

Sustainability Report 2023



The **Eco-Ethical** Company



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Sustainability
Report
2023



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Saviola Group The Eco-Ethical Company



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1.1

Letter to Stakeholders

2023 was marked by Saviola Group's 60th anniversary celebrations. An important opportunity to retrace the steps along the history of our company. Sustainability is certainly the main driver that has generated the most change in the Group. Economic sustainability, which has brought solidity and development; environmental sustainability, which has allowed us to be forerunners of circular economy choices in our sectors of reference; and social sustainability, which has fostered exchange between the people who live the company's reality, opening us together with confidence to our stakeholders.

We have also worked continuously over the years to refine our governance model, modernising it and making it more up-to-date and capable of meeting the challenges of the present while anticipating those of the future.

We are an Eco-Ethical Company at the fifth edition of the Sustainability Report. A commitment that has allowed us to have a comprehensive and in-depth snapshot of our situation each year. The Report is also a useful tool to ensure transparency towards stakeholders, customers, the international communities where we operate, suppliers and all those who have followed us over the years.

Reporting and setting targets to foster the culture of sustainability and maintain an approach based on ESG values. 60 years for a sustainable future.

Alessandro Saviola
Chairman of Saviola Group





1.2

Methodological note and reading guide

Saviola Group has prepared the fifth edition of the Sustainability Report according to the option "with reference" to the GRI Standards of the Global Reporting Initiative, with the aim of communicating to its internal and external stakeholders the virtuous commitment to reporting undertaken on impacts and selected issues related to economic, social and environmental sustainability.

In 2021, a revision of the GRI Standards was agreed upon, made effective for reports drafted as of 01 January 2023, which entailed a change in the nomenclature of the standards in use as well as the introduction of new indicators with the aim of making the sustainability report increasingly comprehensive and suitable for the different companies to be reported.

For this report, therefore, the new references have been used, that in some cases can replace almost entirely the previous ones, in others, they work side by side, providing an additional element of analysis. In drafting the document, the principles of materiality, accuracy, balance, clarity, comparability, completeness, sustainability context, timeliness and verifiability were adopted.

As explained in more detail in the following chapter on impacts and materiality analysis, in 2023 it was decided to carry out an analysis of impacts from a CSRD perspective, following a hybrid approach between GRI and the new ESRS standards that came into force in 2024. The analysis of impacts, defined with the involvement of the most strategic company figures, is what distinguishes this year's sustainability report: the impacts included are related to our business, sometimes specific to the plants themselves. Our goal is transparency: we are aware of our impacts and monitoring them allows us to take timely action and organise appropriate communication strategies.

The analysis of impacts, followed by the involvement of both internal and external stakeholders, resulted in a new materiality matrix. The resulting material themes were dealt with within the relevant chapters and paragraphs; whenever possible, indicators, including metrics, were used to show time trends. For each reported theme, the correlation with the Sustainable Development Goals is proposed.





SUSTAINABLE DEVELOPMENT GOALS



Environmental, social and governance topics were presented in an aggregated manner at the Holding level; Focuses were conducted on specific topics of interest to Saviola Group as well as interviews with authoritative voices on the national and international scene (#SaviolaTalks).

The information reported refers to the Saviola Group organisation, whose Holding is based in Viale Lombardia (Mantua), for the period from 1 January to 31 December 2023.

The corporate perimeter considered is defined by Saviola Group and includes the activities carried out at the operational headquarters of Viale Lombardia 29, BU Savionet (Network sites as at 31 December 2023), BU Saviola (Viadana, Mortara, Sustinente, Radicofani, Refrontolo, Miane, Montelabbate, Montecalvo in Foglia, Sitech, Sadepan Latinoamericana, Trasporti Delta, Trendcor, Rheinspan); BU Sadepan (Viadana, Truccazzano, Genk, Advachem); BU Composad (Gerbolina, Viadana, Cogozzo) and BU Saviolife.

The documentation work was carried out with the support of the consulting company Fedabo Span SB. For the collection of data, it was carried out through the ESGeo platform, a system that allowed a timely entry of data that had been identified as relevant by reference figures, without

excluding any production or commercial site. The structural complexity of the Group and the variety of its production processes, as well as the human and material resources distributed within it, do not allow for total homogeneity in data collection, precisely because some values are not relevant (or available) for all company sites. In these cases, an analysis of the data available in aggregate form was carried out.

The text also contains information on the past three years (2021-2023).

The 2023 Sustainability Report was approved by the ESG Committee 22 luglio 2023. The document has been audited by KPMG S.p.A. in the form of "limited assurance".

For details on the subject of the audit work and the procedures carried out by the independent auditor, please refer to the report published from page 152 to page 154. For any further information on the topics covered in the Report, write to the dedicated email address: info@saviolaholding.com.



1.3

The Eco-Ethical Company

Circular economy and sustainable development are two fundamental pillars of the business model of Saviola Group, a leading company in the production and processing of post-consumer wood for the furniture industry. Thanks also to the vertical integration between the various organisational units and the design of the entire production process, Saviola Group's Business Units aim for maximum efficiency, minimising waste and impact.

Thanks to a virtuous process that was ahead of its time at the end of the 1980s by focusing on ecology and recycling, the Group was able to transform waste into a quality, appealing and versatile product. Waste wood is collected through the Savionet network of several post-consumer wood collection centres located throughout Europe, starting the virtuous cycle of the Saviola model.

Once the waste wood arrives at the plants, it is then separated from the non-wood mate-

rials (such as iron, aluminium, copper), allowing these other materials to be recycled as well, and once the wood part has been separated, it is sorted and processed together with other components produced within the Group (glues, resins, edges, decorative finishes). The end result is the Saviola Pannello Ecologico® that can be transformed into a finished product for the furniture industry.

This process is made possible not only by the ingenious intuition of founder Mauro Saviola, but also by the Group's willingness to innovate and constantly seek improvements in production and processes.

Savionet (Network of integrated services for collection and recycling)

Saviola (100% recycled wood)

Sapedan (Sustainable chemistry)

Composad (RTA furniture)

Saviolife (Life science)



The Eco-Ethical Company

 savionet

 saviola

 sadepan

 composad

 saviolife

Our roots

Saviola Group
60 years of working
for a sustainable future.



The **Eco-Ethical** Company

For 60 years,
Saviola Group
has been working according to
the principles of sustainability.

For the past 60 years to date, like a tree, Saviola Group has put down roots: a long process of growth and evolution that has ensured efficient, profitable and lasting business.

In these 60 years,
the Group has
extended,
expanded, branched
out just like roots do.

And just like these, which grow deep and continuously, the Group has also attained new goals and achievements. Like a tree, which has grown strong and resilient over the years, it now stands to develop new fruit from its trunk. For 60 years, economic, environmental and social sustainability has been the compass that has guided choices, projects and investments.

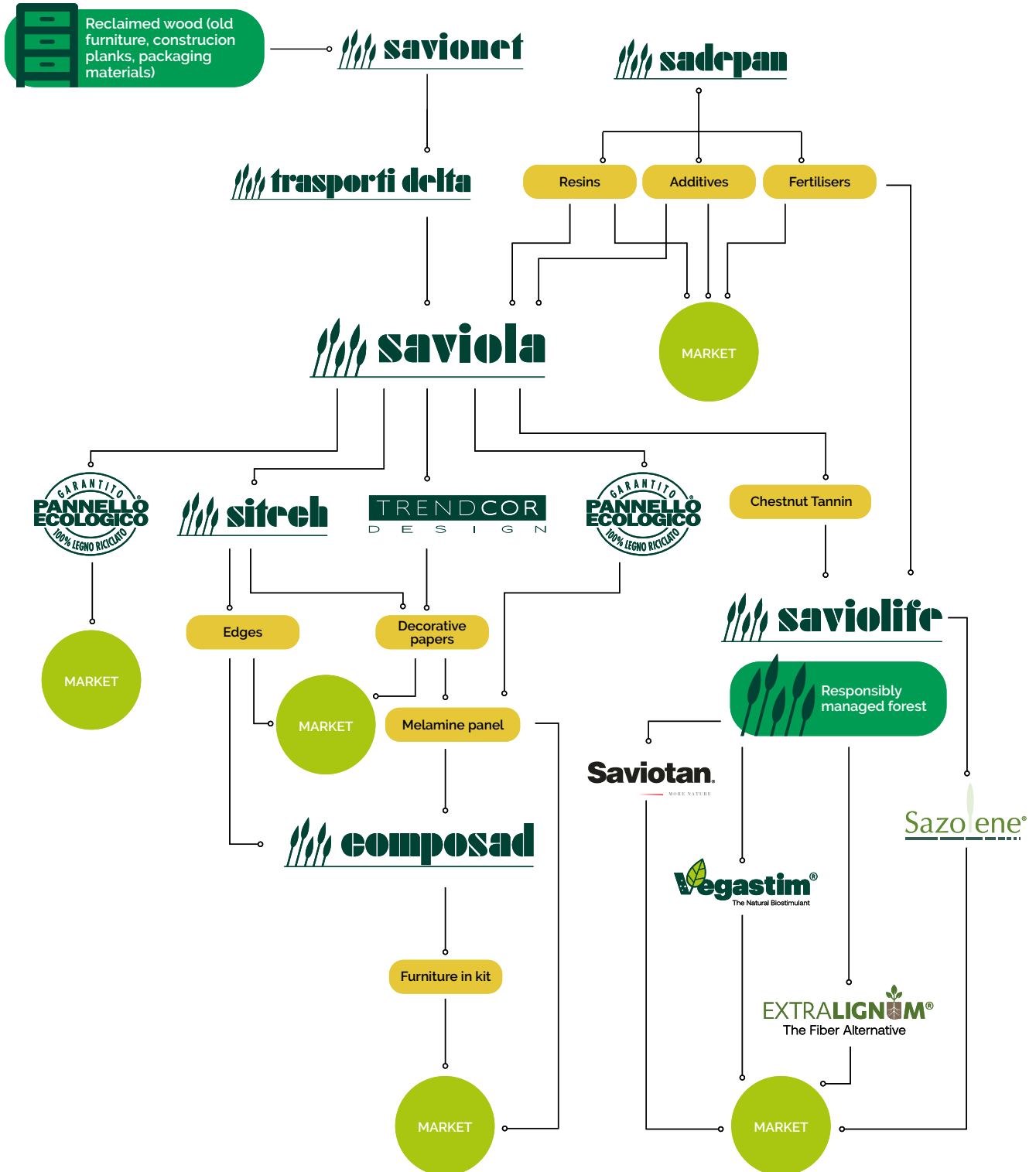
Now becoming a topic of interest for all.

