reduction in the net financial position. We can also report that, thanks to a more stable macro-economic environment and better economic performance than in 2022, the amount allocated to taxes has increased disproportionately compared to other items, as has the remuneration of shareholders, who had waived a dividend the previous year and reinvested the entire profit in Group companies.

The table on page 18 shows the Economic Value Generated, Distributed and Retained in the year under review and in the two previous years, values derived from the reclassification of items in the consolidated

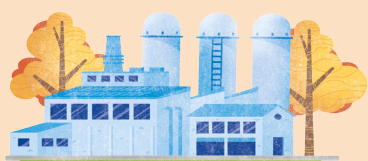
income statement of Cellografica Gerosa S.p.A., representing respectively: value of production and financial income; remuneration paid to employees, suppliers, financial institutions, shareholders and amounts paid to tax authorities and contributed to local communities; the share of the year's result that shareholders reinvested in the Group. The percentage breakdown of Economic Value Distributed is shown in the following page.





DIRECT ECONOMIC VALUE GENERATED AND DISTRIBUTED<sup>1</sup>

	2023	2022	2021
<b>ECONOMIC VALUE GENERATED</b>	<b>257,077,918</b>	<b>258,317,256</b>	<b>215,500,784</b>
OPERATING COSTS	205,205,988	217,009,098	173,279,074
EMPLOYEE WAGES AND BENEFITS	38,652,264	36,183,894	34,696,588
PAYMENTS TO PROVIDERS OF CAPITAL	3,157,086	1,531,977	1,203,260
DISTRIBUTED TO SHAREHOLDERS	2,600,000	-	1,467,000
TAXES	2,112,193	115,099	1,331,867
COMMUNITY INVESTMENTS	80,649	64,499	96,201
<b>ECONOMIC VALUE RETAINED</b>	<b>5,269,738</b>	<b>3,412,688</b>	<b>3,426,794</b>



79.82%

OPERATING  
COSTS



15.04%

EMPLOYEE WAGES  
AND BENEFITS



1.23%

PAYMENTS TO PROVIDERS  
OF CAPITAL



1.01%

DISTRIBUTED TO  
SHAREHOLDERS



0.82%

TAXES



0.03%

COMMUNITY  
INVESTMENTS

<sup>1</sup> These figures include the two trading firms, which are not included in the other data used in this Report (see also the Methodological Note, page 45).

## LOCAL COMMUNITIES AND SOCIAL PROJECTS

Relations with the local community are managed directly by the Managing Director or General Manager of the Group company concerned, and the allocation of resources is determined according to criteria set out in internal policies when the annual budget is drawn up, with priority given to recurring support for specific institutions to ensure the continuity needed for projects

that have a significant impact. All Group companies are based in Europe and there is no evidence of particularly disadvantaged local communities. However, the Group is aware of the social and economic context in which it exists and of which it is an active part, called upon to contribute to the common good.

### DONATIONS

## 2023

DONATIONS IN EUROS

80,649

ITALY

46,587

SPAIN

16,436

ROMANIA

17,626

% DONATIONS

58%

20%

22%

## 2022

DONATIONS IN EUROS

64,499

ITALY

33,710

SPAIN

24,669

ROMANIA

6,120

% DONATIONS

52%

38%

10%

## 2021

DONATIONS IN EUROS

96,201

ITALY

89,580

SPAIN

1,534

ROMANIA

5,087

% DONATIONS

93%

2%

5%



61.9%

SOCIAL  
INITIATIVES



18.5%

SPORT



13.7%

EDUCATION FOR  
YOUNG PEOPLE



5.8%

ART AND  
CULTURE

In this context, we supported associations and charities in 2023 with donations totalling €80,649. Of these, the Don Carlo Gnocchi Association, to which the Group has been linked since its inception, is particularly worthy of mention. We have also earmarked around €11,100 for educational projects (+49% on last year), including the provision of bursaries and scholarships for higher education, particularly in design and graphic design. The remainder went to sports and cultural associations, in particular FAI, the Italian Fund for the Environment, to which we have been Golden Donors for two decades, a choice motivated by the desire to help preserve the landscape and artistic heritage for present and future generations.

Our commitment to the education of young people goes beyond the provision of financial contributions and is realised in particular through the time we devote to students in their final years of high school and recent graduates, particularly from vocational schools, but also from technical colleges, high schools and universities, to whom we offer in-school training courses, curriculum-based internships and other educational experiences. Examples of our initiatives include participation in the Italian PCTO (Pathways for Transversal Competences and Orientation) programme, the activation of curricular placements and university projects by Cellografica Gerosa S.p.A., and a two-year project run by Artema Plast s.r.l. This project is aimed at technical school students, who spend two weeks each year immersed in the company's operations. At the end of this period, the students have the opportunity to apply for an internship in the company, after a preliminary interview to assess their skills and aspirations. In the year under review, projects totalling around 3,000 hours were activated, 23% more than in 2022. Recognising the importance of giving students the chance to experience the world of work, a number of educational activities and experiences have been planned for the 2024-25 school year.

Our connection with the community is also expressed through our active participation in local trade associations, giving time and expertise to support projects to develop the area. In 2023, in particular, as part of the RE-FILL project promoted by the Chamber of Commerce and Confindustria Como, Cellografica Gerosa S.p.A., in collaboration with the Sant'Anna University of Pisa and other local companies in its supply chain, developed a tool for the preliminary analysis of the comparative impact of different types of packaging, a tool intended for members of the sponsoring associations. Similarly,

it has supported projects to promote sustainability management and reporting in small and medium-sized enterprises<sup>1</sup> through testimonials in both training and dissemination programmes.

We also believe that focusing on local communities means carefully managing the externalities that have the greatest impact. On this front, we have identified noise and visual impacts, particularly for businesses located close to urban areas. These aspects are carefully managed by safety officers and facilities managers at new plants in a process that includes pre-assessing noise emissions and planning sound-proofing measures where necessary. We also look for the best aesthetic solutions, taking advice from professional architects where necessary.

Several projects have been launched to promote the inclusion of people with difficulties in accessing the labour market: Rieusset S.A. offered work experience to improve the curriculum skills of socially and educationally disadvantaged women seeking employment, and Cellografica Gerosa S.A., in collaboration with the Entrem Foundation, a local organisation that provides employment for people with intellectual disabilities, recruited such people for its waste management and gardening services.

The parent company has established relationships with cooperatives employing disabled people with a view to concluding agreements for the indirect employment of personnel.

<sup>1</sup> Definition according to European Commission Recommendation 2003/361



## GOVERNANCE MODEL

The Group clearly recognises that the sound and efficient organisation of business decision-making processes and the careful management of opportunities and risks are fundamental to the good governance of business activities and their sustainability over time.



The strategic direction and organisation of the Group are defined by the Board of Directors of Cellografica Gerosa S.p.A., which directly controls all Group companies and exercises management and coordination functions over them. The Board of Directors of Cellografica Gerosa S.p.A. is appointed by the Shareholders' Meeting according to criteria of competence and professionalism, with the presence of at least one independent external director<sup>1</sup>. The overall remuneration of directors, including any benefits and variable parts, is determined by the Shareholders' Meeting, in accordance with criteria of congruity with the responsibilities of the role and the delegated powers conferred, and in any case always in accordance with the principles of equal opportunity and non-discrimination, even in the absence of specific procedures regulating this aspect, or other possible external influences. The Chairman of the Board of Directors of the parent company holds no executive positions and, by virtue of the powers delegated to him, is the highest paid person in the Group; the ratio of his total annual remuneration to the median of the total annual remuneration of all employees, calculated excluding

the highest paid person, is 8.81, while the ratio of the percentage increase in the total annual remuneration of the highest paid person in the organisation to the percentage increase in the median of the total annual remuneration of all employees, calculated excluding the highest paid person, is zero. The Board of Directors currently consists of nine members, of whom two are women (22% of the total) and seven are men (78% of the total); one is an independent director (11% of the total); three are aged between 30 and 50 (33% of the total) and six are over 50 (67% of the total); and four hold executive positions in the organisation.

Each subsidiary is governed by its own Board of Directors, which manages the individual company, determines its organisation and organises its control systems on the basis of the principles and strategic guidelines adopted for the Group.

In 2023, we took a new and broader look at corporate responsibility, recognising that for it to be more fully and effectively integrated into processes, there needs to be clear communication of values and purpose to engage the whole organisation. Based on this reflection and the analysis of material topics we defined our "values, mission and vision", with sustainability and innovation as key themes that were formally adopted in the first quarter of 2024. The principles of conduct that guide the Gerosa Group are set out in the Code of Ethics<sup>2</sup> issued and approved by the Board of Directors of the parent company, which has defined them in full compliance with the Universal Declaration of Human Rights, the principles of the International Labour Organization (ILO), the principles of the Global Compact and the OECD Guidelines for Multinational Enterprises.

All employees have received training on the contents of the Code of Ethics and have signed it to indicate their acceptance. In 2022, we also adopted a Supplier Code of Conduct. Both documents have been approved and adopted by the Board of Directors of each of the Group's subsidiaries. All clients and suppliers are informed of the contents of the Code of Ethics and suppliers are asked to sign the Supplier Code of Conduct.

<sup>1</sup> According to ELITE - Corporate Governance Framework

<sup>2</sup> Posted on the Group's website at the following link [https://www.gerosagroup.com/our\\_principles.php](https://www.gerosagroup.com/our_principles.php)

## VISION

**Offer safe and sustainable solutions that improve and protect the quality of life for all.**

## MISSION

**Foresee and meet the needs of our clients by creating innovative, sustainable and reliable packaging solutions that help to protect and enhance each and every product.**



In relation to material topics, we have defined rules of conduct that are set out in policies that replace and supplement the policies that the individual Group companies already had in place and that are adopted by the entire Group. For each policy, the functions most exposed to risk in relation to material topics are identified and explicit acceptance is sought.

The governing body of the parent company is responsible for updating the policies. It regularly reviews the relevance of the material topics for which specific policies have been developed, as well as the relevance of their content. This ensures that new values are incorporated and principles of conduct are established in line with evolving regulations and public awareness, both for existing topics and for any emerging issues.

Policies are communicated to senior management and directly involved business functions that are required to implement them, possibly through the adoption of procedures and operating instructions. Communication to non-directly affected employees and third parties is planned for 2024 through information sessions and publication on the corporate website. The principles in the policies and their application are subject to review by the Supervisory Body and, only for certified areas, to external audit. All policies are assessed as part of the Ecovadis sustainability rating. Policies not covered in the Sustainability Report include, where relevant, those relating to anti-corruption and conflicts of interest, trade practices, taxation and data protection.

As stated in the Group's Code of Ethics, the Gerosa Group operates according to the principles of transparency, good faith and professional loyalty. It does not tolerate any form of bribery of public officials, clients, suppliers or any other party and has developed a specific anti-corruption policy covering conflicts of interest. In fact, corruption often begins with a conflict of interest, which occurs when someone abuses their position for private gain —this is not only a crime, but also a distortion of the market and proper business relations. As such, all employees are required to disclose the existence or occurrence of a conflict of interest and to refrain from acting in a conflict of interest situation. Particular attention is paid to gifts, entertainment, gratuities, donations and sponsorships as they represent higher-risk elements that are governed by specific procedures and instructions. Group companies are required to keep accurate, complete and timely accounting records that give a true and fair view of the financial position, results of operations and cash flows of the business and to have their financial statements audited.

In practice, the Group has always adopted a tax approach based on compliance with the rules and their objectives, even in the absence of a body responsible for formally defining a tax strategy, with the support of external consultants of proven professionalism. The Group avoids the use of corporate processes or structures designed to prevent the tax authorities from knowing the beneficial owner of the activities performed and/or the owner of the goods or services. It does not engage in transactions, whether national or transnational, without valid business and economic reasons, or with the primary purpose of obtaining a tax advantage, or which are mere artifices to defeat the purposes of the relevant tax laws.

In terms of related-party transactions<sup>1</sup>, the Group is committed to respecting and acting in accordance with the arm's length principle in transfer pricing<sup>2</sup> as set out in the OECD Transfer Pricing Guidelines for Multinational Enterprises and Tax Administrations. As such, the relationships and prices applied to the purchase and sale of intra-group goods and services are regulated on the basis of market prices, in accordance with free competition, and are documented and illustrated in the specific transfer pricing documentation. These principles have recently been translated into rules by the company's Board of Directors in the form of a Tax

<sup>1</sup> Related parties are those entities or individuals that have the ability to control or exercise significant influence over another party, particularly in relation to financial and operating decisions of the reporting company.

<sup>2</sup> Principle recognised internationally and applied for tax purposes by multinational groups and tax administrations for transfer pricing purposes, according to which the price set in intercompany transactions must match the price that would have been set between independent firms for identical (or similar) transactions in the open market.

Policy, which is explicitly required to be signed by all parties, employees and consultants involved in tax management. In accordance with the Group's Code of Ethics and Privacy Policy, the Gerosa Group is aware of the importance of protecting privacy and complying with current legislation on the processing of personal data. As such, it is committed to processing personal data in accordance with the principles of lawfulness, transparency, specificity, necessity, limitation of retention, consent, data subjects' rights, security and traceability. Each Group company has designated an internal function as the data processor.

The Group's manufacturing companies have an organisation, management and control model in place to address the most critical issues. These models are designed to manage risk within a paradigm of preventing and sanctioning behaviour that contravenes laws and regulations and the principles enshrined in the Code of Ethics. As such, they are created in accordance with national regulations and guidelines (Legislative Decree 231/2001 for Italy and Fundamental Law 1/2015 for Spain) and take into account the specific nature of each company. The companies that have adopted such an organisational model also have a supervisory body that monitors the effectiveness of and compliance with the model and ensures that the model is updated as necessary. This supervisory body reports to the Board of Directors on a half-yearly basis on the supervisory activities carried out during the period and any evidence that has come to light. These companies also have a confidential channel for reporting any breaches or irregularities relating to the organisational and management model and the principles enshrined in the Code of Ethics. This is better known as whistleblowing and is governed by a specific policy. At the time of drafting this Sustainability Report, Artema Plast s.r.l. does not have an organisational and management model, but although it is not required by Romanian legislation, it will soon have all the necessary elements, in accordance with the precautionary principle. As in previous years, the Supervisory Body found no violations of the Code of Ethics and the company's policies in 2023.

bility Committee, comprises around 40 people and is coordinated by the Group Sustainability Manager, who reports to the parent company's Board of Directors. The Sustainability Committee has a Head of Sustainability for each Group company, who reports to his or her Board of Directors, and Sustainability Officers responsible for the various sustainability topics. The Board of Directors is responsible for defining the material topics and the sustainability strategy and for the presentation of the Sustainability Report. The Board's sustainability expertise is kept current and developed through briefings by the Sustainability Committee and by the independent auditors when they provide their opinion on the Report.