For 60 years, Saviola Group
has been working
on sustainability.

For 60 years, the Group
has looked to
the future.

1.3.1

Saviola Group's production process: circularity as a business model





The brothers Angelo and Mauro Saviola, together with Dino Del Ton founded Sadepan, a company specialised in the production of particle board.

1963

History of Saviola Group

1973

The Chemistry plant began operation, specialising in the production of glues and resins. Thus, a system based on integrated production logic was born.

New acquisitions were added to deal with the expansion of the market, thus constituting an industrial system.

1983

The company began producing the Pannello Ecologico®, made of 100% recycled wood. The company's Eco-Ethical approach based on a circular economy system was initiated.

1992

The entire production was based on 100% ecological panels from recycled wood.

1997

Composad was founded, specialising in the production of furniture in kits. Vertical integration of the supply chain was completed.

2000

2009

Alessandro Saviola took over the leadership of the Group and initiated a journey that made the company efficient and competitive.

2013

The Group launched Trendcor: a creative technical workshop in Frankfurt.

2019

Saviolife was established, a Business Unit dedicated to Life Sciences: from agriculture to livestock, up to the tanning sector.

2022

Saviola Group launched the first communication campaign "Nuova Vita" (New Life) which would continue in the following years.

2023

Saviola Group acquired Advachem (Belgium) and achieved control of 74.9% of Rheinspan.

Glimpses
of the
Future

The new Savionet Business Unit was born

1.3.2

Year 2023: Highlights

€ 807 MLN

Revenues (millions of euro)
per financial year

1890

Number of employees 2023

2.500.000

Square metres of industrial area

€ 112.716 MLN

Ebitda/+14,0% of revenues 2023

€ 49.816 MLN

Ebit/+6,2% of revenues 2023

€ 31.117 MLN

Net profit +6,2% (millions of euro)

30

Savionet Centres

1.500.000

Tonnes of recycled wood every year

6.000.000

Kit furniture made every year¹

¹ maximum capacity

1.3.3

Chips 2023

60 Years of the Group

The common thread of 2023 for Saviola Group was the 60th anniversary. For the occasion, initiatives and activities were organised to highlight Saviola Group's commitment to a sustainable future.

50 Years of Sadepan

The Sadepan Business Unit celebrated its 50th anniversary in 2023. Since 1973, it has been an essential part of the mission of the Eco-Ethical Company. Sadepan is the organisational unit dedicated to chemistry with the objective of generating sustainable links.

Bonuses for Saviola Group employees

Saviola Group rewarded the results achieved thanks to the commitment and dedication of its employees with payroll bonuses, highlighting the value of the people who work in the company and collaborate daily for the success of the industrial business.

Saviola Group takes majority stake in Rheinspan

Saviola Group, after the joint venture of 2019 and the closing of 2020, obtains the majority stake of Rheinspan three years early. The German company, based in Germersheim, specialises in the production of panels for the furniture industry and represents an important step towards the internationalisation of the Group.

Composad at The Furniture Shows MFS & JFS

Composad took centre stage at the trade fair, winning the Best Stand in the Pavilion award. The Furniture Shows MFS & JFS is the most important event for the furniture industry in Birmingham (UK).

My Plant & Garden Fair

Saviolife participated in Myplant&Garden, the most important professional horticultural, garden and landscape trade fair in Italy. The presence of our Business Unit is consistent with one of the Group's objectives: to feed the earth in a sustainable way.

Collaboration with Universities

In 2023 Saviola Group focused on increasing relations with Italian universities. In collaboration with the Catholic University, the University of Parma, the University of Brescia and the Milan Polytechnic, it organised several meetings to introduce itself to graduates and recent graduates with the aim of conveying the company's values and attracting motivated and passionate young talent.

Saviolife at Argus Fertiliser Asia Conference and VIV Asia 2023

Saviolife was featured in a major international exhibition, participating in the Argus Fertiliser Asia Conference and the VIV 2023 exhibition. On this occasion, the BU's products and expertise in the field of sustainable agriculture and food were presented.

Ecoforum with Legambiente

As every year, Saviola Group was a guest at the two editions of EcoForum Legambiente. Speeches dedicated to the Saviola case study were held at the Milan and Rome locations, presenting the company, the Business Units and the circular economy model.

Wood You Believe? Salone del Mobile in Milan

For the first time, Saviola Group participated in the Salone del Mobile 2023, and in collaboration with CRA-Carlo Ratti Associati and architect Italo Rota, the installation Wood You Believe?. A cubic structure in which each façade is clad with modular panels derived from post-consumer wood (desks, chairs, fruit boxes...). Inside, an immersive space has been created in which panels represent the effect of a range of different finishes using artificial intelligence tools.

Composad at Design Week 2023

Composad took part in Design Week 2023 with "The Amazing Playground". At the Pharmacy Courtyard of the University of Milan, BU products were included in the interactive Amazon.it space designed by Stefano Boeri. The event featured a selection of sustainable furniture products, including Composad furniture made from 100% recycled wood Pannello Ecologico®.

Acquisition of Advachem

In 2023, Saviola Group continued its internationalisation process by acquiring the Belgian company Advachem, a specialist in the production of resins and glues, as well as liquid fertilisers. This is a key operation due to its strategic location in the heart of Europe and the implementation of an increasingly sustainable model in the chemical sector.

Composad ad High Point Market

Participation in High Point Market, a major US furniture fair at the Casa Italia Natuzzi Building, Represents an ambitious challenge for Composad, promoting innovative decors and finishes, but above all the best sustainable furniture solutions.

Interzum Saviola Home for Sustainable Lifestyle

During the Interzum trade fair in Cologne, the Saviola Home concept was presented, a new way of conceiving the home and living spaces through furnishings made with 100% recycled wood Ecological Panels in different decors inspired by wood, stone, marble and textiles.

Meet the Champions

The event held in Parma and organised by ItalyPost in collaboration with the L'Economia insert in Corriere della sera was an important opportunity to showcase Saviola's example of sustainable enterprise and receive the Impresa Champion 2023 award.

Symbola Seminar

On the occasion of the Symbola Seminar, held for the first time in Mantua at the Bibiena Theatre, Saviola Group took part in the project by sharing its testimony on the topic of sustainability, circular economy and technological evolution.

Saviolife at Flormart

Saviolife participated in the 72nd edition of the Flormart Fair in Padua, exhibiting Sazolene®, Extralignum® and Vegastim® products dedicated to the agricultural world. The event was an important opportunity to highlight their goals and values.

Composad at M.O.W. in Bad Salzuflen

The M.O.W. trade fair in Bad Salzuflen, Germany was an unmissable event for Composad to present its expertise and different solutions in the field of modular furniture.

SICAM Pordenone

New products and market trends for future collections of furniture, kitchens, bathrooms, contract and interior design were shared at the Pordenone Fair.

Inhabiting the home: affordable sustainability

The discussion on "Inhabiting the home: affordable sustainability" at the Salone della CSR e dell'innovazione sociale in Milan allowed Saviola Group to speak on the subject of the ethics and sustainability of the home both as a place of everyday life and as a work environment.

“Nuova Vita” (New Life) communication campaign

The “Nuova Vita” (New Life) Communication Campaign was launched to mark the 60th anniversary of Saviola Group. The project was divided into three adverts involving three exceptional ambassadors Giovanni Storti, Aurora Cavallo and Francesco Gabbani.

“Pittura italiana oggi” the Saviola Panels at the Milan Triennale

The exhibition "Pittura italiana oggi" (Italian Painting Today) at the Milan Triennale, staged by Italo Rota and curated by Damiano Gulli, was set up using the Saviola Pannello Ecologico® through the creation of an open modular system to move freely between the works.

Savionet has been founded

Saviola Group's new Business Unit has been founded, encompassing companies operating over a very wide territory, ranging from southern Italy to Germany, via Switzerland and France, offering integrated services in synergy with each other. The new organisational unit integrates collection centres for the regeneration of post-consumer wood. Between 2022 and 2023 8 new centres were acquired.

Ecomondo "Meeting the Ecological Future"

Saviola Group participates in the Ecomondo Fair in Rimini with the message "Meeting the Ecological Future". As part of the event, Saviola Group also played a leading role in the States General of the Green Economy.

“Sempreverde” the Podcast with Will Media

Saviola Group, in collaboration with Will Media, has produced the podcast "Evergreen": five episodes telling how trees have marked the lives of people in history as a source of scientific innovation and progress.





SUSTAINABILITY AND THE CIRCULAR ECONOMY: ESG CRITERIA FOR COMPANIES



Mattia Battagion

Head of Sustainability Will Media

"What is essential is invisible to the eye" wrote the French writer Antoine de Saint-Exupéry in his most famous work, *The Little Prince*.

And in fact, the most important ecosystem we know nothing about lies right under our feet.

Soil is the top layer of the earth's crust, is where 95% of the planet's food is grown and contains more carbon than all plants and the atmosphere combined.

In that dark environment it is estimated that 90% of the fungi, 85% of the plants and more than 50% of the bacteria present on Earth today live.

The very history of life on this Planet is closely linked to the soil and the fungi that live within it: in fact, it is thought that the colonisation of land by plants 400 million years ago was made possible by the fact that there were fungi on the Planet. These were the only organisms that already lived on Earth before plants arrived and created a fertile soil for plants by decomposing rock.

Another, more recent, extraordinary discovery concerning soil is the communication network within it.