There is currently no formalised internal system for the Board to assess environmental, social and economic impacts; however, as the body that has adopted the Code of Ethics and the policies inspired by it, and as the body that has voluntarily committed to publishing a Sustainability Report in accordance with internationally recognised principles and certified by an independent third party, the Board is strongly committed to implementing measures to maximise positive impacts and minimise negative impacts in relation to all ESG issues. The elements against which the Group annually assesses its strategies and impacts and implements continuous improvement actions, both qualitative and quantitative, are the results of the materiality analysis process and stakeholder relations, the evolution of international reporting standards for the Sustainability Report and the performance of the management indicators that inform it.

We believe that the experience gained in recent years will help us to move towards a strategy that includes precise quantitative targets for all material topics across the Group.

The process used to prepare the Sustainability Report, and in particular the materiality analysis, has also enabled us to strengthen risk management by highlighting those risks that are sustainability related, have a medium to long time horizon for materialisation and have a real impact on the Group. The key sustainability risks identified are managed appropriately by the relevant business functions, as detailed in the specific sections of this Sustainability Report.

## GOVERNANCE OF SUSTAINABILITY

In 2018, our determination to define sustainability challenges led us to adopt a new structure focused on environmental, social and governance (ESG) issues. This organisational structure, called the Sustaina-





GROUP SUSTAINABILITY COORDINATOR

SUSTAINABILITY OFFICERS



SUSTAINABILITY COMMITTEES




GROUP  
SUSTAINABILITY  
COORDINATOR



SUSTAINABILITY  
COORDINATOR AT  
EACH COMPANY IN  
THE GROUP



GROUP  
SUSTAINABILITY  
COORDINATORS  
BY TOPIC



SUSTAINABILITY  
OFFICERS AT  
THE INDIVIDUAL  
COMPANIES BY TOPIC



MEMBER  
OF THE GROUP  
SUSTAINABILITY  
COMMITTEE



R&D  
AND PRODUCT  
INNOVATION



QUALITY  
AND PRODUCT  
SAFETY



ENVIRONMENT



HEALTH  
AND SAFETY



HUMAN  
RESOURCES



SUPPLIERS



ECONOMIC  
PERFORMANCE



# SOCIAL PERFORMANCE

**People are at the centre of the company**, because it is through them that the company can carry out its activities and because its products and services are intended for people. Simultaneously, the company is an integral part of society and actively engages with it. Responsible management of these relationships can create **prosperity for all**.

The strength of the Gerosa Group lies in its people, who, each with their own professional expertise, work together and as a team, with a great sense of belonging and family. As a Group, we are committed to building lasting relationships and providing stable employment, and a safe and welcoming working environment where everyone can actively contribute to the Group's success by using and developing their professional skills. In line with the principles of our Code of Ethics and as set out in practice in specific policies, we also promote personal dignity and do not tolerate discrimination or any form of conditioning. We recognise that diversity is an asset and we apply the principle of equal opportunity to safeguard it. Human Resources is a strategic area and is led by the Human Resources Manager, who reports directly to the General Manager.

Respect for human rights is a fundamental principle across the Group. Recognising the importance of this issue, the Gerosa Group has identified it as a material topic and has made a firm commitment to uphold the value of its human resources. The company strictly prohibits child labour, forced labour and all other forms of compulsory labour. It also actively supports freedom of association and ensures that collective bargaining is available. In addition, we report annually on indicators that enable the ongoing monitoring of these aspects, as described in this section. The subsequent development of a Supplier Code of Conduct, and the request that all our partners sign it, demonstrates our commitment to ensuring respect for human rights across our supply chain.

We are also committed to making a positive impact outside the company, helping local communities and the people who live there. For example, our procurement policy favours local suppliers and long-term relationships, and we support projects that benefit the surrounding communities in line with our

values and business activities. At the end of a product's life, it is the end consumer who makes the difference, so it is essential that they are involved in order for sustainable packaging to be fully realised. The Group's commitment to raising awareness of the active role they have to play, choosing to reward virtuous situations and products, and increasing or improving separate waste collection are the areas earmarked for future projects.

## TALENT ATTRACTION, RETENTION AND DEVELOPMENT

"Attracting, retaining and developing talent" is a key focus for the Gerosa Group, reflecting our commitment to making a positive socio-economic impact. It is part of our striving to provide stable employment opportunities where everyone can contribute their professional expertise and talents to the Group's success. At the same time, we are committed to fostering a safe, dynamic environment that encourages continuous skill development and professional growth.

At 31 December 2023, the Group had 919 employees, an increase of 4.3% compared to 31 December 2022. Of these, 873 – or 95% – have an employee contract and 46 – or 5% – have an agency work contract, which is basically the same as last year. Our employee contracts are almost all permanent, accounting for 95% of the total in 2023, which is once again the same as last year.

Both agency and fixed-term contracts are used to enable the company to flexibly manage temporary production needs which, once stabilised, lead to permanent contracts within a time frame of generally less than a year. We do not use zero-hour contracts and generally all our contracts guarantee a minimum or fixed number of working hours. Part-time contracts are not common and are generally used by office workers. In 2023, part-time employees accounted for 3% of the total, a figure that has remained broadly stable over the past three years, with a gender distribution of 38% women and 62% men in 2023. Employees are treated fairly and without discrimination, regardless of the type of employment contract.

Employees in all Group companies are covered by their respective national collective bargaining agreements and also benefit from more favourable conditions established by second-level agreements specific to each company. The only exception is Flexocit Imballaggi s.r.l., whose employees

represent 5% of the Group's total workforce. The company-level agreements cover various aspects of the employment relationship, including leave, production bonuses, training, social benefits and company welfare.

The companies of the Gerosa Group do not employ workers under the age of 18; in some of them, apprenticeship programmes can be activated between the ages of 16 and 18, which are carried out in accordance with national legislation and specific apprenticeship contracts with a work-related learning programme.

In 2023, 161 people were hired and 124 people left. Romania accounted for 34% of the people leaving and 36% of the people hired, because it has a very dynamic labour market with extremely low unemployment and a high demand for skilled workers. For the other companies, the figure is in line with industry norms.

#### EMPLOYEES BY CONTRACT TYPE

## 2023

		MEN	WOMEN	ITALY	SPAIN	ROMANIA
PERMANENT	833	665	168	339	303	191
FIXED-TERM	40	34	6	4	12	24
FULL-TIME CONTRACTS	847	683	164	335	299	213
PART-TIME CONTRACTS	26	16	10	8	16	2
TOTAL EMPLOYEES AT 31/12	873	699	174	343	315	215

## 2022

		MEN	WOMEN	ITALY	SPAIN	ROMANIA
PERMANENT	798	639	159	327	294	177
FIXED-TERM	38	36	2	2	14	22
FULL-TIME CONTRACTS	805	657	148	321	289	195
PART-TIME CONTRACTS	31	18	13	8	19	4
TOTAL EMPLOYEES AT 31/12	836	675	161	329	308	199

## 2021

		MEN	WOMEN	ITALY	SPAIN	ROMANIA
PERMANENT	798	644	154	339	289	170
FIXED-TERM	27	24	3	0	7	20
FULL-TIME CONTRACTS	802	655	147	331	285	186
PART-TIME CONTRACTS	23	13	10	8	11	4
TOTAL EMPLOYEES AT 31/12	825	668	157	339	296	190



2023

		MEN	WOMEN	<30 YEARS	30≤YEARS≤50	YEARS>50	ITALY	SPAIN	ROMANIA
ENTRIES	161	127	34	82	63	16	44	59	58
EXITS	124	103	21	52	47	25	30	52	42
% NEW HIRES	18%	18%	20%	49%	14%	6%	13%	19%	27%
% TURNOVER	14%	15%	12%	31%	10%	10%	9%	17%	20%

2022

		MEN	WOMEN	<30 YEARS	30≤YEARS≤50	YEARS>50	ITALY	SPAIN	ROMANIA
ENTRIES	116	94	22	65	38	13	28	42	46
EXITS	105	87	18	43	47	15	38	30	37
% NEW HIRES	14%	14%	14%	40%	9%	6%	9%	14%	23%
% TURNOVER	13%	13%	11%	27%	11%	6%	12%	10%	19%

2021

		MEN	WOMEN	<30 YEARS	30≤YEARS≤50	YEARS>50	ITALY	SPAIN	ROMANIA
ENTRIES	84	70	14	45	29	10	17	31	36
EXITS	86	74	12	28	34	24	24	23	39
% NEW HIRES	10%	10%	9%	28%	7%	4%	5%	10%	19%
% TURNOVER	10%	11%	8%	17%	8%	10%	7%	8%	21%

## DIVERSITY AND EQUAL OPPORTUNITIES

The Gerosa Group promotes a fair and inclusive work environment, valuing diversity and ensuring equal opportunities for all, so that each individual can maximise his or her potential and contribute to our shared success. The Group promotes equal opportunities in the broadest sense and does not tolerate any form of discrimination. It evaluates and regulates job access, wages and career progression based on objective criteria. It also periodically monitors the effective implementation of these principles and practices through independent studies and certifications. It pays particular attention to the removal of barriers that may hinder the integration and career development of specific categories of people. We have always placed special emphasis on supporting people with disabilities by setting minimum representation quotas, often exceeding local legal requirements. This ensures that work is a real means of social inclusion for all. In 2023, vulnerable individuals employed by the Group represented 5% of the total workforce and 10% of senior management. We also look for suppliers who share this commitment.

With regard to gender equality, the analyses carried out confirmed equal treatment. However, the data shows an unbalanced distribution of employees by gender, with fewer women than men among the Group's employees.

At 31 December 2023, women accounted for 20% of the workforce, a figure in line with the average for the manufacturing sector and confirming the trend of the last two years. Analysis shows that women are more likely to be employed in clerical and technical roles, while they are under-represented in manual occupations. The gender distribution varies between the Group's factories, largely due to the different importance of certain production processes. In short, in plants where heavy lifting is more common, the presence of women is significantly lower. For several years we have focused on identifying and removing barriers to increasing the number of women in our workforce. Key initiatives include investing in ergonomics to improve production processes through automation and better load handling, and improving company welfare to support a better work-life balance. We expect these efforts to have a positive impact on both gender representation and overall employee well-being.

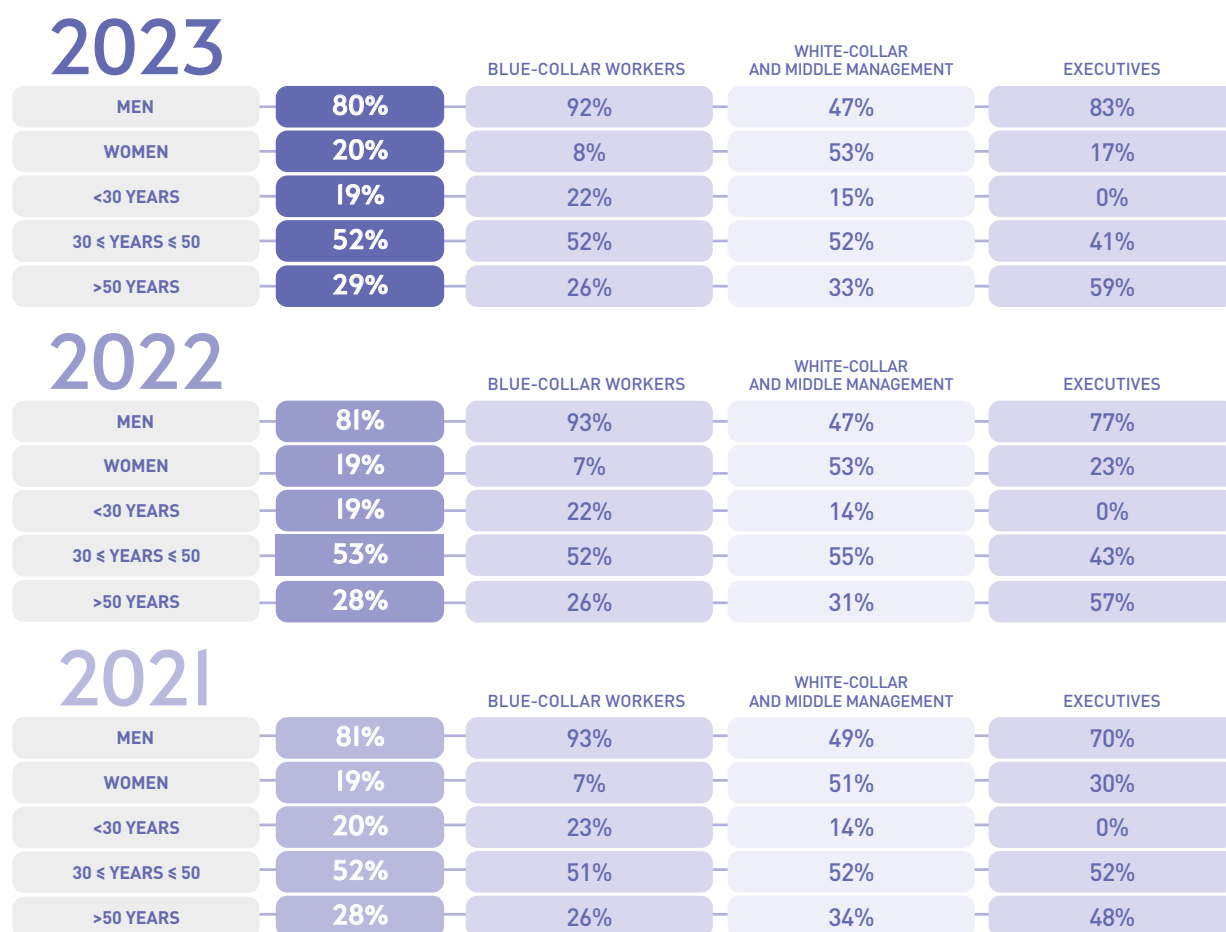
In 2023, there were again no violations of the Code of Ethics and company policies. In order to monitor the correct application of the principles of non-discrimination, a confidential channel has been established through which any breaches can be reported to the Supervisory Body.

In 2023, as in previous years, the Supervisory Body did not identify any cases of gender or other discrimination.

In 2023, the Group's workforce was made up of 71% blue-collar workers, 26% white-collar and middle management and 3% executives, which is essentially the same as in the previous year (71% blue-collar workers, 25% white-collar and middle management

and 4% executives). The gender distribution is shown in the tables below and shows no significant changes compared to the previous two-year period. Similarly, there was no significant change in the composition by age group. The workforce is typically local, with some exceptions. In 2023, 100% of people in management positions in Group companies were from local communities<sup>1</sup>.

#### EMPLOYEES BY GENDER, AGE GROUPS AND CATEGORIES



In 2020, the two Spanish companies drew up an equality plan to ensure equal conditions for men and women in the workplace. In 2021, a three-year plan, divided into areas with objectives and indicators for monitoring and evaluating actions, was approved and officially registered. The main measures implemented in the last three years were: the establishment of an Equality Committee as the body responsible for monitoring the Equality Plan and as a permanent consultation body for top management; the appointment of an Equality Agent; the introduction of work-life balance facilities; and the organisation of equality awareness sessions for 100% of the workforce. At the date of this Report, Group companies are in the process of preparing the plan for the three-year period 2024-2026.

<sup>1</sup> The term "local" refers to executives recruited in the same region as which Group companies are based.

## DEVELOPMENT OF EXPERTISE

We recognise the value of training as an essential element of personal and professional growth, responding to the human desire to develop one's talents, and enabling the Group to continuously improve through innovation and efficiency, anticipating and fully meeting market challenges. For these reasons, considerable emphasis is placed on both the quantity and quality of employee training. Training plans are seen not only as strategic elements, but also as key components of employee welfare.

Consistently dedicated to providing training that exceeds mandatory legal requirements, Cellografica Gerosa S.p.A. produced a video in 2023 on the use of electric pallet jacks—these jacks, featuring two forks, are used in production areas for moving materials, particularly pallets. In Italy, there is currently no specific training for the use of this special equipment, which can be dangerous if used without the proper training. The video, created within our work environment and tailored to our specific activities, aims to train and raise awareness among operational staff to ensure a safer working environment for everyone.

In 2023, 13,321 hours of training were provided, with an average of around 15 hours per person. In 2023, 27% of the total number of hours provided related to safety, with both general and specific training on workplace risks; 2% related to ethical issues, which represents a total number of hours that will increase and was sufficient to train 29% of all Group employees on these topics. The remainder of the training covered specific technical courses, the environmental and food safety management systems, sustainable procurement, the Code of Ethics, the organisation and management model and the reporting channel, as well as regulatory updates and general training such as IT and language skills.

In 2022, 97% of the parent company's employees received specific training on the Code of Ethics, the organisational and management model and the confidential reporting channel through which individuals inside and outside the company can report to the company's supervisory body any misconduct relating to offences under Legislative Decree 231/01 or breaches of the company's Code of Ethics. This process, known as whistleblowing, ensures that the identity of the whistleblower remains confidential and that the whistleblower is protected from possible retaliation or discrimination.



### TRAINING

2023

		MEN	WOMEN	BLUE-COLLAR WORKERS	WHITE-COLLAR AND MIDDLE MANAGEMENT	EXECUTIVES
TRAINING HOURS	13,321	10,229	3,092	8,423	4,071	827
TRAINING HOURS PER CAPITA	15	15	18	14	18	29

2022

		MEN	WOMEN	BLUE-COLLAR WORKERS	WHITE-COLLAR AND MIDDLE MANAGEMENT	EXECUTIVES
TRAINING HOURS	16,563	11,865	4,698	10,357	5,431	775
TRAINING HOURS PER CAPITA	20	18	29	17	26	26

2021

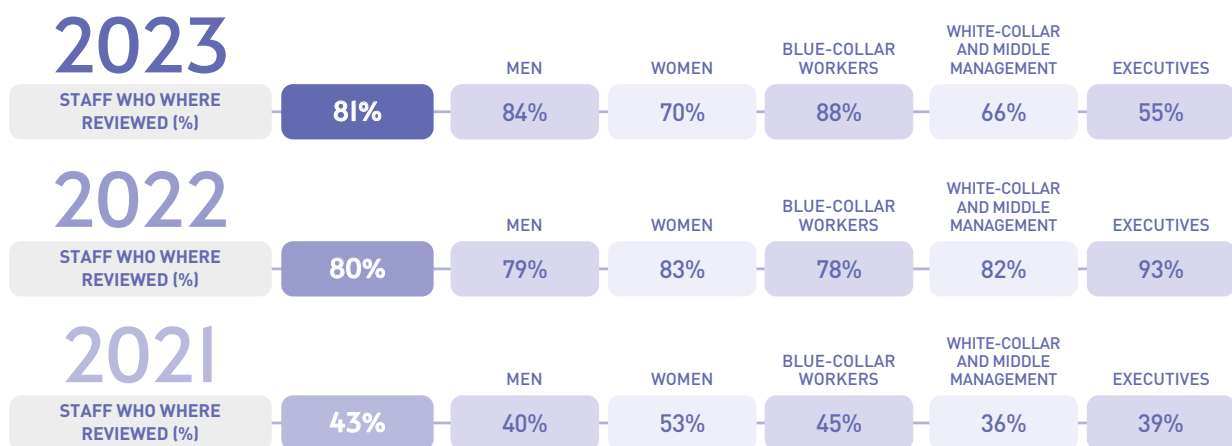
		MEN	WOMEN	BLUE-COLLAR WORKERS	WHITE-COLLAR AND MIDDLE MANAGEMENT	EXECUTIVES
TRAINING HOURS	15,645	10,874	4,771	10,961	3,817	867
TRAINING HOURS PER CAPITA	19	16	31	19	18	36



In 2023, in addition to the training of new employees and the periodic training of all employees, Artema Plast s.r.l. implemented a project called "GROWING PEOPLE" to improve employee awareness of product quality and safety, hygiene in the food industry, environmental protection, health and safety at work, business ethics and sustainability. Through this programme, the company supports and funds the personal development of each employee with specific training courses, personal counselling services and a subscription to the Bookster platform—an online library that encourages reading of personal and professional development books, but also provides free access to fiction or children's books. The training was delivered by both internal and external lecturers and also included specialists from some of our suppliers such as Henkel, Windmüller & Hölscher and Daetwyler Swisstec AG.

We also see regular employee appraisals as another useful tool for professional development. In 2023, 81% of the Group's employees – a figure that has risen steadily over the past three years – received a periodic review.

#### EMPLOYEE PERFORMANCE REVIEW



At the end of 2022, Cellografica Gerosa S.p.A. carried out an evaluation of the skills and performance of all its front-line staff as part of a project called "Feedback 360°". Through structured and anonymous evaluations by several people (peers, colleagues/subordinates, managers/supervisors of direct or indirect reports), strengths and areas for improvement of the appraised resources were identified and specific development goals were defined.

#### OCCUPATIONAL HEALTH AND SAFETY

The Group has always prioritised providing a safe workplace for all employees and the local area. This commitment has been formalised in the Code of Ethics and in policies which, in addition to complying with the law, commit the company to adapting to the latest standards and effectively promoting a culture of safety.

Preventing potential risks to workers' health and safety is a well-defined process based on identifying and assessing risks, and planning and scheduling prevention and control measures. Responsibility at the top of the corporate ladder rests with the

General Manager or a delegated executive, who reports directly to the Board of Directors or, where applicable, the Employer. Such a process involves many different people in a variety of roles (e.g. workers' representatives, occupational health practitioners, roles required by local regulations, workers themselves) and the results are compiled in a document that is updated in the event of significant changes in production, work organisation, developments in technical know-how or even as a result of accidents, injuries and health surveillance outcomes. In practice, prevention measures include organisational actions, maintenance programmes, using

personal protective equipment (PPE), occupational medicine and training. In concrete terms, we allocate organisational, technological and financial resources to protecting the health and safety of our employees. This applies both to our budget planning and to dealing with unforeseen needs, which are met even if they exceed our spending plans. Throughout the year we also regularly assess trends in injuries and near misses, progress against targets and training, and conduct internal audits of the management system. The results of these analyses are presented at the regular meetings of the Health and Safety Committee, whose composition may vary slightly in the Group companies and which consists on average of eight people, including the employer, the competent doctor, the workers' safety representatives and, where appropriate, other members of management. Each Committee meets regularly, on average five times a year, with Inverigo in particular meeting monthly since 2023. We also collect reports and suggestions through the Health and Safety Officer and all specially trained intermediary functions. Finally, the competent physician actively cooperates with health surveillance to prevent work-related ill health.

Given the nature of our business, the main risks to employees arise from production processes and the use of equipment, with the main hazards being abrasions, cuts, bruises, crushed limbs, fractures and postural pain. Fire and explosion is a business-specific risk due to the presence of solvents and inks used in manufacturing processes, as these can create flammable and in some cases explosive mixtures. Given the significance of this risk, it has a separate risk assessment. In 2023, there were 29 injuries to employees, none of which had serious consequences<sup>1</sup>, with a frequency index of 19.5 per 1,000,000 hours worked. The main types of injuries were: cuts, bruises, fractures, back problems and crush injuries. Two cases of work-related ill health were detected in 2023: one at Rieusset S.A. related to tendinitis associated with the movement of loads and the other at Cellografica Gerosa S.A. related to the development of a solvent allergy in a worker on an agency contract.

The Group's three largest plants – Cellografica Gerosa S.p.A., Cellografica Gerosa S.A. and Rieusset S.A., which together employ 70% of the Group's workforce – have a UNI EN ISO 45001:2018-certified health and safety management system, whose procedures, work instructions and internal and external audits cover all the Group's employees. Two plants – Flexocit Imballaggi s.r.l. and Artema Plast s.r.l. – are gradually preparing to obtain certification in the coming years.

#### INJURY RATES

2023					
	NO. INJURIES	FREQUENCY RATE	HOURS WORKED	NO. OF SERIOUS INJURIES/SERIOUS INJURY FREQUENCY RATE	NO. FATAL ACCIDENTS/FATAL ACCIDENTS FREQUENCY RATE
EMPLOYEES	29	19.5	1,490,091	0	0
WORKERS WHO ARE NOT EMPLOYEES	2	5.5	362,754	0	0
2022					
	NO. INJURIES	FREQUENCY RATE	HOURS WORKED	NO. OF SERIOUS INJURIES/SERIOUS INJURY FREQUENCY RATE	NO. FATAL ACCIDENTS/FATAL ACCIDENTS FREQUENCY RATE
EMPLOYEES	17	12	1,413,611	0	0
WORKERS WHO ARE NOT EMPLOYEES	4	49.1	81,531	0	0
2021					
	NO. INJURIES	FREQUENCY RATE	HOURS WORKED	NO. OF SERIOUS INJURIES/SERIOUS INJURY FREQUENCY RATE	NO. FATAL ACCIDENTS/FATAL ACCIDENTS FREQUENCY RATE
EMPLOYEES	21	15.4	1,432,321	0	0
WORKERS WHO ARE NOT EMPLOYEES	5	84.9	58,914	0	0

<sup>1</sup> "Serious consequences" refers to injuries that can cause irreversible permanent damage to the injured person or injuries that result in an absence from work of more than 180 days.

Unfortunately, the number of accidents increased in 2023, particularly in the Spanish companies, which accounted for 77% of the Group's accidents. The main causes are related to generational change in the factory, which has resulted in the presence of many new young workers with little work experience and less time shadowing more experienced workers; to compensate for this, an increase in training is planned. In 2023, we delivered 3,534 hours of health and safety training, down from 2022, but increased the number of people involved to 1,144 — 71% more than the previous year. All new employees received training, which is repeated periodically and when the risk profile changes. The intensity and frequency of training is proportionate to the risk profile and responsibilities in the management system. For example, it is more frequent for the fire-fighting team, the first aid team, staff who manage the handling of goods and those working at heights, and people with key positions in the management system. We have voluntarily provided a defibrillator at each site and trained a first aid team to ensure that potentially life-saving treatment can be provided quickly to staff and the local community. It should also be noted that at the Inverigo and Spanish sites, the break areas have continuously updated

information, 24-hours a day, displayed on monitors. Since 2022, for the Inverigo site, employees have also been provided with a special link so they can monitor the information provided on these monitors directly from their PCs. The Gerosa Group's commitment to its employees extends to the broader concept of well-being. Thanks to the availability of our company doctors, we have initiated projects to protect the health of our employees beyond the workplace. These initiatives are aimed at common illnesses and in some cases include basic examinations such as electrocardiograms. In addition, through contractual agreements and in accordance with the principles of equal opportunity and non-discrimination, we provide benefits such as life insurance, supplementary health insurance, fuel vouchers, meal vouchers and company cars. For many years, Cellografica Gerosa S.p.A. has had a welfare plan that allows workers to convert production bonuses into social services on favourable terms, covering a wide range of family needs such as school fees, books, summer courses, care services, travel and other leisure expenses. Other companies have taken targeted action, such as Cellografica Gerosa S.A., which has set up a bursary to cover the cost of school books for the children of its employees.

Promoting, developing and maintaining the physical, mental and social well-being of its employees has always been a Group goal. In 2023, Cellografica Gerosa S.p.A. achieved all the objectives of the three-year WHP plan, the programme to which the company has voluntarily adhered since its establishment by the regional health service and which has been recognised as a best practice by the Ministry of Health and as part of the European Commission's initiatives for the prevention of chronic diseases and active ageing. As part of this project, the company has worked to promote work-life balance and healthy lifestyles through the introduction of flexitime, the creation of a break room, the promotion of best practices in the workplace and training courses on addiction and the prevention of behavioural risk factors and chronic and degenerative diseases.

Other companies in the Group, which do not have complex welfare schemes, have made efforts to promote the well-being of their employees and improve their work-life balance through targeted actions, such as Cellografica Gerosa S.A., which has made some hours available for employees to take care of their children or elderly parents, and the distribution of free fresh fruit to employees one day a week throughout the year, in order to promote healthy habits.

Cellografica Gerosa S.A. has also organised a physiotherapy booking and treatment service, which can be purchased and used directly at the company.

In recognition of its significant efforts to promote health in the workplace during 2022, Rieusset S.A. received AMERC Healthy Business certification in February 2023.