It is called a mycorrhiza and is an underground network that connects fungi and plants and which the latter use to exchange nutrients, chemicals and warning signals. When a plant is attacked by an insect that eats its leaves, for example, it develops natural defences, becomes hardened and starts to produce repellent substances. Thanks to mycorrhiza, we know that this plant can warn neighbouring plants, sending them substances that cause them to protect themselves before the insect arrives to eat them.

The most pop name by which mycorrhiza is known is Wood Wide Web and it makes one wonder that we had to wait until we created an infrastructure as complex as the internet to name a natural process that had existed for millions of years.

This basic infrastructure for our society, however, is under threat today.

The latest reports on the global soil status claim that we lose 0.3% of our agricultural production capacity each year due to land consumption. It seems like a small number, but it is not if you look at it over a longer period: in 100 years, that 0.3 becomes 30%. This is, and will increasingly have to be, a major global political issue on par with climate and water access issues.

But what can we do?

To protect the soil we must first of all protect the forests that protect it, especially the older ones.

Indeed, it is essential to preserve the trees that have this close relationship with the organisms around their roots.

We can rely on several solutions to do this.

First and foremost, we can continue to develop the conservation policies that have led us today to be among the top ten countries in the world in terms of the speed of expansion of the forests that now occupy 40% of our territory.

Secondly, we can support the work of bodies such as FSC® that certify the sustainability of a wood product.

Finally, we can apply a concept that the forest has taught us for thousands of years, namely to recycle waste wood and use it as a new raw material, thus avoiding cutting down forests.

Italy is the first country in Europe and among the first in the world for percentage of recycled wood. We are unknowingly a very virtuous country in the recovery of this material, so much so that the techniques used in our country have become case studies all over the world. Saviola Group and Will Media set off on a journey to tell the story of the role of soil, forests and innovation in the social progress of our species. The result is a documentary, which starts from the discovery of the Wood Wide Web to the strategies we have today to reduce deforestation and regenerate our forest heritage.

1.4

Saviola Holding

Saviola Holding is the parent company of Saviola Group.

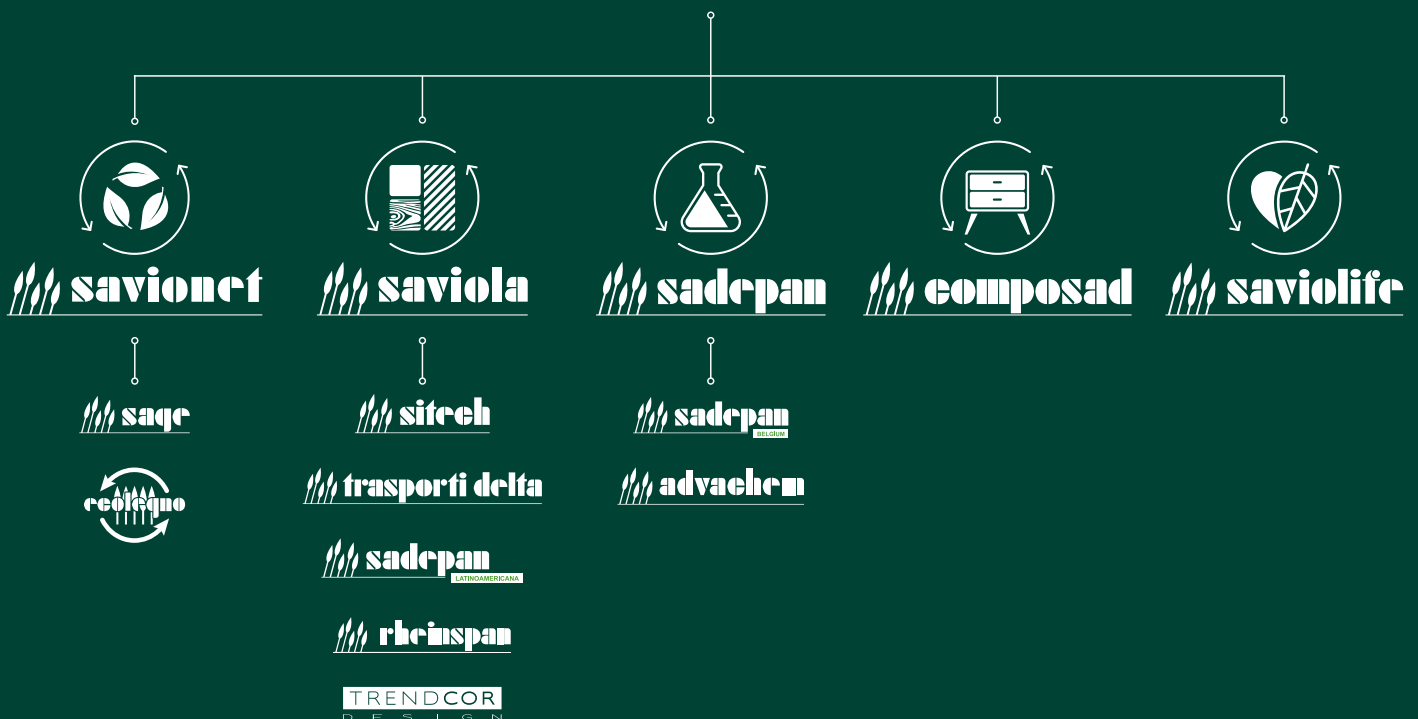
It is the coordinating and managing unit of the subsidiaries in an efficient system that performs the management function.

Saviola Holding includes general management, administration and management control, finance, purchasing, human resources, energy, health and safety, IT development, communication and

sustainability. Within the Holding and for the benefit of the entire Group, the Privacy Committee, the Supervisory Board, the ESG Committee and the Innovation Committee were established.



The Eco-Ethical Company



Headquarters

Viadana – Mantova (Italia)

1.4.1

Focus: Innovation Committee

In April 2023, the foundations were laid for a project to relaunch innovation within the entire Saviola Group: Saviola Innovation.

Innovation was born out of a company desire to implement a system and method to ensure constant innovative development of both process and product. The aim is to gather at all company levels, from ownership to workers, all ideas born of experience or inspiration, recognize those that have potential and accompany them through their life cycle from birth to when they take flight. The core structure of Saviola Innovation consists of the Innovation Board and the Innovation Team. The Innovation Board, consisting of the owners and business unit directors, is responsible for giving direction to innovation by selecting the project portfolio. The Innovation Team consists of three members and its objective is to facilitate and coordinate the development of innovation projects from the idea-gathering phase, through targeted activities such as workshops and continuous contact with people in the company, to their implementation, checking their feasibility and the level of interest in the parameters that the company has set for itself. Potential ideas are shared with the relevant Business Units and the Project Leader is chosen. A person chosen for competence and aptitude who is able to lead a complete team to carry out the project. The great strength of this approach is in creating open working tables that can enhance relationships and knowledge between functions, both at Business Unit level and with external actors (e.g. universities).

There are two important appointments, recurring throughout the year, which are meant to dictate the timing of these operations:

Steering Committee where the Innovation Board meets to evaluate the ideas selected by the Innovation Team and presented by the Project Leaders, and for each of them decide whether to proceed or stop the project. This is the moment when the innovation portfolio is selected and the next steps for a project are decided.

Update Meeting where significant insights or updates of ongoing projects and implemented results are brought to the table.

The Innovation Team has developed tools to constantly monitor the work in progress and to identify areas that need more input. The focus is on developing innovation projects in a fair and proportional manner with respect to each Saviola Group Business Unit, with an eye on the company's core business. With the long-term goal of involving an increasing percentage of people within the Holding.

Saviola Innovation activities also aim to increase the culture of innovation within the company through targeted activities designed to develop greater awareness and insight through discussion, dialogue and the creation of collective and shared knowledge.

The next step will be to increase participation and dissemination of Innovation activities by further implementing workshop activities and, in cooperation with human resources, to organise targeted training sessions, with the aim of fertilising the ground for the development of new ideas.

1.4.2

Saviola Group Certifications

In order to respond to an ever-changing international market that is sensitive to products and processes, the Group has adopted certifications and monitoring systems to ensure ever-improved performance. These certifications

allow us to document the quality and reliability of a product, as well as guarantee a high level of transparency capable of improving relations with stakeholders. The contribution of these certifications allows companies to consolidate their position in the sector that they operate in, ensuring veracity and reliability of results, certified by a recognised body.

BUSINESS UNIT	SYSTEM			PRODUCT
	ENVIRONMENT	SAFETY	QUALITY	
Saviola Holding	/	/	ISO 9001:2015	/
Savionet	ISO 14001:2015 (Ecolegno Roma, Del Curto, Sage, Sandei, Sima)	/	ISO 9001:2015 (Ecolegno Roma, Del Curto, Sage, Sandei, Sima)	SURE-UE (Morandi Bortot)
Saviola	ISO 14001:2015 (Sadepan Latinoamericana, Trasporti Delta Srl, Radicofani, Ecolegno, EMAS (Rheinspan))	ISO 45001:2018 (Sadepan Latinoamericana and Trasporti Delta)	ISO 9001:2015 (Saviola, Sadepan Latinoamericana, Trasporti Delta, Ecolegno)	FSC® (FSC-C001524), PEFC (CQ-PEFCCOC-24414) + ICILA - (PEFCCOC-004401) REMADE IN ITALY (Viadana, Mortara, Sustinente, Refrontolo, Premaor/Miane, Montelabbate sites) 4 STARS, Quality Award E1, CARB P2, TSCA Title VI, CPR Fireproof panel (Viadana site) MED Laminate (Mortara site) SCS Recycled Content Certificate (Sadepan Latinoamericana)
Sadepan	ISO 14001:2015 (Viadana site, Genk) and EMAS (Viadana site)	ISO 45001:2018 (Viadana, Trucazzano, Genk sites)	ISO 9001:2015 (Viadana site, Genk)	FSC® (FSC-C116161) (Trucazzano site) ISCC PLUS (Genk site)
Composad	/	ISO 45001:2018	ISO 9001:2015	FSC® - (FSC-C011298)
Saviolife	ISO 14001:2015 (Radicofani site)	/	ISO 9001:2015, ISO 22001:2018 (Radicofani)	FSC® (FSC-C174847), FSC® (FSC-C023376)(Radicofani site), PEFC (CQ-PEFCCOC-30572), FAMI-QS and GMP PLUS FCA, Organic Soil Conditioners (Radicofani site)