## SUPPLY CHAIN

For the Gerosa Group, sustainability is a core value that shapes its business practices, guides management decisions and inspires the entire organisation. Consequently, it is also a key factor in the selection of suppliers and the management of business relationships, differentiating the Group from others. We have adopted codes, policies, management systems and other operational tools to ensure that procurement processes comply with these principles. We regularly map and assess key risks in our supply chain, conduct supplier audits, request corrective measures or improvements, and pursue support and engagement activities with suppliers. In general, purchasing is the responsibility of the purchasing managers at the individual Group companies, who operate on the basis of common operational guidelines and report directly to the General Manager. When it comes to purchasing particularly important materials, the parent company's Purchasing Department plays a coordinating role.

We have introduced a Supplier Code of Conduct, compliance with which is an integral part of the contractual obligations and acceptance of which is an essential requirement both for the qualification phase and for maintaining ongoing business relationships. At the end of 2022, we introduced new digital tools to assign sustainability ratings to our suppliers, based on how they address key areas such as occupational health and safety, human rights, environmental impact, business ethics and responsible sourcing. Thanks to the use of these tools, in 2023, 67% of the parent company's new suppliers have been assessed on environmental and social criteria; if the Group as a whole is taken into account, the percentage drops to 10%, but will increase with the extension of these tools to the entire Group, a project already underway at the end of 2023.

Once they have qualified, our assessment of suppliers looks not only at the economic side, but also at how they are viewed by the markets, their ability to comply with regulatory requirements, their possession of key certifications and, more generally, their policies for managing social and environmental impacts. To minimise the risk of impacts from our supply chain, in addition to qualifying and assessing suppliers, we conduct regular audits of our suppliers based on materiality criteria and share the results with them to determine corrective actions. Among other things, we value food safety management, a baseline aspect of our industry and particularly relevant to the Gerosa Group as our production is almost exclusively for the food and beverage market. In addition to preliminary assessments and audits, a direct channel with suppliers has been in place for many years to communicate any supply risks. As a general rule, we prefer suppliers who are local, or at least from the same country, as such commonalities and goals help to build cooperation and facilitate projects, while also creating indirect employment opportunities with a positive local impact. This choice of proximity also allows us to reduce the impact of transport and associated carbon emissions by reducing the distance between us and our suppliers.

In 2023, 97% of the Group's goods and services were purchased on the European market (94% in 2022), of which 69% (64% in 2022) were purchased in the domestic markets of the individual companies; for the Italian companies, the percentage of goods and services purchased from European suppliers has remained unchanged over the last three years and exceeds 99%.

In 2022, Cellografica Gerosa S.p.A., together with some suppliers – local small and medium-sized enterprises –, was the promoter of a call for proposals sponsored by the Chamber of Commerce of Como-Lecco, which included completely free assistance in measuring their sustainability performance. Two of our suppliers won the tender and the opportunity to receive a data collection platform, a dashboard summarising their ESG performance and expert advice to develop an improvement plan.



## GEOGRAPHICAL BREAKDOWN OF PURCHASES OF GOODS AND SERVICES

# 2023

	GROUP	ITALY	SPAIN	ROMANIA
NON-EU SUPPLIERS	2.5%	0.3%	5.5%	4.4%
EU SUPPLIERS	97.5%	99.7%	94.5%	95.6%
OF WHICH DOMESTIC SUPPLIERS <sup>1</sup>	68.6%	85.2%	50.6%	44.9%
OF WHICH REGIONAL SUPPLIERS <sup>1</sup>	32.2%	50.2%	14.9%	0.0%

# 2022

	GROUP	ITALY	SPAIN	ROMANIA
NON-EU SUPPLIERS	5.8%	0.2%	12.7%	8.5%
EU SUPPLIERS	94.2%	99.8%	87.3%	91.5%
OF WHICH DOMESTIC SUPPLIERS <sup>1</sup>	64.0%	84.4%	45.8%	31.6%
OF WHICH REGIONAL SUPPLIERS <sup>1</sup>	28.5%	45.8%	12.8%	1.5%

# 2021

	GROUP	ITALY	SPAIN	ROMANIA
NON-EU SUPPLIERS	3.7%	0.2%	6.7%	8.3%
EU SUPPLIERS	96.3%	99.8%	93.3%	91.7%
OF WHICH DOMESTIC SUPPLIERS <sup>1</sup>	66.6%	88.4%	43.7%	20.7%
OF WHICH REGIONAL SUPPLIERS <sup>1</sup>	40.7%	49.0%	14.7%	4.2%

## END CONSUMERS OF FLEXIBLE PACKAGING

In our daily lives, we often come across flexible packaging that protects the goods we buy until they are consumed, sometimes underestimating its properties and not always knowing how to dispose of it after use. European countries – our primary geographical focus – are highly developed in terms of reuse and recycling, and although the effectiveness varies by material and country, the rate of reuse and recycling is generally very high. However, there is still much to be done. We believe we can make a positive impact not only by designing recyclable packaging, but also by promoting science-based, impartial knowledge about the complex world of food packaging and the proper disposal of packaging after consumption. It is essential that consumers have access to clear and reliable information so that they can make informed consumption choices, and it is equally important that consumers understand how to adopt virtuous behaviour in relation to the management of post-consumer packaging so that it is valued and does not cause pollution. The effectiveness of this approach has been confirmed by the results of the latest materiality analysis, carried out

according to the new GRI standards and extended to business relationships. The analysis shows that the awareness-raising activities that the Gerosa Group can undertake with end consumers are a material topic.

The Group has been working for years to raise awareness of sustainability issues through training in schools, speaking at conferences and masters programmes, working with clients to ensure that labelling meets regulatory requirements, and offering consumers products certified to international standards and verified by independent third parties. On this front, 2023 was an important year as we planned many measures for 2024 and 2025. Annually producing this Sustainability Report, which we have had certified and published on a voluntary basis since 2018, and which is structured and written in a way that is easy for everyone, including laypeople, to understand, is part of the measures we take to maintain an active dialogue with all our stakeholders, including the end users of packaging.

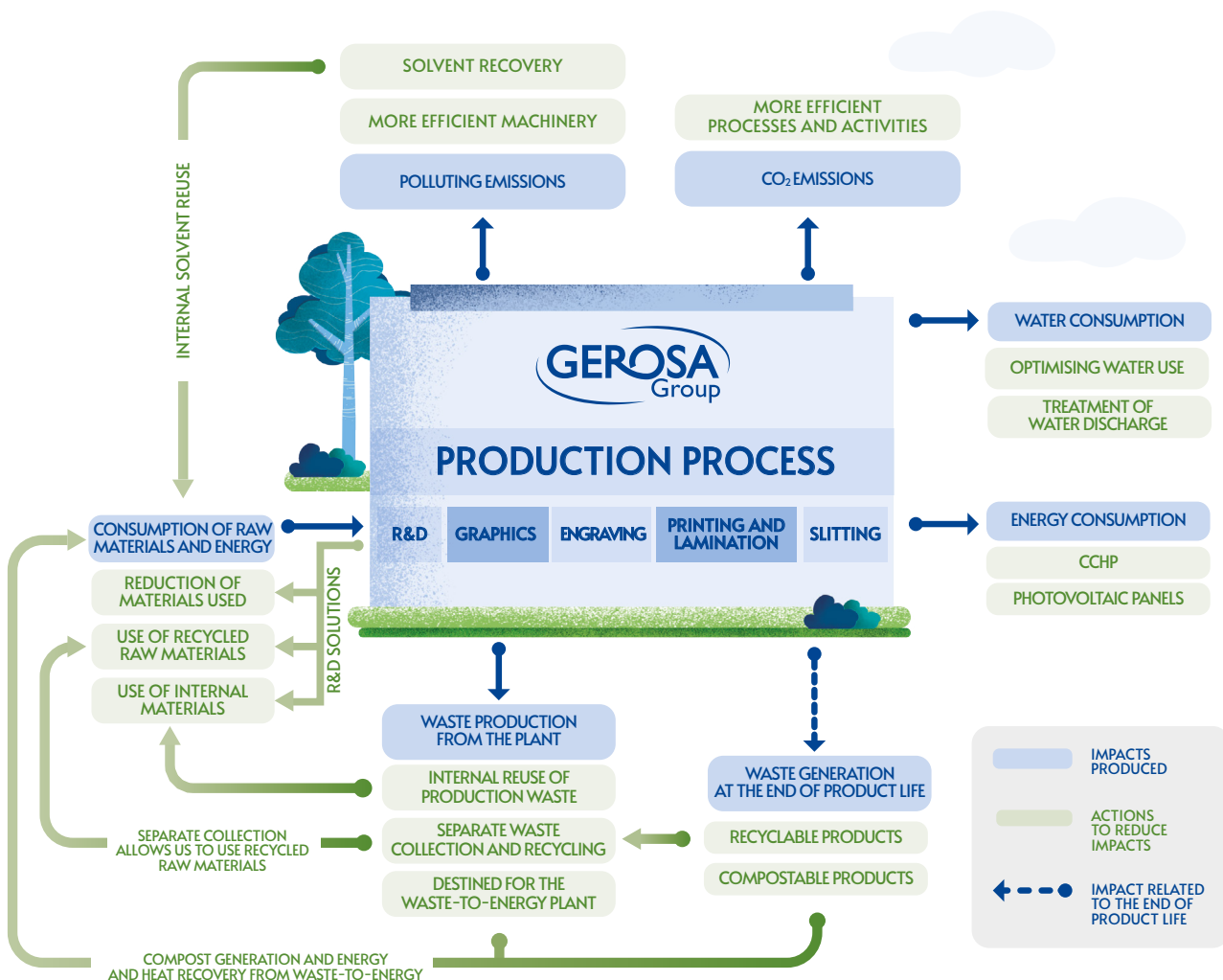
<sup>1</sup> The terms regional and domestic refer to purchases made from suppliers located in the same region/nation as the Group companies. Percentages are calculated against total spending. To determine local procurement, we look at a supplier's registered office.

# ENVIRONMENTAL PERFORMANCE

The planet is a gift to everyone, to human beings of all generations and to animal and plant species. It is our duty to act consciously and to **preserve this universal good.**

Sustainability is closely linked to the protection of the environment, a precious common good on which we depend and on which our existence has an unavoidable impact. Responsible management of environmental impacts is everyone's duty and a fundamental requirement for companies to operate in the marketplace. As an ethical choice and as a responsible business, we strive to minimise our impact on the environment and to make decisions about our direction and development that take environmental impacts into account.

*ENVIRONMENTAL IMPACTS AND ACTIONS TO REDUCE THEM*  
How the Gerosa Group locates its impact in a wider context



For us, environmental responsibility has always been an integral part of the way we operate, and our decisions take into account the environmental impact of processes, products and even the supply chain. Our commitment to the environment is integrated into our governance, expressed in the Corporate Values, Mission, Vision, Code of Ethics, and Policies that each company in the Group has adopted, and is integrated into business processes through a management system structured and managed in accordance with the UNI EN ISO 14001:2015 environmental standard. All group companies, with the exception of Flexocit Imballaggi s.r.l., are UNI EN ISO 14001:2015 certified.



**In 2023 Cellografica Gerosa S.p.A. celebrated 20 years of support for FAI – the Italian Fund for the Environment – a non-profit foundation dedicated to the protection and enhancement of Italy's historical, artistic and landscape heritage. Our company was one of the first to join the Corporate Golden Donor programme, a concrete commitment to Italian landscape, art and culture, recognised by FAI itself. On its website<sup>1</sup>, FAI thanks us, along with about ten other companies, for the passionate support we have provided over the last two decades. Joining the programme also allows us to involve our employees in special initiatives and opportunities to learn about FAI-protected properties and experience first-hand the beauty of our country.**

In order to implement environmental principles effectively, each Group company assesses environmental risks and impacts and takes action to reduce and improve them by setting specific targets, which are updated annually within a paradigm of continuous improvement. Responsibility for environmental matters is delegated to the highest levels of the organisation, namely the General Manager or an Environmental Officer, who reports directly to the Board of Directors.

This section discusses the environmental issues identified as material, considering their relevance both to the Group and to the upstream and downstream value chains, as per the latest version of the GRI. The reporting covers the Group's impacts associated with business processes, from procurement to production, which includes graphic preparation, electroplating and engraving of printing cylinders, printing, laminating and slitting of various types of film. With regard to the impact of greenhouse gas emissions, we have extended the scope of reporting to the value chain by including some of the most relevant categories. This important step enabled us to report Scope 3 emissions under the GHG Protocol.

## USE OF NATURAL RESOURCES

### ENERGY EFFICIENCY

In our plants, energy is used to operate the equipment and machinery in the production cycle, as well as for heating and cooling, with the largest consumption coming from the printing and engraving machines, the production of heat used in the drying phase and the operation of air pollution control equipment. These needs are met by the purchase of electricity and methane gas, which are also used for the CHP plant at Cellografica Gerosa S.p.A., and by the company's own production from photovoltaic panels installed at the Rieusset S.A. and Cellografica Gerosa S.A. sites.

**In 2023, Cellografica Gerosa S.A.'s photovoltaic unit, installed in 2022, became fully operational and, together with Rieusset S.A.'s unit, led to an 82% increase in self-generated gigajoules (GJs) from photovoltaics and thus renewables compared to the previous year. With more than 5,000 m<sup>2</sup> of panels installed, the systems of the two Spanish companies contribute to the reduction of energy consumption from fossil fuels and reduce the Group's energy footprint.**

<sup>1</sup> <https://fondoambiente.it/news/le-aziende-che-da-ventanni-sono-a-fianco-del-fai/>



Over the last three years, the Group has made significant investments to reduce the use of fossil fuels and their impact on emissions. To mention only the most significant investments, in 2021 we installed a new, highly efficient CHP unit at the Inverigo plant. In 2022, the Inverigo CHP unit was expanded through the installation of a system for recovering the thermal energy generated in the CHP process while in 2023, the photovoltaic panel system at Cellografica Gerosa S.A. went fully online. This is in addition to work to replace traditional lighting with LED lighting for companies that have not yet done so, and other actions focusing on the industrial facilities that bring incremental energy efficiency.

Total energy consumption increased by 2.8% compared to the previous year. The Group is analysing the multifactorial causes of this variation in order to take action to reduce both relative and absolute consumption. The share of electricity purchased from

certified renewable sources increased from 53% in 2021 to 56% in 2023, thanks to Rieusset S.A. and Gerosa S.A., whose electricity purchases are 100% from certified renewable sources.

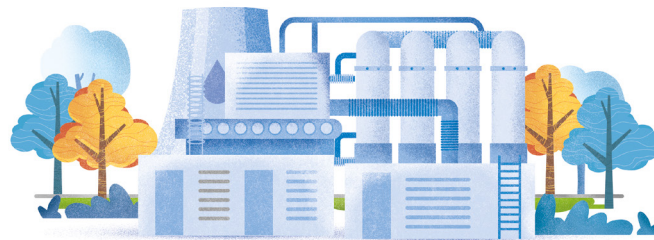
In addition to absolute energy consumption, we also monitor energy intensity per unit of product, calculated as the ratio of total consumption to total production expressed in m<sup>2</sup>. This figure shows the change in consumption net of the effects of more or fewer units produced, and in 2023 it increased slightly from 0.46<sup>1</sup> GJ/1,000 m<sup>2</sup> in 2022 to 0.47 GJ/1,000 m<sup>2</sup>. In 2022, notably, we refined the calculation methodology to better relate the different units of measurement used to the m<sup>2</sup> measurement; for more details see Chapter 5, Methodological Note, page 50.

#### ENERGY CONSUMPTION (GJ)

	2023	2022	2021
<b>DIRECT ENERGY CONSUMPTION FROM NON-RENEWABLE SOURCES</b>	<b>285,431</b>	<b>279,311</b>	<b>276,259</b>
NATURAL GAS	282,284	276,868	274,863
DIESEL	2,025	2,040	1,112
PETROL	1,083	394	284
LPG	38	8	0
<b>INDIRECT CONSUMPTION OF PURCHASED ELECTRICITY</b>	<b>63,897</b>	<b>62,326</b>	<b>68,231</b>
OF WHICH CERTIFIED RENEWABLE	35,808	34,290	35,983
<b>CONSUMPTION OF SELF-GENERATED ELECTRICITY FROM PHOTOVOLTAICS</b>	<b>3,907</b>	<b>2,144</b>	<b>1,010</b>
<b>TOTAL ENERGY CONSUMPTION</b>	<b>353,235</b>	<b>343,781</b>	<b>345,500</b>

<sup>1</sup> The 2022 energy intensity value has been restated based on additional information becoming available.

With the unwavering aim of reducing our impact on the environment, in 2022 we expanded the CHP plant at the Inverigo site, equipping it with a heat absorber to recover thermal energy and reuse it for the production of cooling energy, which is then used in industrial processes and for air conditioning. With the addition of this new equipment to the CHP system, our energy self-generation process is now called CCHP. The unit is recognised by the Gestore dei Servizi Energetici (the Italian public company that promotes renewable energy) as being energy efficient (CAR, to use the Italian acronym) and therefore Energy Efficiency Certificates (EECs) are issued to certify the energy savings achieved in terms of energy end-use.



## CCHP PLANT:

**PRODUCES ELECTRIC, THERMAL AND COOLING ENERGY  
USING THE SAME AMOUNT OF PRIMARY ENERGY**

### ADVANTAGES



Lower environmental impact with  
**REDUCED CO<sub>2</sub> EMISSIONS**



More efficient system **WITH A REDUCTION  
IN ELECTRICITY CONSUMPTION**

### RATIONAL USE OF RAW MATERIALS

Our company is committed to the careful management of raw materials, seeing them as valuable resources for the environment and the company. Raw materials – and indeed all materials used in the production cycle – are used according to circular economy principles. The clearest examples of this are the reduction of materials used wherever possible, the use of recycled raw materials and internal reuse, but also the design of products that can be recycled and reused at the end of their life.

Of particular importance to resource use and impact reduction is product research and development aimed at finding innovative solutions that minimise the use of virgin raw materials while maintaining performance levels, either by reducing material thicknesses or substituting virgin raw materials with recycled ones. For more details, see the first chapter

in the Sustainable and Innovative Packaging section. In line with the European Action Plan for the transition to a circular economy, the long-awaited Regulation 2022/1616, which aims to ensure the safety and quality of food products that come into contact with recycled plastic materials and articles, came into force in October 2022. This Regulation governs the use, previously limited to certain segments, of plastic materials from chemical recycling, recognised as recycled, for packaging in direct contact with food. Despite the fact that these materials are still scarce on the market due to the small quantities produced, Cellografica Gerosa S.p.A. has developed several products with these materials and all the Group companies have already obtained or are planning to obtain ISCC+ certification, which certifies their correct management for the purpose of declaring the recycled content of the finished product.

In 2023, we purchased 47,218 tonnes of materials, including raw materials and packaging, the details of which – currently only available for 2023 thanks to an in-depth analysis by the Group – are shown in the table below.

#### RAW MATERIALS AND PACKAGING PURCHASED IN 2023 (tonnes)

TOTAL RAW MATERIALS AND PACKAGING PURCHASED	47,218
TOTAL RAW MATERIALS AND RENEWABLE PACKAGING	9,749
PAPER AND CARDBOARD	8,257
BIOFILM	20
WOOD	1,472
TOTAL RAW MATERIALS AND NON-RENEWABLE PACKAGING	37,468
PLASTIC	33,140
ALUMINIUM	4,326
METAL	3

For packaging designed to contain finished products, some, particularly paper-based packaging, is made entirely or almost entirely from recycled material. More generally, 45% of the Group's packaging is made from recycled material. Purchases of raw materials containing recycled content in the reporting year were limited to use in research and development projects, so that the weight in total raw material purchases is very modest and calculated at around 0%. Two projects to reduce the impact of packaging were started during the year. These projects will end in 2024 and the quantification of impacts will be reported in the next Sustainability Report.

#### RECYCLED MATERIALS (%)

	2023	2022	2021
RECYCLED RAW MATERIALS	0%	0%	0%
RECYCLED PACKAGING	45%	36%	40%

### SOCIAL COOPERATION PROJECTS FOR THE ENVIRONMENT

Cellografica Gerosa S.A. has launched an environmental project to recycle waste oil, in collaboration with the Entrem Foundation, with which it already works to employ socially vulnerable people. This project involves the collection of waste oil for recycling into biodiesel, reducing the risk of oil spilling into drains and water pollution. This project promotes a culture of proper waste management and rewards the participation of Cellografica Gerosa S.A. employees by providing them with a bottle of olive oil every quarter for every two bottles of waste oil they hand in.

BIODIVERSITY

Understanding the importance of biodiversity and how critical its conservation is to the future well-being of the planet and people has grown over the years and has led many companies, including us, to focus on this topic. Based on the most recent materiality analysis, the impact on biodiversity was found to be significant, mainly due to activities within the Group's value chain that are essential for the production of raw materials used by suppliers and customers. In contrast, the Group's direct activities were found to have a limited impact on biodiversity. With this in mind, the Gerosa Group has started to monitor its direct impact on biodiversity and protected areas from 2022 using the tool provided by the WWF ([https:// riskfilter.org/biodiversity/explore/map](https://riskfilter.org/biodiversity/explore/map)).

The analysis carried out in 2023 showed that the biodiversity value of the region of Catalonia, where the Group's Spanish companies are based, is characterised by a large number of protected areas, including natural parks such as the Aigüestortes i Estany de Sant Maurici National Park and the Cap de Creus Natural Park, which protect different ecosystems and habitats. In addition, nature and biosphere reserves such as the Montseny Biosphere Reserve and the Ebre Delta Nature Park provide shelter for endangered species and habitats.

In the coming years, the Group is committed to extending monitoring to the upstream and downstream stages of its value chain where the impacts are most significant. This will extend to considering potential mitigation measures.

MANAGEMENT OF CHEMICALS

Responsible management of chemicals is an important part of the Gerosa Group's commitment to sustainability. The main products we process in our plants are: solvent-based or water-based inks, solvents, paints and solvent-based or solvent-free adhesives. In 2023, we used 7,261 tonnes of chemicals, a figure that includes both solvent and solvent-free chemicals.

CHEMICAL PRODUCTS CONSUMED (tonnes)

	2023	2022	2021
CHEMICAL PRODUCTS WITH SOLVENTS	5,043	4,796	5,350
CHEMICAL PRODUCTS WITHOUT SOLVENTS	2,218	2,263	2,530
TOTAL CONSUMPTION OF CHEMICAL PRODUCTS	7,261	7,059	7,880

Appropriate prevention and protection measures are in place throughout the Group. The competent physician prepares and updates the health plan as necessary, and all employees involved in the handling and management of chemicals receive appropriate training and the correct personal protective equipment (PPE). The following risks come from handling chemicals: fire and explosion, due to the solvents and inks used in the manufacturing process, as they can form flammable and in some cases explosive mixtures; environmental damage from possible soil, subsoil and air pollution caused by accidental spills.

Fire and explosion risk management involves specific assessment and preventive measures to protect workers and the local community. Partly because of the potential environmental impact, the Group is continually investing resources in the prevention of accidental spills through specific training, the installation of containment systems in storage areas and the placement of containers with absorbent material in higher-risk areas. As rainwater could wash any ink residues on the company's external surfaces directly into the sewerage system, rainwater collection systems are also in place at each site.

The effectiveness of these prevention systems, particularly in the manufacturing departments, is tested by a specially trained environmental spill response team using simulations of accidents.



The parent company and the Spanish companies have significant solvent recovery capacity as they have dedicated facilities for the treatment of solvent-saturated air from printing and laminating machines, which allows the internal reuse of recovered acetate. The first of these installed was added by Cellografica Gerosa S.p.A. in 1981, ahead of legal and industry obligations; in 2023 the solvent recovered by the Group amounted to 43% of total chemical usage (in 2022 it was 44%), with a peak of more than 70% at the Rieusset S.A. plant.

## WATER WITHDRAWAL AND DISCHARGE

In the past, water withdrawal and discharge in our processes have not been significant concerns, both in terms of the volume used and their overall impact compared to other issues. However, the Group has been monitoring this valuable resource for a number of years and with the update of the materiality analysis, withdrawal and discharge has emerged as a relevant issue within our value chain, particularly for paper suppliers and tea, coffee, beer and dairy customers. The main issue with waste water in the value chain is the risk of eutrophication, i.e. pollution caused by excess fertilisers.

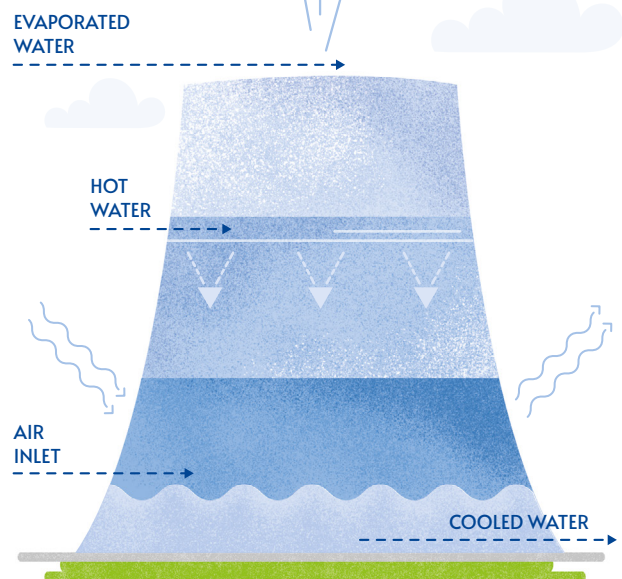
Our approach to protecting water resources is to optimise its use and manage the quality of discharge, with the aim of returning water to nature only after appropriate and verified treatment, in accordance with the parameters and regulatory requirements for waste water quality in the various countries in which we operate. The Group uses water for the following purposes: in cooling towers (with the exception of Flexocit Imballaggi s.r.l., which does not have them), electroplating and the bathrooms. In 2023, the Group's use of water from third parties for potable water only<sup>1</sup> was approximately 88 megalitres (the same as in 2022), while the discharge of non-potable water, again through third parties, was approximately 42 megalitres (48 in 2022), with a total consumption of approximately 46 megalitres (40 in 2022). As waste water meters are not available at all sites, please refer to the Methodological Note, page 48 for more details on the estimation of the above figure.

As the impact of consumption must also be assessed in relation to the water stress of the area where the water is taken, we monitor the level of water stress in the areas where our factories are located on an annual basis, in line with the specific GRI standard and using the tool provided by the WWF (<https://riskfilter.org/biodiversity/explore/map>). For the year in question, this analysis shows

the risk of water stress is very low for Inverigo, medium for Cellografica Gerosa S.A., high for Rieusset S.A. and Flexocit Imballaggi s.r.l. and very high for Artema Plast s.r.l.. 26% of total withdrawal (23 megalitres), 13% of total discharge (6 megalitres) and 37% of total consumption, i.e. withdrawal, discharge and consumption by Rieusset S.A., Flexocit Imballaggi s.r.l. and Artema Plast s.r.l., took place in areas with high or very high water stress.

Depending on the location of their factories, environmental constraints and risks to worker health and safety, Group companies decide whether to install cooling towers, chillers or a combination of both to manage excess heat from their production processes. They carry out a comparative analysis of risks, impacts and benefits to make this decision.

## COOLING TOWERS



<sup>1</sup> Potable water is defined as water with a total dissolved solids concentration of 1,000 mg/L or less.