¹ This certification is in place for the following Network companies: Sage, Dur.Eco, Eco-Trans, Ecolegno Brescia, Ecolegno Forli, Ecolegno Udine, Ecolegno Verona, Ecolegno Airasca, Ecolegno Brianza, Ecolegno Milano Est, Ecolegno Firenze, Ecolegno Valdelsa, Sandei

1.5

Savionet: Regenerative Recycling

Savionet is the Group's new business division targeting utilities, production and distribution companies, small craft and construction companies, with a special interest in the wood recycling and energy production sectors. This commitment aligns perfectly with the values of environmental sustainability that Saviola is known for worldwide. The collection and recycling of wood waste remains the core of Savionet's business, using this waste as the exclusive raw material for the Pannello Ecologico®, an environmentally beneficial solution for recycling furniture, furnishings, building materials, pallets, industrial and horticultural packaging. The services offered are supported by an extensive logistics network with numerous authorised vehicles and containers. Working together synergistically means being able to handle a wide range of waste types. Assistance to ecological service operators includes the supply of machinery for shredding various materials, mechanical separation and screening plants, dust suppression systems, with workshops located for maintenance and repair. This integrated approach guarantees the certification of the flows collected and sent for recovery or recycling, with authorised centres and trained personnel. Savionet therefore represents the most economically and environmentally sustainable solution for activities that affect not only waste management, but also land care and maintenance. Through these centres, whi-

ch form the hub of raw material procurement for Saviola Group, around 1.5 million tonnes of post-consumer wood are collected annually, helping to save 10,000 trees per day. Savionet originated from Mauro Saviola's idea to promote the separate collection of wood and reduce waste. The first collection centres, known as Ecolegno, were established in the 1990s in the vicinity of major urban centres. Today, these centres, present in Italy, France, Switzerland and Germany, represent the first step in a process that transforms post-consumer wood into a finished product. The collected waste undergoes rigorous quality checks to ensure compliance with production standards and environmental regulations. Along the supply chain, materials are subject to careful controls, which continue also during the storage period in the collection centres through documentary inspections and analysis of material from the areas of origin. In the centres, wood waste undergoes volumetric reduction and an initial cleaning to remove coarser impurities. The other components are separated at the Group's sites, where a further volumetric reduction and separation of all other materials from wood takes place. Savionet centres play a key role in sustainable development by enabling the recovery of post-consumer wood and preventing the incineration of wood waste or its accumulation in landfills. Recycling also avoids the methanisation process, which contributes to the formation of greenhouse gases.

1.5.1

Savionet centres: the map

**ITALY:**

1. Ecolegno Brianza Cucciago (Como)
2. Ecolegno Brescia Rudiano (Brescia)
3. Ecolegno Milano Est Vimercate (Monza e Brianza)
4. Ecolegno Udine San Giorgio di Nogaro (Udine)
5. Ecolegno Verona Verona
6. Dur:Eco Urbania (Pesaro Urbino)
7. Ecolegno Firenze Firenze
8. Eco-Trans Lonigo (Vicenza)
9. Ecolegno Airasca Airasca (Torino)
10. Ecolegno Forlì Forlì (Forlì Cesena)
11. Ecolegno Roma Roma
12. C.G.F. Recycle Monopoli (Bari)
13. Gallici Ronchis (Udine)
14. Sandei 2 sites in Vignola (Modena)
15. Ecolegno Valdelsa Colle di Val d'Elsa (Siena)
16. Ecolegno C.M.

Mestre (Venezia)

17. Sima 2 sedi a Cornate d'Adda (Monza e Brianza)
 18. Ecolegno Bergamasca Treviglio (Bergamo)
 19. Ecolegno Modena Baggiovara (Modena)
 20. Ecolegno Picena Martinsicuro (Teramo)
 21. Ecolegno Sassari Ploaghe (Sassari)
 22. Morandi & Bortot Tezze di Vazzola (Treviso)
 23. Re Sergio Recycling Corana (Pavia)
 24. Del Curto Verderio Inferiore (Lecco)
 25. Valecoboix Aix en Provence
 26. Valecoboix Provence Vitrolles
 27. Valecoboix Rhone Alpes Givors
 28. Valecoboix Grand Est Luneville
- SWITZERLAND:**
29. Biorec Zurigo
- GERMANY:**
30. Eco Scrap Lustadt

GARANTITO
**PANNELLO
ECOLOGICO**
100% LEGNO RICICLATO



1.6

Saviola: The first 100% recycled wood

Concern for the environment is a top value for Saviola Group. Working only with post-consumer wood (100% recycled) and through constant research, the company has always been committed to two important principles: respect and responsibility.

Core Business

The Saviola Business Unit, known as Gruppo Mauro Saviola Srl, based in Italy, is made up of its Italian and foreign subsidiaries (Sadepan Latinoamericana S.A., Sitech Srl, Trasporti Delta Srl), as well as the Rheinspan GmbH Co.KG plant based in Germany. In Frankfurt, Germany, there is also the design centre Trendcor, founded in 2000, which develops innovative products for the furniture world, generating added value.

The main product is the 100% Pannello Ecologico® made of recycled wood, available in unfinished or melamine-faced versions.

The production of the Pannello Ecologico® is completed with the production of edgings, laminates, semi-finished products derived from the panel for the furniture industry, to conclude the cycle with the related transport and logistics services to and from the production site. Each trip is managed with a view to optimisation in order to minimise its environmental and economic impact.

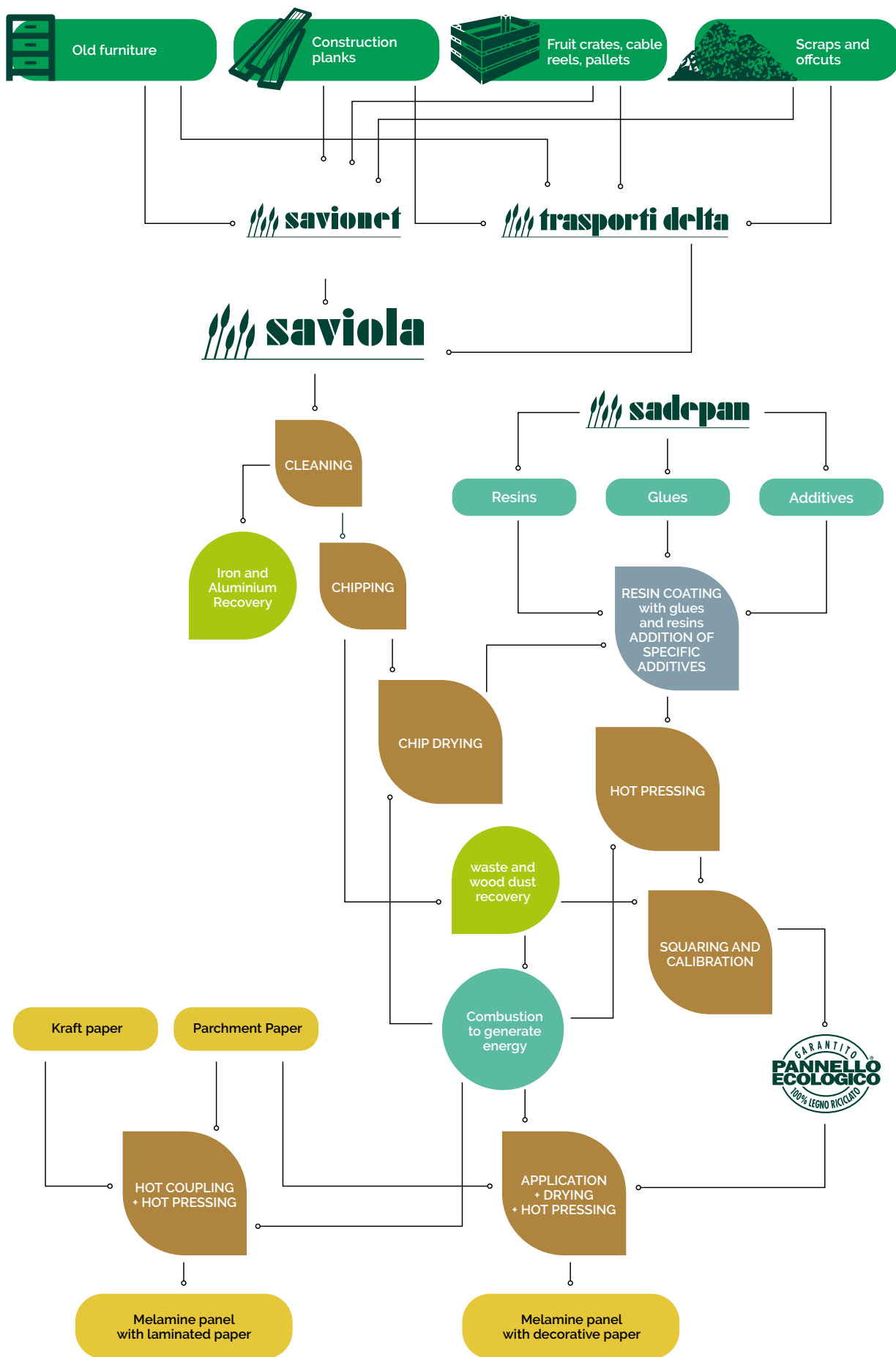
Locations

- Viadana – Mantova (Italy)
- Sustinente – Mantova (Italy)
- Mortara – Pavia (Italy)
- Radicofani – Siena (Italy)
- Refrontolo – Treviso (Italy)
- Miane – Treviso (Italy)
- Montecalvo in Foglia – Pesaro Ubino (Italy)
- Montelabbate – Pesaro Ubino (Italy)
- Conception Del Uruguay (Argentina)
- Francoforte (Germany)
- Germersheim (Germany)

Products

- Unfinished and melamine-faced chipboard panels
- Continuous plastic laminates
- Fine melamine-faced, chipboard and mdf panels
- ABS and PP edges
- Furniture components
- Surfaces
- Finished impregnated decorative papers (paintable or finished)
- Digital prints

Pannello Ecologico® production process



1.6.1

FOCUS PANNELLO ECOLOGICO® The future of furniture is here

Saviola's green heart is represented by the production of the Pannello Ecologico®, a product made entirely from post-consumer wood. With an upcycling process, waste wood can be transformed, generating a highly versatile product in the wood-furniture supply chain.