## EMISSIONS

### GREENHOUSE GAS EMISSIONS

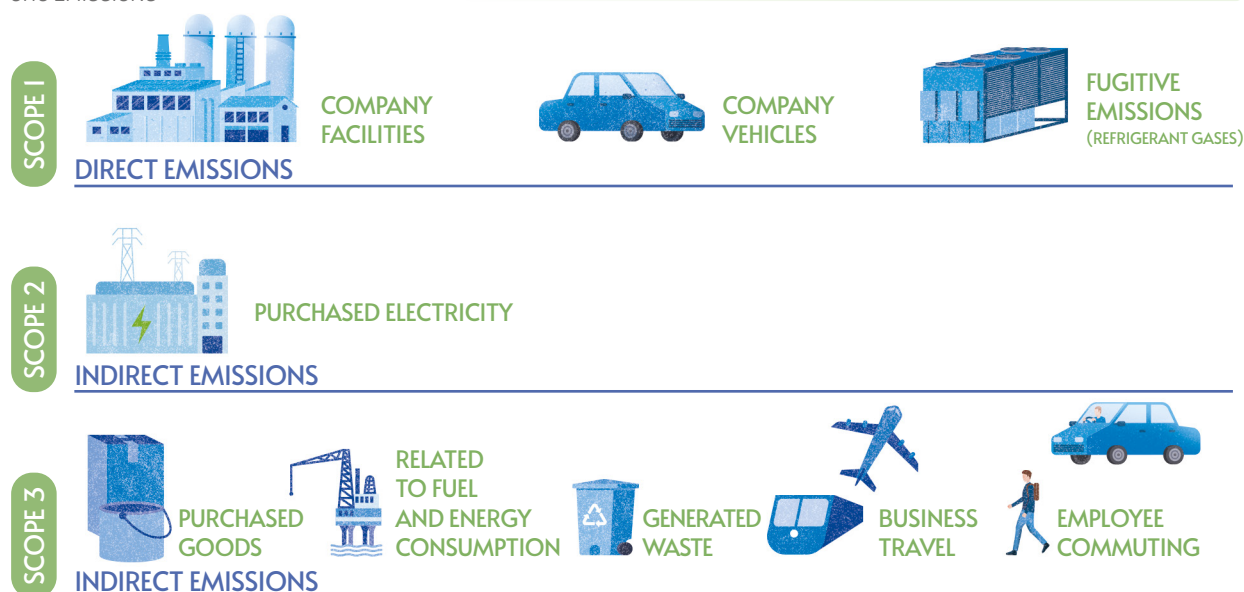
Climate change has been studied for decades and its link to greenhouse gas emissions has long been debated. The inclusion of the goal of urgent and substantial action to combat climate change and its consequences in the UN's 2030 Agenda, and the adoption of the Green Deal by the European Union, which sets a target for Member States to become carbon neutral by 2050, has led to a renewed focus and responsibility on the part of States, organisations and individuals. These factors, together with the global impact of climate change, have raised awareness of this complex issue. As part of our ongoing commitment to good business practices and environmental stewardship, we monitor our energy consumption, use tools such as Energy Diagnostics to assess areas for improvement, and

implement investments, process changes and product modifications to minimise overall energy consumption and associated greenhouse gas emissions. The emissions impact of our business is largely determined by the production process, as shown by the point analysis carried out at the Inverigo plant, where the production process accounts for 97.4% of total electricity consumption. In 2023, the Group's total CO<sub>2</sub> equivalent emissions, including both Scope 1 and Scope 2 emissions<sup>1</sup>, were approximately 20,825 tonnes, slightly higher than in the previous year. Emissions intensity, calculated as GHG emissions (Scope 1 and 2<sup>2</sup>) per thousand m<sup>2</sup> of product, remained stable at 0.03 tCO<sub>2eq</sub> per thousand m<sup>2</sup> of product.

GHG EMISSIONS<sup>3</sup> (tCO<sub>2eq</sub>)

	2023	2022	2021
<b>SCOPE 1 (A)</b>	<b>16,418.58</b>	<b>15,930.22</b>	<b>15,712.56</b>
OF WHICH FUELS	15,861.13	15,780.56	15,553.62
OF WHICH REFRIGERANT GASES	557.44	149.66	160.35
<b>SCOPE 2 LOCATION BASED (B)</b>	<b>4,406.55</b>	<b>4,321.56</b>	<b>4,795.70</b>
<b>SCOPE 2 MARKET BASED (C)</b>	<b>2,840.61</b>	<b>2,896.73</b>	<b>3,465.15</b>
<b>TOTAL LOCATION BASED (A+B)</b>	<b>20,825.13</b>	<b>20,251.78</b>	<b>20,508.26</b>
<b>TOTAL MARKET BASED (A+C)</b>	<b>19,259.19</b>	<b>18,826.96</b>	<b>19,177.71</b>

GHG EMISSIONS



<sup>1</sup> For Scope 2 emissions, Location-Based emissions were used.

<sup>2</sup> For Scope 2 emissions, Location-Based emissions were used.

<sup>3</sup> Scope 1 emissions data for 2022 and 2021 for the refrigerant gas category have been restated as additional information has become available.

## FIRST SCOPE 3 REPORTING ANALYSES

For a number of years, we have reported greenhouse gas emissions directly generated by the Group, known as Scope 1, and indirect emissions related to electricity purchased and consumed, known as Scope 2. In 2022, we partially extended reporting for the Inverigo site to also include Scope 3 GHG emissions from the transportation of raw materials and finished products. In fact, emissions defined as Scope 3 are emissions from sources that we do not directly own or control, either upstream or downstream of our operations. Following this initial and partial data collection, in 2023 we extended the GHG inventory reporting to the entire Gerosa Group, specifically including the following categories as defined by the GHG Protocol: purchased goods, fuel and energy-related activities, waste generated in operations, business travel and employees commuting, which includes emissions related to their travel to and from work. See page 50, Methodological Note for details on the method used for the calculation.

### GHG EMISSIONS IN 2023 - SCOPE 3 (tCO<sub>2eq</sub>)

3.1 PURCHASED GOODS	126,178.07
3.3 FUEL- AND ENERGY-RELATED ACTIVITIES	3,525.33
3.5 WASTE GENERATED	5,081.66
3.6 BUSINESS TRAVEL	82.24
3.7 EMPLOYEE COMMUTING	851.91
<b>TOTAL</b>	<b>135,719.21</b>

### POLLUTING EMISSIONS

The main air pollutants emitted by the Group's plants are NO<sub>x</sub> and VOCs (nitrogen oxides and volatile organic compounds). The levels of these emissions are within the parameters set by laws and regulations and are continuously monitored to ensure that they remain within these limits.

The sources of NO<sub>x</sub> are the boilers used to generate heat, the combustors used to purify air saturated with solvents (not ethyl acetate), the CHP used to generate electricity and heat, and the waste incinerator. Several measures were adopted in the past that actually reduced NO<sub>x</sub> emissions despite an increase in production. At Cellografica Gerosa S.p.A., the work done on the boilers and replacing the first-generation CHP system with a more efficient one were two key steps. In 2021, NO<sub>x</sub>

emissions continued to decrease due to the closure of the company's own waste incineration structure in Inverigo, while they increased slightly in 2022 and remained stable in 2023. For more details on the calculation method, see the Methodological Note, page 50.

VOCs, on the other hand, are mainly produced during the printing process by ethyl acetate, a volatile component of some inks, which is released into the atmosphere. These components are captured by special air treatment units before being released into the atmosphere. Specific solvent recovery equipment has been installed to reduce these emissions, as reported in the Management of Chemicals section.

### POLLUTANT EMISSIONS (tonnes)

	2023	2022	2021
NO <sub>x</sub>	15.4	15.4	13.3
VOC <sub>s</sub>	593.1	593.3	621.2

## WASTE MANAGEMENT

Manufacturing inevitably generates waste. As a result, we are constantly striving to reduce the percentage of production waste by improving production efficiency and adopting the principles of the circular economy. Wherever possible, we reuse production waste in our production cycle, sell it on the market for reprocessing and the production of secondary raw materials, or send it to waste incineration plants for energy recovery. Only waste that cannot be given a new "value" is sent to the landfill.

As mentioned in the section on the Management of Chemicals, the largest internal reuse is for ethyl acetate, which, once recovered, is reintroduced into the production process or sold if surplus to requirements.

In 2023, 10,387 tonnes of waste, of which 86% was sent for recycling/recovery, a slight increase compared to 2022, and 14% was sent for disposal, which includes the external waste-to-energy portion.

In an effort to minimise the amount of waste to be disposed of, separate waste collection was improved in 2021 by separating polyethylene and polypropylene. In addition, in-house recovery projects have been initiated to dispose of all process waste in the broadest sense (including small scrap) to approved specialist companies.

The management of external waste deliveries is carried out in full compliance with regulations, and external waste disposal and treatment companies are carefully selected on the basis of their professionalism and the type of waste.

Non-hazardous waste consists mainly of plastics and wood, while hazardous waste, which accounted for 12% of the total waste generated in 2023, a figure that has remained broadly stable over the three-year period, consists mainly of spent ink and the plastic containers in which it is transported.

WASTE (tonnes)

	2023	2022	2021
<b>HAZARDOUS WASTE</b>	<b>1,206</b>	<b>1,211</b>	<b>1,054</b>
OF WHICH RECYCLED/RECOVERED	999	870	748
OF WHICH SENT FOR DISPOSAL	207	341	306
<b>NON-HAZARDOUS WASTE</b>	<b>9,182</b>	<b>8,996</b>	<b>8,960</b>
OF WHICH RECYCLED/RECOVERED	7,893	7,763	6,473
OF WHICH SENT FOR DISPOSAL	1,289	1,233	2,487
<b>TOTAL WASTE</b>	<b>10,387</b>	<b>10,207</b>	<b>10,014</b>



# METHODOLOGICAL NOTE

## SCOPE, DEFINITIONS AND PRINCIPLES

The 2023 Sustainability Report covers the corporate year from 1 January to 31 December 2023, which is the same period as the financial reporting period. This Sustainability Report has been prepared in accordance with the 2021 version of the GRI Sustainability Reporting Standards (GRI Standards), which is mandatory for sustainability reports published from 1 January 2023.

The scope of this Sustainability Report is the Gerosa Group, also referred to in this document as the "Group", including the industrial companies consolidated in the financial statements but excluding the trading companies Gerosa Flexible Verpackungen G.m.b.H. and Commerciale Gerosa Group S.a.r.l.. The scope of reporting is extended to all consolidated companies for the summary economic values shown in the opening pages summarising the main results for 2023 and for the analysis of the Economic Value Generated and Distributed reported in Chapter 2 Economic Performance on pages 17 and 18. The parent company, Cellografica Gerosa S.p.A., is based in Inverigo (Como province) at Via al Gigante 23; the locations of the other companies are shown on page 1 in Chapter 01, The Gerosa Group.

To define the content and ensure its quality, the Sustainability Report has been drafted according to the reporting principles defined in section 4 of GRI 1: Foundation 2021, which identify and regulate accuracy, balance, clarity, comparability, completeness, sustainability context, timeliness and verifiability. To facilitate comparison, the Sustainability Report also includes performance data for the two-year period 2021-2022, where available. Any changes in the data for 2021 and 2022 compared to those reported in previous years, due to changes in the calculation

methodology, are highlighted and clearly indicated in the text corresponding to the change itself. At the date of publication of this Sustainability Report, no events were known to have occurred after 31 December 2023 that are material to this Sustainability Report other than those already disclosed.

The Sustainability Report has been subject to a limited audit by EY S.p.A., an independent third party, whose report describing the audit process is in Chapter 7 External Assurance<sup>1</sup>.

## MATERIALITY ANALYSIS AND MATERIAL TOPICS

The materiality analysis was conducted according to the new GRI 3: Material Topics 2021 using a process that began in 2023 and was completed in early 2024. As there are currently no industry standards published by GRI that relate to the Gerosa Group's target industry, we have also referred to sector studies where available. The Group's process is described in the section on the Materiality Analysis.

The stakeholders identified in the new materiality analysis, how they are involved and the key elements of the report are presented below.

<sup>1</sup> Quantitative indicators that do not relate to general or topic-specific disclosures of the GRI Standards, as presented in the pages listed in the table of contents, are not subject to the limited audit by EY S.p.A.

	APPROACH TO STAKEHOLDER ENGAGEMENT	KEY ASPECTS OF THE RELATIONSHIP
EMPLOYEES	<ul style="list-style-type: none"> <li>Continuous dialogue</li> <li>Training</li> <li>Periodic evaluation of results</li> <li>Confidential communication channel</li> </ul>	<ul style="list-style-type: none"> <li>Quality of the employment relationship</li> <li>Human rights</li> <li>Work environment health and safety</li> <li>Training</li> </ul>
UNIONS / WORKER SAFETY REPRESENTATIVES	<ul style="list-style-type: none"> <li>Continuous dialogue</li> <li>Periodic consultation with the workers' safety representative</li> <li>Periodic meeting art. 35 of Legislative Decree 81/08</li> </ul>	<ul style="list-style-type: none"> <li>Employment contracts with broad protection for workers</li> <li>Human rights</li> <li>Work environment health and safety</li> </ul>
SUPERVISORY BODY	<ul style="list-style-type: none"> <li>Half-yearly meetings</li> <li>Confidential communication channel</li> </ul>	<ul style="list-style-type: none"> <li>Transparency and cooperation from all stakeholders in the organisation</li> </ul>
INSTITUTIONS	<ul style="list-style-type: none"> <li>Dialogue with government representatives</li> <li>Participation in joint projects</li> </ul>	<ul style="list-style-type: none"> <li>Participation in local development activities</li> <li>Economic results</li> <li>Process and product innovation</li> </ul>
SUPPLIERS OF GOODS AND SERVICES	<ul style="list-style-type: none"> <li>Evaluation of suppliers</li> <li>Regular dialogue</li> <li>Coordination meetings for activities carried out in our work environment</li> <li>Dedicated line for food emergencies</li> <li>Regular audits of key suppliers with joint corrective action plans</li> </ul>	<ul style="list-style-type: none"> <li>Compliance with contractual conditions</li> <li>Continuity of relationship</li> <li>Development of working relationships</li> <li>Human rights</li> <li>Work environment health and safety</li> </ul>
CLIENTS	<ul style="list-style-type: none"> <li>Periodic meetings</li> <li>Participation in trade fairs or industry events</li> <li>Joint projects</li> <li>Sharing information relevant to supply chain sustainability</li> <li>Commercial and technical product development advice and support</li> <li>Technical after-sales support</li> </ul>	<ul style="list-style-type: none"> <li>Product quality and safety</li> <li>Product innovation</li> <li>Compliance with contractual conditions</li> </ul>
END CONSUMERS	<ul style="list-style-type: none"> <li>Publication of a sustainability report</li> <li>Participation in outreach meetings</li> <li>Indirectly, by advising food manufacturers on the correct labelling of packaging</li> <li>Openness to dialogue</li> </ul>	<ul style="list-style-type: none"> <li>Food safety</li> <li>Clear information on the end of life of products</li> </ul>
THIRD SECTOR	<ul style="list-style-type: none"> <li>Transparent communication</li> <li>Participation in and financial support for projects</li> </ul>	<ul style="list-style-type: none"> <li>Positive impact on the local area</li> </ul>
NEIGHBOURHOOD AND LOCAL COMMUNITY	<ul style="list-style-type: none"> <li>Regular dialogue</li> <li>Direct or indirect action in social projects</li> <li>Open days at our factories</li> </ul>	<ul style="list-style-type: none"> <li>Inclusion of environmental aspects in business strategy</li> <li>Definition of policies and management systems</li> <li>Identification of social needs in the area</li> <li>Development of the local economy in terms of direct job creation and induced industries through preference for local suppliers</li> <li>Positive impact on the local area</li> </ul>
TRADE ASSOCIATIONS	<ul style="list-style-type: none"> <li>Participation in meetings and projects</li> <li>Participation in research and relevant conferences</li> </ul>	<ul style="list-style-type: none"> <li>Development of the company's positioning</li> <li>Sharing of experiences and information</li> </ul>
SCHOOLS/ UNIVERSITIES	<ul style="list-style-type: none"> <li>Programmes for working with schools</li> <li>Open days at our factories</li> <li>Internships and apprenticeships</li> <li>Scholarships and bursaries</li> </ul>	<ul style="list-style-type: none"> <li>Support and involvement in training, outreach and case study presentation activities</li> </ul>

The materiality analysis resulted in the identification of 10 material topics, for each of which the associated impacts – positive and negative, actual and potential – were identified.