Saviola Group has created the Pannello Ecologico® Consortium whose partners are companies of different natures: furniture manufacturers, Pannello Ecologico® users, post-consumer wood collection centres and supporters of the values promoted by the Consortium. All member furniture manufacturers use the Pannello Ecologico®.

Being part of the Pannello Ecologico Consortium means supporting the logic of the circular economy and being a spokesman for environmentally sustainable design.

The panel is produced in an unfinished and a melamine-faced version. The unfinished version is the chipboard panel made from post-consumer wood, while the melamine-faced version is the unfinished panel covered with a decorative paper that recreates the visual and tactile effect of the selected texture. There are over 70,000 combinations of decors and textures that can recreate marble, stone, wood, metal

or fabric effects. The panel is also available with LEB® certification, which identifies it as the chipboard produced with the lowest emissions worldwide.

It is a material suitable for interior furniture, kitchens, offices, panelling and cladding for all tastes and environments. Designing furniture with a natural, environmentally friendly material is a responsible choice that allows the market to offer high-performance furniture, kitchens and upholstery that faithfully reproduce the characteristics of real wood from an aesthetic and tactile point of view, in the knowledge that not a single tree has been felled without sacrificing quality and design.

A product designed to respect the planet, whose DNA preserves a link with nature, ensuring the regeneration of what would otherwise be dispersed or burnt, generating emissions into the atmosphere.



1.7

Sadepan: Responsible bonds

Core Business

Our most important formula: respect for Man and the Environment. We work with chemistry to guarantee every customer the maximum, from the constancy of quality and performance to the customisation of production. We work with chemistry with respect: our solutions aim at protecting man and the environment.

Sadepan was founded in 1973 with the main objective of integrating the upstream production process by supplying glues and resins, which are indispensable for processing Pannello Ecologico®. Today, Sadepan has offices in both Italy and Belgium, and its production is not only geared towards the needs of the Group, but is primarily aimed at the market.

Sadepan manufactures glue resins, hardeners, self-hardeners and impregnated kraft papers (these are ultra-protective papers that are cut-, impact-, tear- and vibration-resistant, robust and moisture-resistant). All locations also produce slow-release solid and npk, liquid nitrogen fertilisers that are targeted for agriculture and sold by the Saviolife Business Unit.

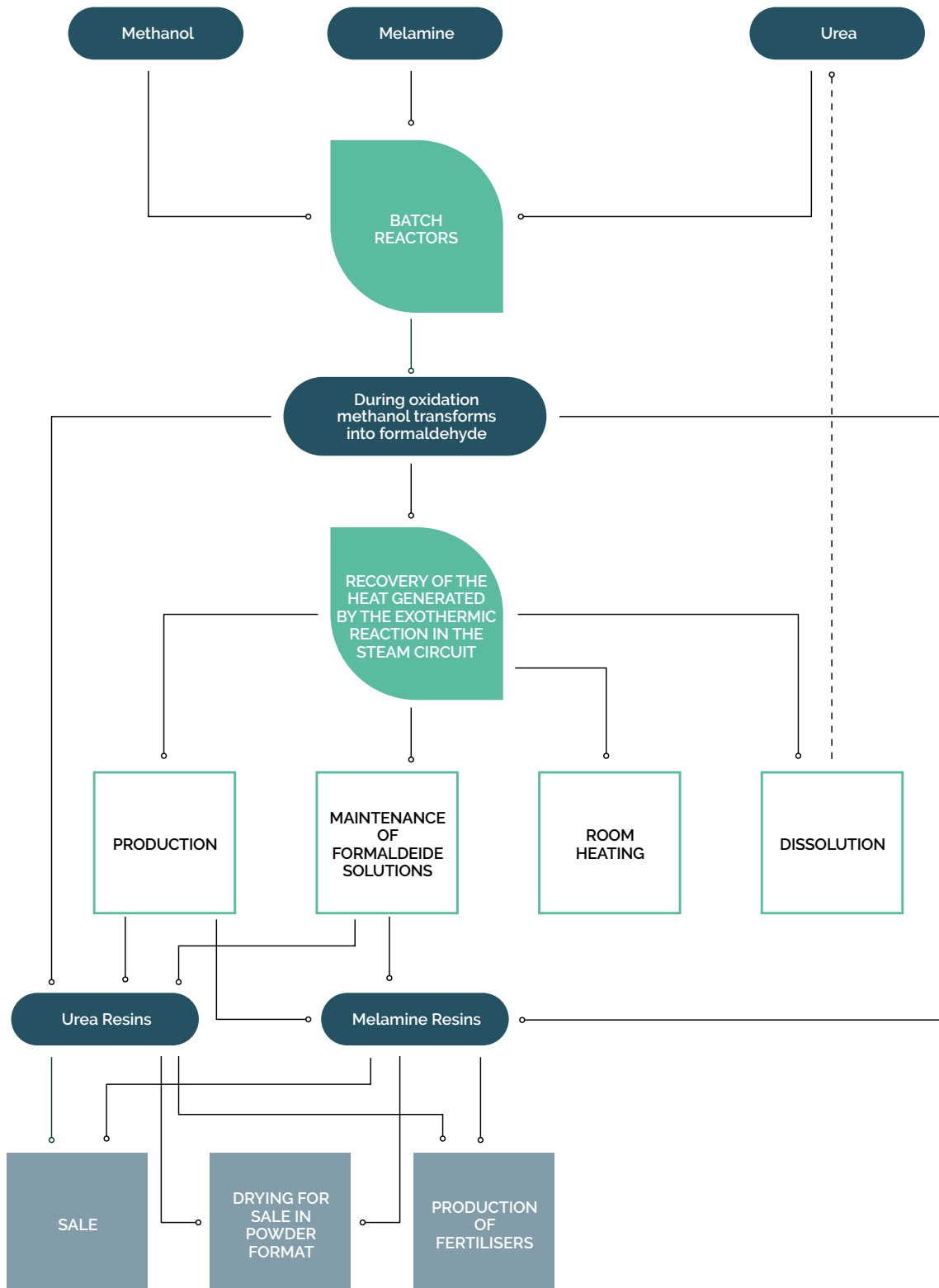
Locations

- Viadana – Mantua (Italy)
- Truccazzano – Milan (Italy)
- Genk (Belgium)
- Hautrage (Belgium)

Products

- Liquid glues and resins
- Glues and resins in powder form
- Formaldehyde
- Phenolic resins
- Cationic amide resins
- Additives and hardeners
- Impregnated kraft papers
- Slow-release nitrogen and NPK fertilisers

Glues and resins production process



1.7.1

Focus: Research and Development for innovative projects

Research and Development is the driving force behind innovation at Saviola Group. Through constant research into new materials, products and technologies, the aim is to increase the quality of existing products, optimise the resources used during the manufacturing process and reduce energy consumption. Saviola Group aims to anticipate market, regulatory and sustainability needs to meet customer demands effectively and efficiently.

The R&D department promotes synergetic collaboration between the various business units, enabling complex challenges to be tackled creatively and ensuring that each stage of the development cycle is realised. Through this collaboration, it is possible to improve not only the processes, but also the reporting of ongoing projects.

Between investment and project development a total of 2 million Euro of resources were used in 2023 for a total of 41 active projects.

The main projects active during 2023 were as follows:

More sustainable resins

The innovation concerns the replacement of raw materials derived from fossil sources with more sustainable substances to be used in the field of green building as well as furniture.

Optimising water consumption

Water footprint reduction projects through process optimisation and efficient reinvestment of resources.

Collaboration with the European Union for analytical control methods

Work was done with the EU to determine analytical methods to validate the release times of Me-UREA (slow-release fertiliser) at EU level.

Process optimisation with AI

Artificial intelligence systems were used to reduce consumption through metering systems to prevent plant failures by signalling anomalies.

Circular or bio-circular products

Projects have been initiated for the production of sustainable articles from processing waste or vegetable scraps, consistent with the company's mission.

Sustainability of the Panel

After more than 30 years of achieving the use of post-consumer wood, more projects have been initiated with the aim of making the Panel and derived furniture more sustainable

Smart wax

Replacement of fossil paraffins with paraffins obtained from a plant source or by synthesis.

Tannin with high added value

Use of tannin in feed to avoid the administration of drugs to livestock and in food to exploit the natural antioxidant action of polyphenols.

Snap together furniture

Furniture that does not require hardware thanks to a snap together system that makes it entirely sustainable and reduces assembly time.

1.8

Composad: A new life for Italian design

Charm and utility, industrial production and sustainable development: the company's foundations are competence and skill, innovation in respect of the environment, love of wood and the use of state-of-the-art technology. In its furniture production, Composad does not compromise nature thanks to the use of the Pannello Ecologico®, in which old furniture that is no longer usable is regenerated into new, sustainable and easy-to-assemble furniture. The mission is to export to the world a new example of Made in Italy that is both economically and environmentally sustainable.

Core Business

Composad is Italy's leading company in the production of furniture kits and do-it-yourself furniture serving the most important large-scale retail brands. 90% of Composad's production is exported. Composad products represent the latest stage in Saviola Group's vertical integration where the Pannello Ecologico® is used to create an environmentally friendly product with a refined design, representing the end result of synergetic collaboration between the various Business Units.

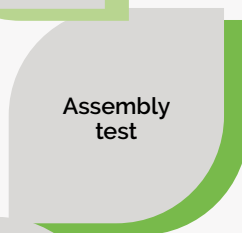
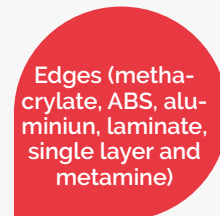
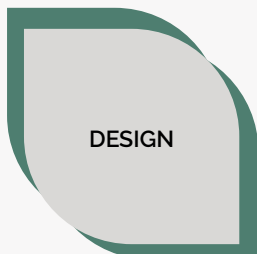
Locations

- Viadana – Mantova (Italia)
- Gerbolina di Viadana – Mantova (Italia)
- Cogozzo di Viadana – Mantova (Italia)

Products

- Bedrooms
- Living and dining rooms
- Home-office
- Bathroom furniture
- Multipurpose

Composad production process



1.8.1

Focus: New photovoltaic plant for decarbonisation

Through the initiatives that will be activated by the Decarbonisation Plan, Saviola Group is working to reduce Scope 1 and 2 (Market-based) emissions by 21% by 2026 compared to the 2021 baseline, in line with the Paris Agreement and the Science Based Targets Initiative standards, thus ensuring a contribution to keeping the global temperature increase within 1.5°C compared to pre-industrial levels. In the long term, starting in 2026, the Group is committed to continuing to pursue the decarbonisation of its emissions by expanding energy efficiency and renewable energy production.

One of the fundamental pillars of Saviola's Decarbonisation Plan, published in the year 2023, is the development of Energy Transition initiatives with which Saviola Group plans to install a series of self-generation systems powered by renewable sources in its industrial plants in the medium term, totalling approximately 25 MW of electricity.

During the year 2023, Composad installed and commissioned a new photovoltaic system covering the entire 90,000m² roof area of the plant located in Viadana (Mantua) in the Gerbolina industrial area.

The plant consists of 9,537 state-of-the-art panels and has a peak power of 4.4 MW, allowing an annual output of 5.4 million kWh. It was conceived with the aim of guaranteeing a significant share of the plant's daytime energy requirements and the feeding into the grid of surpluses in relation to self-consumption.

The production activities of the Mobile Business Unit are therefore powered by a significant share of entirely renewable energy, which allows a reduction of 2400 tonnes of CO₂ equivalent emissions each year.



1.9

Saviolife: Natural tomorrow

For Saviolife, instead of being an obstacle, sustainability is a real opportunity, to be exploited as a competitive advantage. To make the most of the potential advantage, the Business Unit focuses on research and development to innovate new agri-related solutions; from supplements for livestock, to natural pesticides used in crops to improve soil quality, to slow-release fertilisers that follow the growth rhythm of plants.

Core Business

Saviolife fulfils an important function related to Saviola Group's activities. In particular, it is responsible for completing the circularity chain, which has always been the strength of the industry, by distributing the products manufactured by the other Business Units to the market. Saviolife's products actively contribute to the preservation and development of the territory, containing the environmental impacts caused by the dispersion of articles into water and the atmosphere. Sazolene® is a slow-release nitrogenous fertiliser free of microplastics and compatible with the nutritional needs of plants and turf; Saviotan®, 100% natural hydrolysing chestnut tannin extracted without solvents and chemicals only from sustainably managed fore-

sts; Extralignum®, a high-quality peat substrate suitable for organic farming; and Vegastim®, a natural stimulant obtained by optimising the tannin production process and completely free of chemical residues or contaminants.

Locations

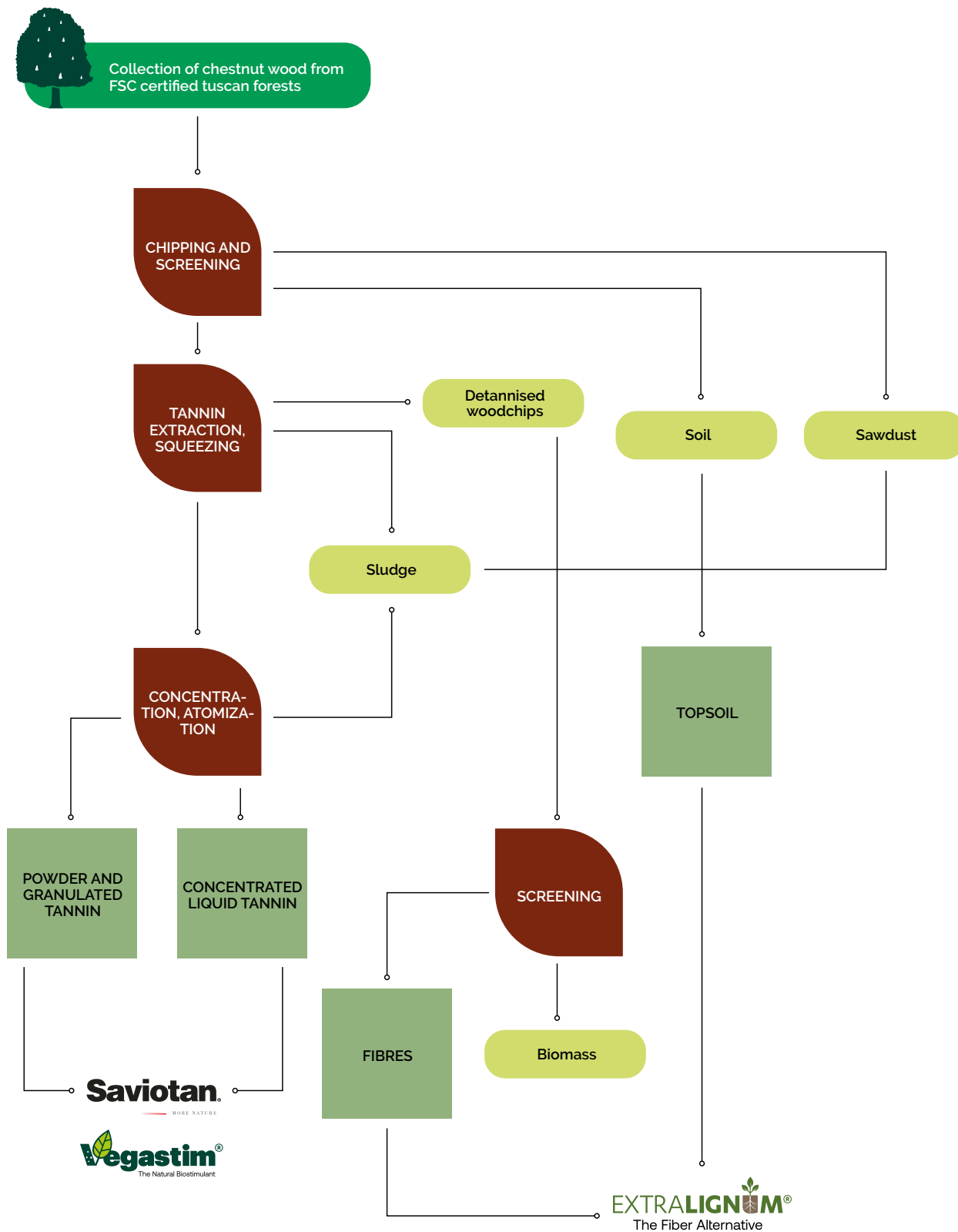
- Radicofani – Siena (Italia)
- Viadana – Mantova (Italia)
- Genk (Belgio)
- Hautrage (Belgio)

Products

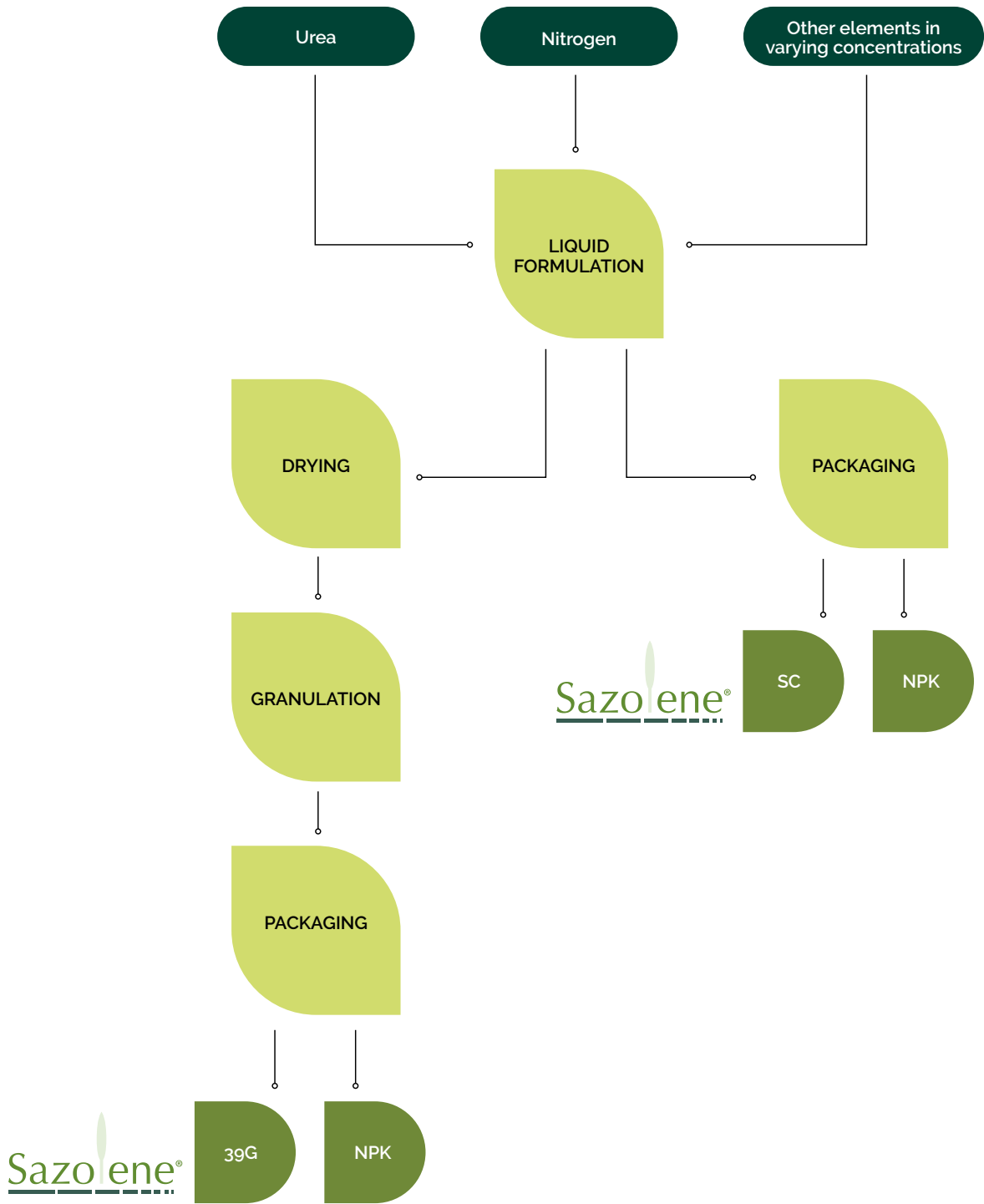
- Chestnut tannin for leather processing
- Natural additives based on tannin for animal feed
- Fertilisers for conventional and organic agriculture
- Fibres for the production of soil and substrates for floriculture and nursery purposes