LIST OF MATERIAL TOPICS	ASSOCIATED IMPACTS: positive and negative; actual and potential
INNOVATION, QUALITY AND PRODUCT SAFETY	<b>Potential negative impacts:</b> <ul style="list-style-type: none"> <li>Adverse effects on consumer health related to the quality and safety levels of the finished product</li> </ul>
HUMAN RIGHTS	<b>Potential negative impacts:</b> <ul style="list-style-type: none"> <li>Violation of workers' human rights</li> <li>Discrimination in the workplace due to inappropriate D&amp;I practices</li> </ul>
TALENT ATTRACTION, RETENTION AND DEVELOPMENT	<b>Actual positive impacts:</b> <ul style="list-style-type: none"> <li>Improving employee well-being through corporate welfare initiatives</li> <li>Professional development of employees through dedicated activities</li> </ul>
OCCUPATIONAL HEALTH AND SAFETY	<b>Actual negative impacts:</b> <ul style="list-style-type: none"> <li>Damage to the health and safety of workers</li> </ul>
CONSUMER AWARENESS	<b>Actual positive impacts:</b> <ul style="list-style-type: none"> <li>Consumer awareness</li> </ul>
DEVELOPMENT OF THE AREA AND LOCAL COMMUNITIES	<b>Actual positive impacts:</b> <ul style="list-style-type: none"> <li>Increase in the employment rate and development of the territory and local communities</li> </ul>
CLIMATE CHANGE	<b>Actual negative impacts:</b> <ul style="list-style-type: none"> <li>Climate change due to GHG emissions</li> </ul> <b>Potential negative impacts:</b> <ul style="list-style-type: none"> <li>Reduced energy availability due to inefficient production processes</li> </ul>
USE OF NATURAL RESOURCES	<b>Actual negative impacts:</b> <ul style="list-style-type: none"> <li>Resource depletion due to consumption of virgin raw materials</li> <li>Unavailability of water resources due to consumption, especially in water-stressed areas</li> <li>Negative impact on ecosystems and loss of biodiversity</li> </ul>
POLLUTION OF ENVIRONMENTAL MATRICES	<b>Potential negative impacts:</b> <ul style="list-style-type: none"> <li>Damage to the environment and human health caused by emissions of air pollutants</li> <li>Pollution of water resources through the discharge of harmful substances</li> <li>Pollution from the dispersal of plastics, microplastics and other substances harmful to human health and ecosystems</li> </ul>
WASTE MANAGEMENT	<b>Actual negative impacts:</b> <ul style="list-style-type: none"> <li>Environmental pollution due to limited sending of waste for recycling/reuse</li> </ul>

In terms of material topics, changes from the previous list are highlighted below:

- The "Development of the Area and Local Communities", which we also reported on in 2022, although not material, has been identified as a material topic and includes the following elements: new hires and employee turnover; economic performance and taxes; our market presence and our procurement practices.
- The previous topic "Supply Chain Management" has been split into "Use of Natural Resources" and "Human Rights".
- The previous topic "Economic Performance" was combined with the topic "Development of the Area and Local Communities".
- The previous topic "Emissions", which included both pollutant emissions and GHG emissions, has been split: GHG emissions are covered under the specific topic "Climate Change", while air pollutant emissions are covered under the topic "Pollution of Environmental Matrices".
- The material topic "Pollution of Environmental Matrices" includes the following elements: emissions of air pollutants, pollution of water resources from discharges and environmental pollution from plastic dispersal.
- The material topic "Climate Change" is an evolution of the topic "Emissions" reported in 2022, with the addition of reduced energy availability due to inefficient production processes as a potential negative impact.

In addition to the material topics, this document contains general information on anti-corruption and anti-competitive behaviour. The Group manages these issues carefully and wishes to continue to provide information on them.

## CALCULATION METHODOLOGIES

The principal methods of calculation and any estimates made using a conservative approach are set out below. This information complements that provided in the main body of the document.

## HEALTH AND SAFETY

For the reporting on health and safety, the following should be noted:

- All injuries are classed as accidents, even if they do not result in days away from work, with the exception of first aid activities.
- Commuting injuries are excluded from the reporting.
- "Injuries with serious consequences" are those that can lead to a permanent loss of body function or result in an absence of more than 180 days.
- The frequency rate for injuries is calculated as  $\text{no. of accidents/hours worked} \times 1,000,000$ .
- The frequency rate for injuries with serious consequences is calculated as  $\text{no. of injuries with serious consequences/hours worked} \times 1,000,000$ .

## ENVIRONMENT

For reporting on environmental issues, the following should be noted:

- Where data were not available in the form provided by the indicator, conservative estimates were used, resulting in selecting assumptions associated with the least positive environmental performance for the Group.
- Flexocit Imballagi s.r.l., Cellografica Gerosa S.A. and Rieusset S.A. do not currently use water discharge or waste water meters. For the first site, as water is only used for sanitation, the water withdrawn was assumed to be equal to the water discharged. On the other hand, for the two Spanish companies that also have cooling towers, the estimate for water discharge is also based on an amount of evaporated water equal to 60% of the water entering the tower.
- Energy consumption was calculated using the following conversion factors: for energy consumption from the use of petrol, diesel and LPG the conversion factors in the annually updated DEFRA (Department for Environment, Food and Rural Affairs) database; for energy consumption from natural gas, the conversion factors in the table of national standard parameters published by the Ministry of the Environment and Land and



Sea Protection. For electricity, the transformation from kWh to GJ was calculated using the Department for Environment, Food and Rural Affairs (DEFRA) conversion factor.

#### CONVERSION FACTORS FOR ENERGY CONSUMPTION

	CONVERSION FACTOR	2023	2022	2021
ELECTRICITY	GJ/kWh	0.0036	0.0036	0.0036
NATURAL GAS	GJ/Sm <sup>3</sup>	0.0362	0.0353	0.0353
PETROL	GJ/L	0.0332	0.0331	0.0331
DIESEL	GJ/L	0.0357	0.0361	0.0361
LPG <sup>1</sup>	GJ/L	0.0244	0.0243	-

- Scope 1 GHG emissions from emission sources owned or under the direct control of the Group were calculated using the following formula: activity data (m<sup>3</sup> of natural gas, litres of diesel or petrol, LPG) multiplied by the respective emission factor. For natural gas, the conversion factor from the national standard parameter table published annually by the Ministry of the Environment and Land and Sea Protection was used, while for petrol and diesel, the annually updated Department for Environment, Food and Rural Affairs (DEFRA) database was used. For leakage of refrigerant gases, the related GHG emissions reported in the maintenance records were used.

#### CONVERSION FACTORS FOR SCOPE 1 GHG EMISSIONS

	CONVERSION FACTOR	2023	2022	2021
NATURAL GAS	tCO <sub>2</sub> /1000 Sm <sup>3</sup>	2.0040	1.9910	1.9830
PETROL	KgCO <sub>2eq</sub> /L	2.3450	2.3397	2.3397
DIESEL	KgCO <sub>2eq</sub> /L	2.6594	2.6988	2.6988
LPG <sup>1</sup>	KgCO <sub>2eq</sub> /L	1.5571	1.5571	-

- Scope 2 GHG emissions reported according to the Location-Based method (average emission intensity related to the national networks from which the energy is purchased) are calculated using the following emission factors, taken from Terna International Comparisons on Enerdata data, excluding self-produced energy from photovoltaic systems.

#### CONVERSION FACTORS FOR SCOPE 2 GHG EMISSIONS - LOCATION BASED

	CONVERSION FACTOR	2023	2022	2021
ITALY	KgCO <sub>2</sub> /kWh	0.315	0.315	0.315
SPAIN	KgCO <sub>2</sub> /kWh	0.210	0.210	0.210
ROMANIA	KgCO <sub>2</sub> /kWh	0.280	0.280	0.280

- Scope 2 GHG emissions reported according to the market-based method (emissions directly associated with the type of electricity purchased by the Group), excluding the share of purchased certified renewable energy and the share of internally generated energy, are calculated using the following emission factors taken from AIB - European Residual Mixes, as updated periodically.

#### CONVERSION FACTORS FOR SCOPE 2 GHG EMISSIONS - MARKET BASED

	CONVERSION FACTOR	2023	2022	2021
ITALY	KgCO <sub>2</sub> /kWh	0.45715	0.45657	0.45657
SPAIN	KgCO <sub>2</sub> /kWh	0.27511	0.29583	0.29583
ROMANIA	KgCO <sub>2</sub> /kWh	0.27575	0.28165	0.28165

<sup>1</sup> Conversion factors for 2021 are not included as LPG was only used from 2022.

- Scope 3 GHG emissions are calculated as follows:
  - GHG emissions related to *Category 1 - Purchased Goods and Services* have been calculated based on the quantities of materials purchased by the Group and the quantities of water withdrawn, as reported in GRI 301-1 and 303-3, respectively. Each category has been assigned a specific emission factor derived from the Ecoinvent database and, secondarily, from the DEFRA database. Importantly, the calculation currently only includes emissions from assets purchased by the Group.
  - GHG emissions from consumption related to *Category 3 - Fuel and Energy-Related Activities* are calculated by multiplying the amounts of fuel and electricity purchased by the Group with the upstream emission factors obtained from the DEFRA database.
  - GHG emissions related to *Category 5 - Waste Generated in Operations* are calculated by multiplying the quantity of each EWC code, expressed in kg, by the specific emission factor for the relative type of disposal. The factors are taken from the Ecoinvent database and, secondly, from the DEFRA database. Within the category, emissions associated with discharged water volumes, reported in GRI 303-4, were also considered.
  - GHG emissions associated with *Category 6 - Business Travel* were calculated by taking into account the number of passengers, the distance travelled (in km) and the type of transport used by employees on business trips. The distances were then multiplied by the specific emission factor from the DEFRA database. However, for train routes in Italy, an emission factor from Trenitalia's sustainability report was used. It is also important to note that the upstream emissions of the fuels used by the vehicles were also included in the calculation, with emission factors taken from the DEFRA database.
  - For GHG emissions associated with *Category 7 - Employees Commuting*, an ad hoc questionnaire was developed and administered to employees to determine the distance travelled to and from work and the means of transport used. GHG emissions were then calculated using emission factors from the DEFRA database. Notably, the calculation includes upstream emissions from the fuels of the vehicles used and the emissions of employees who work remotely, with emission factors taken from the DEFRA database.
- Energy intensity is calculated as total energy consumption divided by 1,000 m<sup>2</sup> of production; while emissions intensity was calculated by dividing total Scope 1 and 2 emissions (location based) by 1,000 m<sup>2</sup> of production. The energy consumption used to calculate the index also includes the share of consumption by general production facilities, which cannot currently be separated from that of direct production. For both energy intensity and emission intensity, the denominator is the m<sup>2</sup> of finished product placed in storage.
- NO<sub>x</sub> (nitrogen oxides) are estimated using precise, periodic measurements of concentrations, which are then multiplied by plant capacity and operating hours.
- VOCs (Volatile Organic Compounds) are either estimated using the same approach as for NO<sub>x</sub>, depending on the site, or calculated according to the Solvent Management Plan, which is drawn up in accordance with the regulations in force in each country where the Group has manufacturing facilities.
- The percentage of recycled material in packaging was calculated for all types of packaging using a conservative approach, assuming a recycled content of zero for all packaging for which it was not possible to obtain a declaration from the supplier. The various units of measurement were converted to kilogrammes using information from company documentation, data sheets and transport documents, and a weight was assigned for those items for which no data was available.

For more information or insights, please contact [sustainability@gerosagroup.com](mailto:sustainability@gerosagroup.com).

# GRI CONTENT INDEX

STATEMENT OF USE	The Gerosa Group has submitted a report for the period from 1 January 2023 to 31 December 2023 in accordance with the GRI Standards.
GRI 1 USED	GRI 1 - Fundamental Principles - 2021 version
RELEVANT GRI INDUSTRY STANDARDS	None

GRI STANDARD/OTHER SOURCE	DISCLOSURE	CHAPTER	PAGE NO.	OMISSION			REFERENCE TO GRI SECTOR STANDARD
				OMITTED RE- QUIREMENTS	REASON	EXPLA- NATION	
GENERAL INFORMATION							
GRI 2: GENERAL DISCLOSURES 2021	2-1 Organisational details	The Gerosa Group; Economic Performance; Methodological Note;	P. 1; 21; 45				
	2-2 Entities included in the organization's sustainability reporting	Methodological Note;	P. 45				
	2-3 Reporting period, frequency and contact point	The Gerosa Group; Methodological Note; Inside Back Cover;	P. 4; 45; 50; INSIDE BACK COVER				
	2-4 Restatements of information	Methodological Note;	P. 45				
	2-5 External assurance	Methodological Note; External Assurance;	P. 45; 57-58				
	2-6 Activities, value chain and other business relationships	The Gerosa Group; Social Performance;	P. 1-4; 33-34				
	2-7 Employees	Social Performance;	P. 25-28				
	2-8 Workers who are not employees	Social Performance;	P. 25-28				
	2-9 Governance structure and composition	Economic Performance;	P. 21-24				
	2-10 Nomination and selection of the highest governance body	Economic Performance;	P. 21				
	2-11 Chair of the highest governance body	Economic Performance;	P. 21				