Saviotan®, Extralignum® and Vegastim® manufacturing process



Sazolene® production process



1.9.1

Focus: Saviolife products

Saviola Group, with its Saviolife Business Unit, is committed to offering the market effective alternatives, more environmentally friendly and life-friendly products. We do all this without taking anything away in terms of quality and performance.



Vegastim® is an EC biostimulant of vegetable origin extracted from chestnut trees from certified forests in the Tuscan area. Production is standardised, homogenous and occurs without the use of solvents during the manufacturing process. This makes Vegastim® a completely natural product without any kind of chemical residue. The fields of application where its contribution is evident are those where plants are exposed to salt and water stress (both in the case of stagnant water and water shortage). The acidic pH of Vegastim® improves the absorption capacity of nutrients, especially phosphorus and calcium. Vegastim® is a product with a very high concentration of soluble polyphenols.



Extralignum® represents an environmentally friendly and sustainable alternative to the use of peats for the production of potting soils and growing media. Extralignum® comes from a circular production process in which waste becomes a precious resource and presents the FSC®, PEFC® certifications. Extralignum® consists of high quality wood fibres and chemical-physical properties that allow the production of soils with specific porosity and structure according to different consumer requirements.



The idea of Sazolene® was born from a combination of ecological awareness, research and the use of new technologies. The result is a highly innovative nitrogen fertiliser capable of releasing nitrogen in synch with the plants' needs without leaking into the environment. Sazolene® is fully utilised due to its very high efficiency and nothing ends up unnecessarily in the atmosphere or groundwater. Sazolene® is free of microplastics and has different formulations, with varying release times for different nutrition needs. The advantages are multiple: less fertiliser use and greater efficiency, reduced costs, more respect for nature and less impact on the environment. Sazolene® can be used for field crops, in horticulture and fruit growing (food crops), for turf, landscaping, floriculture and ornamental plants (non-food crops) and in all cases of new sowing. Sazolene® products facilitate a gradual release of nitrogen in harmony with the plants' natural demands for nutrition.



We at Saviolife offer an alternative to chemicals: 100% natural chestnut tannin extracted without solvents only from sustainably managed forests. Tannin processing is at the heart of our offer and years of research and development have led us to the creation of highly sustainable products with a very low environmental impact.

Feed

It is a natural additive used in animal feed for poultry, pigs, cattle, pets and in aquaculture. It is a good alternative to chemicals: tannin extracted without the use of any solvents, just wood and water. It is particularly suitable for all farms oriented towards organic production and all-natural supply chains.

Leather

It is a highly concentrated pure tannin, specifically for the natural processing of high quality leather. For softer and more resistant leather.



SHORT HISTORY OF THE TIMELESS DOMINANCE OF PLANTS ON EARTH



Elena Gogna

Biologist and populariser

The organisms that we must thank for the existence of almost all living things we encounter, including ourselves, are plants. When they developed on dry land, at a time when the earth's continent looked very different, they changed the entire structure of the planet, transforming the atmosphere from predominantly methane to predominantly oxygen. Most terrestrial creatures today are aerobic, living on oxygen. So, without their 'conquest of the land', everything would be very different today.

The first plants to arrive were mosses, approximately 450 million years ago. They were preceded only by lichens, which are not plants, but paved the way for plants because with their small roots they began to break up the volcanic rocks that the earth was made of, forming the first real soil. From moss then came the plants as we know them today, thanks to the evolution of a crucial component, lignin, which meant that plants could be more solid and grow upwards. Since then, millions of plant species have evolved, some of which we still see today, for example ferns or ginkgo biloba.

The animal world on Earth split from the plant world around 350 million years ago. These two branches of life have opted for opposite strategies. Distributed power on the one hand, centralised power on

the other. Let me explain: an animal has several vital functions concentrated in different organs, headed by one in particular that governs, actively or passively, the others; a plant, on the other hand, has its vital functions distributed throughout the entire organism and there is no real coordinating centre. This is because plants have sacrificed the ability to move, favouring greater resilience in a confined, unchanged area. That said, nothing prevented them from evolving so that, despite their immobility, their offspring could still come to life miles away.

So many interesting evolutionary choices for plants, all seemingly unfavourable when compared to our lives as walkers and communicators. But are we sure?

Today there are as many as 390,000 plant species in the world, specifically an estimated three trillion, which means 3,040,000,000 trees alone. They do not run away from danger with their legs, but defend themselves chemically, they do not rely on the availability of prey, but on natural, hopefully 'evergreen' elements such as sun, water, and earth. They do not have a mouth or vocal cords to communicate, but they do have a vast underground network through which they exchange substances and messages, communicating dangers and criticalities.

In the 1980s, the Chernobyl nuclear power plant collapsed, becoming a radioactive and unlivable place for all life for miles around. Guess who first returned to populate those areas? Plants.

In a context where global warming and pollution are endangering living species and the mass extinction of life on Earth is a possibility that is not only plausible, but also imminent, plants are perhaps the only hope that life forms will adapt to the new, hot and extreme terrestrial setting. Plants will ensure that life does not end with climate change.





Materiality analysis and matrix



2

2.1 Group priorities:
materiality analysis
and matrix

52

2.1

Group priorities: materiality analysis and matrix

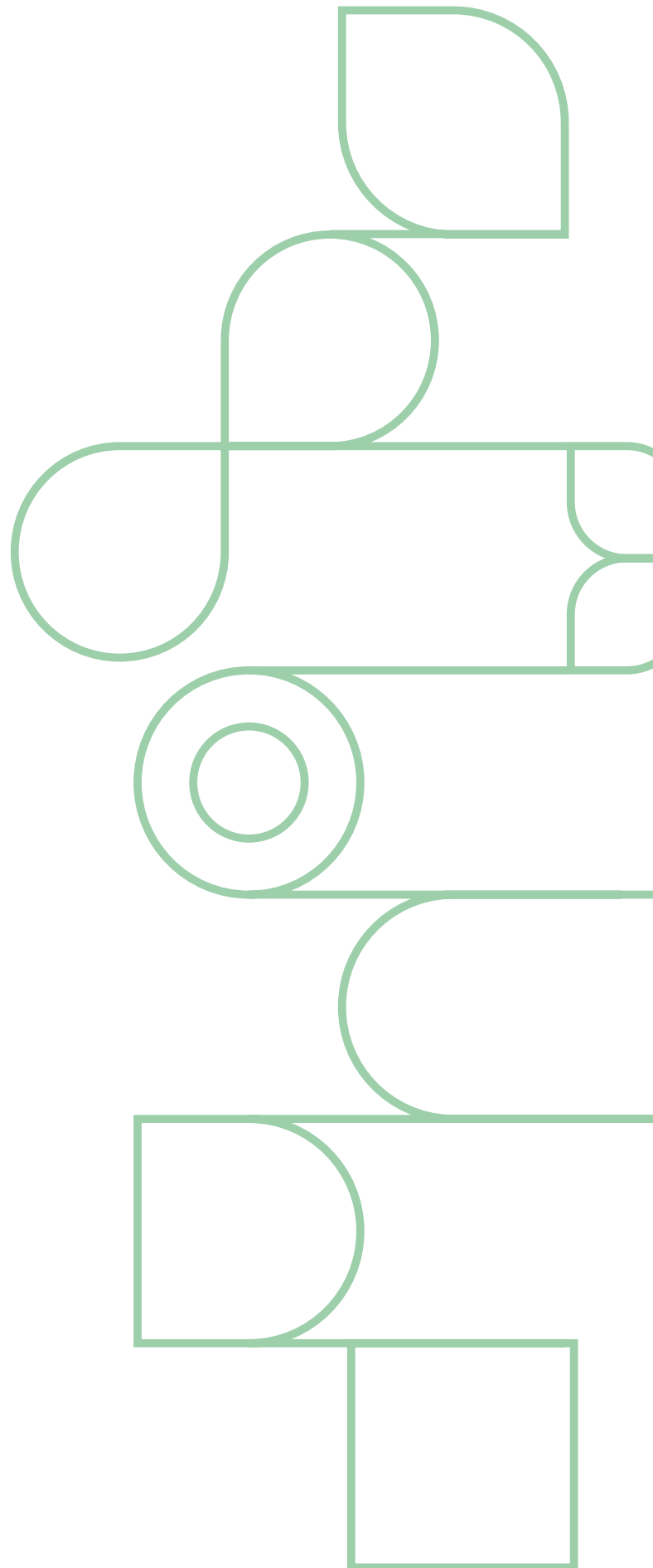
Materiality analysis and stakeholder involvement

For the Sustainability Report 2023, Saviola Group chose to carry out a new materiality analysis that, compared to the previous one (from 2020), had the ambitious objective of involving a larger number of stakeholders, both internal and external to the company.