GRI STANDARD/OTHER SOURCE	DISCLOSURE	CHAPTER	PAGE NO.	OMISSION			REFERENCE TO GRI SECTOR STANDARD
				OMITTED RE-REQUIREMENTS	REASON	EXPLANATION	
GRI 2: GENERAL DISCLOSURES 2021	2-12 Role of the highest governance body in overseeing the management of impacts	Economic Performance;	P. 21-24				
	2-13 Delegation of responsibility for managing impacts	Economic Performance;	P. 21-24				
	2-14 Role of the highest governance body in sustainability reporting	The Gerosa Group; Economic Performance;	P. 12; 23-24				
	2-15 Conflicts of interest	Economic Performance;	P. 21-22				
	2-16 Communication of critical concerns	Economic Performance;	P. 21-23				
	2-17 Collective knowledge of the highest governance body	Economic Performance;	P. 23				
	2-18 Evaluation of the performance of the highest governance body	Economic Performance;	P. 21-23				
	2-19 Remuneration policies	Economic Performance;	P. 21				
	2-20 Process to determine remuneration	Economic Performance;	P. 21				
	2-21 Annual total compensation ratio	Economic Performance;	P. 21				
	2-22 Statement on sustainable development strategy	Letter to Stakeholders;	Letter to Stakeholders				
	2-23 Policy commitments	Economic Performance; Social Performance; Environmental Performance;	P. 18-23; 25-27; 29-30; 33-36				
	2-24 Embedding policy commitments	Economic Performance; Social Performance; Environmental Performance;	P. 21-25; 30-31; 33-36				
	2-25 Processes to remediate negative impacts	Economic Performance; Environmental Performance;	P. 21-24; 35				
	2-26 Mechanisms for seeking advice and raising concerns	Economic Performance; Social Performance; Methodological Note;	P. 23; 27; 29; 46				
	2-27 Compliance with laws and regulations	Economic Performance; Social Performance;	P. 23; 27-28				
	2-28 Membership associations	The Gerosa Group;	P. 7-8				
	2-29 Approach to stakeholder engagement	The Gerosa Group; Methodological Note;	P. 4; 7; 45-46				
	2-30 Collective bargaining agreements	The Gerosa Group; Methodological Note;	P. 26				



GRI STANDARD/OTHER SOURCE	DISCLOSURE	CHAPTER	PAGE NO.	OMISSION			REFERENCE TO GRI SECTOR STANDARD
				OMITTED RE-QUIREMENTS	REASON	EXPLA-NATION	
MATERIAL TOPICS							
GRI 3: MATERIAL TOPICS 2021	3.1 Process to determine material topics	The Gerosa Group; Methodological Note;	P. 12; 45-48				
	3.2 List of material topics	The Gerosa Group; Methodological Note;	P. 12; 47-48				
INNOVATION, QUALITY AND PRODUCT SAFETY							
GRI 3: MATERIAL TOPICS 2021	3.3 Management of material topics	The Gerosa Group; Methodological Note;	P. 5-9; 12; 47-48				
GRI 416: CUSTOMER HEALTH AND SAFETY 2016	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	The Gerosa Group;	P. 8				
HUMAN RIGHTS							
GRI 3: MATERIAL TOPICS 2021	3.3 Management of material topics	The Gerosa Group; Economic Performance; Social Performance; Methodological Note;	P. 12; 21, 25; 47-48				
GRI 405: DIVERSITY AND EQUAL OPPORTUNITY 2016	405-1 Diversity of governance bodies and employees	Economic Performance; Social Performance;	P. 21; 25-30				
GRI 406: NON-DISCRIMINATION 2016	406-1 Incidents of discrimination and corrective actions taken	Economic Performance; Social Performance;	P. 23; 27-28				
GRI 414: SOCIAL ASSESSMENT OF SUPPLIERS 2016	414-1 New suppliers that were screened using social criteria	Social Performance;	P. 33				
TALENT ATTRACTION, RETENTION AND DEVELOPMENT							
GRI 3: MATERIAL TOPICS 2021	3.3 Management of material topics	The Gerosa Group; Social Performance; Methodological Note;	P. 12; 25-30; 47-48				
GRI 401: EMPLOYMENT 2016	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Social Performance;	P. 25-26				
GRI 404: TRAINING AND EDUCATION 2016	404-1 Average hours of training per year per employee	Social Performance;	P. 29-30				
	404-3 Percentage of employees receiving regular performance and career development reviews	Social Performance;	P. 30				

GRI STANDARD/OTHER SOURCE	DISCLOSURE	CHAPTER	PAGE NO.	OMISSION			REFERENCE TO GRI SECTOR STANDARD
				OMITTED RE- QUIREMENTS	REASON	EXPLA- NATION	
OCCUPATIONAL HEALTH AND SAFETY							
GRI 3: MATERIAL TOPICS 2021	3.3 Management of material topics	The Gerosa Group; Social Performance; Methodological Note;	P. 12; 30-32; 47-48				
GRI 403: OCCUPATIONAL HEALTH AND SAFETY 2018	403-1 Occupational health and safety management systems	Social Performance;	P. 30-32				
	403-2 Hazard identification, risk assessment, and incident investigation	Social Performance;	P. 30-32				
	403-3 Occupational health services	Social Performance;	P. 30-32				
	403-4 Worker participation, consultation and communication on occupational health and safety	Social Performance;	P. 30-32				
	403-5 Worker training on occupational health and safety	Social Performance;	P. 30-32				
	403-6 Promotion of worker health	Social Performance;	P. 30-32				
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Social Performance;	P. 30-32				
	403-8 Workers covered by an occupational health and safety management system	Social Performance;	P. 30-32				
	403-9 Work-related injuries	Social Performance;	P. 30-32				
	403-10 Work- related ill health	Social Performance;	P. 30-32				
CONSUMER AWARENESS							
GRI 3: MATERIAL TOPICS 2021	3.3 Management of material topics	The Gerosa Group; Social Performance; Methodological Note;	P. 12; 34; 47-48				
DEVELOPMENT OF THE AREA AND LOCAL COMMUNITIES							
GRI 3: MATERIAL TOPICS 2021	3.3 Management of material topics	The Gerosa Group; Economic Performance; Social Performance; Methodological Note;	P. 12; 17-18; 26-27; 33-34; 47-48				
GRI 201: ECONOMIC PERFORMANCE 2016	201-1 Direct economic value generated and distributed	Economic Performance;	P. 17-18				
GRI 202: MARKET PRESENCE 2016	202-2 Proportion of senior management hired from the local community	Social Performance;	P. 28				
GRI 204: PROCUREMENT PRACTICES 2016	204-1 Proportion of spending on local suppliers	Social Performance;	P. 33-34				

GRI STANDARD/OTHER SOURCE	DISCLOSURE	CHAPTER	PAGE NO.	OMISSION			REFERENCE TO GRI SECTOR STANDARD
				OMITTED RE-QUIREMENTS	REASON	EXPLA-NATION	
GRI 207: TAX 2019	207-1 Approach to tax	Economic Performance;	P. 21-23				
GRI 401: EMPLOYMENT 2016	401-1 New employee hires and employee turnover	Social Performance;	P. 26-27				
CLIMATE CHANGE							
GRI 3: MATERIAL TOPICS 2021	3.3 Management of material topics	The Gerosa Group; Environmental Performance; Methodological Note;	P. 12; 35-38; 42-43; 47-48				
GRI 302: ENERGY 2016	302-1 Energy consumed within the organization	Environmental Performance;	P. 36-38				
	302-3 Energy intensity	Environmental Performance;	P. 37				
GRI 305: EMISSIONS 2016	305-1 Direct (Scope 1) GHG emissions	Environmental Performance;	P. 42				
	305-2 Energy indirect (Scope 2) GHG emissions	Environmental Performance;	P. 42				
	305-3 Other indirect (Scope 3) GHG emissions	Environmental Performance;	P. 43				
	305-4 GHG emission intensity	Environmental Performance;	P. 42				
USE OF NATURAL RESOURCES							
GRI 3: MATERIAL TOPICS 2021	3.3 Management of material topics	The Gerosa Group; Social Performance; Environmental Performance; Methodological Note;	P. 12; 33; 35; 38-41; 47-48				
GRI 301: MATERIALS 2016	301-1 Materials used by weight or volume	Environmental Performance;	P. 38-39				
	301-2 Recycled input materials used	Environmental Performance;	P. 39				
GRI 303: WATER AND EFFLUENTS 2018	303-1 Interactions with water as a shared resource	Environmental Performance;	P. 41				
	303-3 Water withdrawal	Environmental Performance;	P. 41				
	303-5 Water consumption	Environmental Performance;	P. 41				
GRI 304: BIODIVERSITY 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Environmental Performance;	P. 40				

GRI STANDARD/OTHER SOURCE	DISCLOSURE	CHAPTER	PAGE NO.	OMISSION			REFERENCE TO GRI SECTOR STANDARD
				OMITTED RE-QUIREMENTS	REASON	EXPLA-NATION	
GRI 308: SUPPLIER ENVIRONMENTAL ASSESSMENT 2016	308-1 New suppliers that were screened using environmental criteria	Social Performance;	P. 33				
POLLUTION OF ENVIRONMENTAL MATRICES							
GRI 3: MATERIAL TOPICS 2021	3.3 Management of material topics	The Gerosa Group; Environmental Performance; Methodological Note;	P. 12; 35; 41; 43; 47-48				
GRI 303: WATER AND EFFLUENTS 2018	303-2 Management of water discharge-related impacts	Environmental Performance;	P. 41				
	303-4 Water discharge	Environmental Performance;	P. 41				
GRI 305: EMISSIONS 2016	305-7 Nitrogen oxides (NOx), sulphur oxides (SOx), and other significant air emissions	Environmental Performance;	P. 43				
WASTE MANAGEMENT							
GRI 3: MATERIAL TOPICS 2021	3.3 Management of material topics	The Gerosa Group; Environmental Performance; Methodological Note;	P. 12; 35; 44; 47-48				
GRI 306: WASTE 2020	306-1 Waste generation and significant waste-related impacts	Environmental Performance;	P. 44				
	306-2 Management of significant waste-related impacts	Environmental Performance;	P. 44				
	306-3 Waste generated	Environmental Performance;	P. 44				
	306-4 Waste diverted from disposal	Environmental Performance;	P. 44				
	306-5 Waste directed to disposal	Environmental Performance;	P. 44				
OTHER NON-MATERIALS INDICATORS							
GRI 205: ANTI-CORRUPTION 2016	205-1 Operations assessed for risks related to corruption	Economic Performance;	P. 21-23				
	205-3 Confirmed incidents of corruption and actions taken	Economic Performance;	P. 23				
GRI 206: ANTI-COMPETITIVE BEHAVIOUR 2016	206-1 Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	Economic Performance;	P. 23				



## Independent auditors' report on the Sustainability Report 2023 (Translation from the original Italian text)

To the Board of Directors of  
Cellografica Gerosa S.p.A.

We have been appointed to perform a limited assurance engagement on the "Sustainability Report 2023" (hereinafter the "Sustainability Report") of Cellografica Gerosa S.p.A. and its subsidiaries (hereinafter also the "Group" or "Gerosa Group") for the year ended on December 31st, 2023.

### Directors' responsibility on the Sustainability Report

The Directors of Cellografica Gerosa S.p.A. are responsible for the preparation of the Sustainability Report in accordance with the "Global Reporting Initiative Sustainability Reporting Standards" issued by GRI - Global Reporting Initiative ("GRI Standards"), as described in the paragraph "Methodological Note" of the Sustainability Report.

The Directors are also responsible for that part of internal control that they consider necessary in order to allow the preparation of a Sustainability Report that is free from material misstatements caused by fraud or not intentional behaviors or events.

The Directors are also responsible for defining the commitments of the Gerosa Group, regarding the sustainability performance, as well as the identification of the stakeholders and of the significant matters to report.

### Auditors' independence and quality control

We are independent in accordance with the ethics and independence principles of the International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) issued by the International Ethics Standards Board for Accountants, based on fundamental principles of integrity, objectivity, professional competence and diligence, confidentiality and professional behavior.

Our audit firm applies the International Standard on Quality Control 1 (ISQC Italia 1) and, as a result, maintains a quality control system that includes documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable laws and regulations.

### Auditors' responsibility

It is our responsibility to express, on the basis of the procedures performed, a conclusion about the compliance of the Sustainability Report with the requirements of the GRI Standards. Our work has been performed in accordance with principle of "International Standard on Assurance Engagements ISAE 3000 (Revised) - Assurance Engagements Other than Audits or Reviews of Historical Financial Information" (hereinafter "ISAE 3000 Revised"), issued by the International Auditing and Assurance Standards Board (IAASB) for limited assurance engagements. This principle requires the planning and execution of procedures in order to obtain a limited assurance that the Sustainability Report is free from material misstatements.

Therefore, the extent of work performed in our examination was lower than that required for a full examination according to the ISAE 3000 Revised ("reasonable assurance engagement") and, hence, it does not provide assurance that we have become aware of all significant matters and events that would be identified during a reasonable assurance engagement.

The procedures performed on the Sustainability Report were based on our professional judgment and included inquiries, primarily with company's personnel responsible for the preparation of the information included in the Sustainability Report, documents analysis, recalculations and other procedures in order to obtain evidences considered appropriate.

In particular, we have performed the following procedures:

1. analysis of the process relating to the definition of material aspects included in the Sustainability Report, with reference to the methods of analysis and understanding of the reference context, the identification, assessment and prioritization of actual and potential impacts and the internal validation of the process outcome;
2. understanding of the processes that lead to the generation, detection and management of significant qualitative and quantitative information included in the Sustainability Report.

In particular, we have conducted interviews and discussions with the personnel of Cellografica Gerosa S.p.A. and we have performed limited documentary evidence procedures, in order to collect information about the processes and procedures that support the collection, aggregation, processing and transmission of data and information to the department responsible for the preparation of the Sustainability Report.

Furthermore, for significant information, considering the Group's activities and characteristics:

- at Group level
  - a) with reference to the qualitative information included in the Sustainability Report, we carried out inquiries and acquired supporting documentation to verify its consistency with the available evidence;
  - b) with reference to quantitative information, we have performed both analytical procedures and limited assurance procedures to ascertain on a sample basis the correct aggregation of data.
- for the production site of Inverigo (Italy) of Cellografica Gerosa S.p.A., that we have selected based on its activities, relevance to the consolidated performance indicators and location, we have carried out site visit during which we have had discussions with management and have obtained evidence about the appropriate application of the procedures and the calculation methods used to determine the indicators.

## Conclusion

Based on the procedures performed, nothing has come to our attention that causes us to believe that the Sustainability Report of Gerosa Group for the year ended on December 31<sup>st</sup>, 2023 has not been prepared, in all material aspects, in accordance with the requirements of the GRI Standards, as described in the paragraph "Methodological Note" of the Sustainability Report.

Milan, July 16, 2024

EY S.p.A.  
Signed by: Paolo Zocchi, Auditor

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