Although stakeholder involvement and participation is a constant that is expressed through multiple modes, including direct confrontation, survey and rating systems, supplier selection processes and mutual feedback along the value chain, the Group has considered it fundamental, in order to identify the most relevant guidelines to achieve its objectives, to directly involve the various categories of stakeholders through the administration of a questionnaire aimed at identifying the strategic nature of the various issues with reference to the Group's reality and its value chain.

To proceed with the process of identifying the material topics, it was first necessary to select the different stakeholders of the Group, which ended with the breakdown of these subjects into seven macro-categories. The stakeholders involved in the process of identifying material issues were divided into the following categories:

- Customers
- Suppliers
- Institutions and Public Administration
- Communities and associations
- Financial institutions
- Universities
- Employees and their representatives



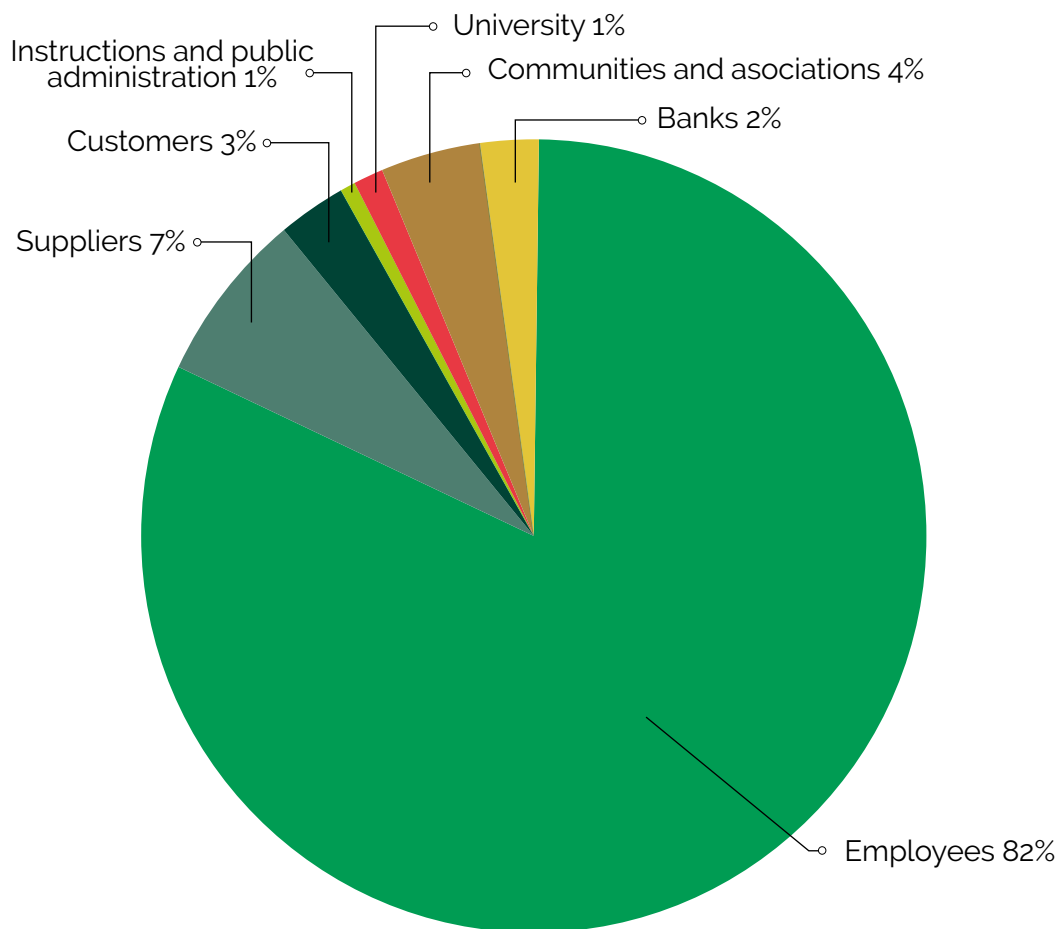
For each of these categories of stakeholders, we proceeded with the identification of the interactions already in place with each of these subjects. Below are identified the interactions

between Saviola Group and the different categories of stakeholders that have been involved in the materiality analysis.

STAKEHOLDER CATEGORY	MAIN CHANNELS OF INTERACTION
Customers	Agents and business meetings Web and social media channels Visits Surveys Trade fairs
Suppliers	Direct contacts Web and social media channels Newsletter Dedicated meetings
Institutions and public administration	Web channel Press releases and conferences Innovation and research projects Events and conferences
Communities and associations	Web and social media channels Public events Direct contacts Press releases
Financial institutions	Direct contacts Web and social media channels Dedicated meetings
Universities	Web channel Press releases and conferences Innovation and research projects Events and conferences
Employees	Reporting channel Work team Surveys Web and social media channels Newsletter

Once the different stakeholders and ESG issues potentially relevant to the Group had been identified, a direct analysis was conducted with the first-hand involvement of the identified stakeholders through the administration of an anonymous questionnaire, in which they were asked to attribute different levels of strategic importance to each issue, on a scale of 1 to 5.

In order to gather as much input as possible, space was also left for ideas and food for thought. In total, 280 stakeholders participated in the survey and about 62 left a final comment, 52 of which came from internal stakeholders (employees).



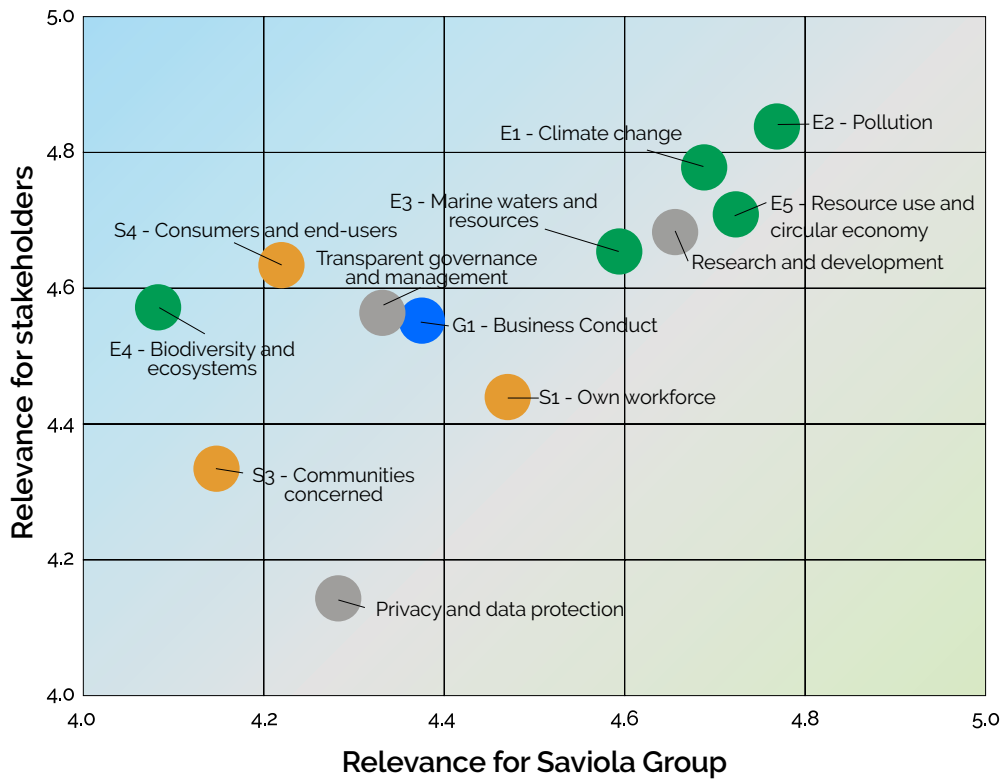
The visual representation of the prioritisation of material themes was achieved through the use of a materiality matrix. In this matrix, each issue is positioned within the space according to its strategic importance for internal and external stakeholders.

The position of an issue in the top right-hand corner indicates its high degree of strategic relevance for the Group. The issues on the bottom left are also significant, although, according to the perception of stakeholders and the company itself, they are characterised by less urgency than others.



The stakeholders' perspective

Below is the materiality matrix, which shows the material topics of Saviola Group¹:



Impact assessment

In line with what is defined by the new international GRI standards, to assess the impact materiality, Saviola Group introduced a materiality analysis of the impacts generated by the Group on the environment, the economy and the community in the Sustainability report 2022.

In 2024, with reference to the year 2023, this analysis went further in the direction of the European CSRD² directive on Corporate Responsibility, and the standards it considers, the ESRS³

(European Sustainability Reporting Standard). These standards, which came into force in 2024 for the first companies subject to them, and which envisage a phase of gradual extension also to listed SMEs and Large and Medium-sized Enterprises, should be used as a basis for reporting the analysis of dual materiality, intended as impact materiality (inside-out perspective) and financial materiality (outside-in perspective).

¹ The matrix shows the issues considered as material according to the stakeholders' view. The colours (green, orange, blue) represent topics identified by the ESRS standards, those in grey are transversal topics related to sustainability issues, recognised as material for Saviola Group, but not directly related to ESRS topics

² CSRD Corporate Sustainability Reporting Directive (2022/2464)

³ ESRS European Sustainability Reporting Standards, contained in the European Commission's delegated act, dated 31/07/2023

Saviola Group, while not delving into the quantitative and economic valuation of financial risks and opportunities at this early stage, has nonetheless promptly endeavoured to extend its analysis in this direction, by defining a series of financial risks and opportunities that it considers material to the company.

The analysis, which started from a study of the company context, in-depth interviews with strategic figures and consideration of the potential stakeholders involved, therefore contemplated both the impacts that Saviola Group has or could have on the environment and people, and the financial risks and opportunities that could arise from any sustainability issues. Not necessarily do the impacts that the company exerts on the world lead to financial risks or opportunities, and similarly, not all financial risks and opportunities that the company might experience derive directly from impacts that the company has exerted or might exert, although there are undoubtedly issues that can be material (= relevant to the company) from both perspectives.

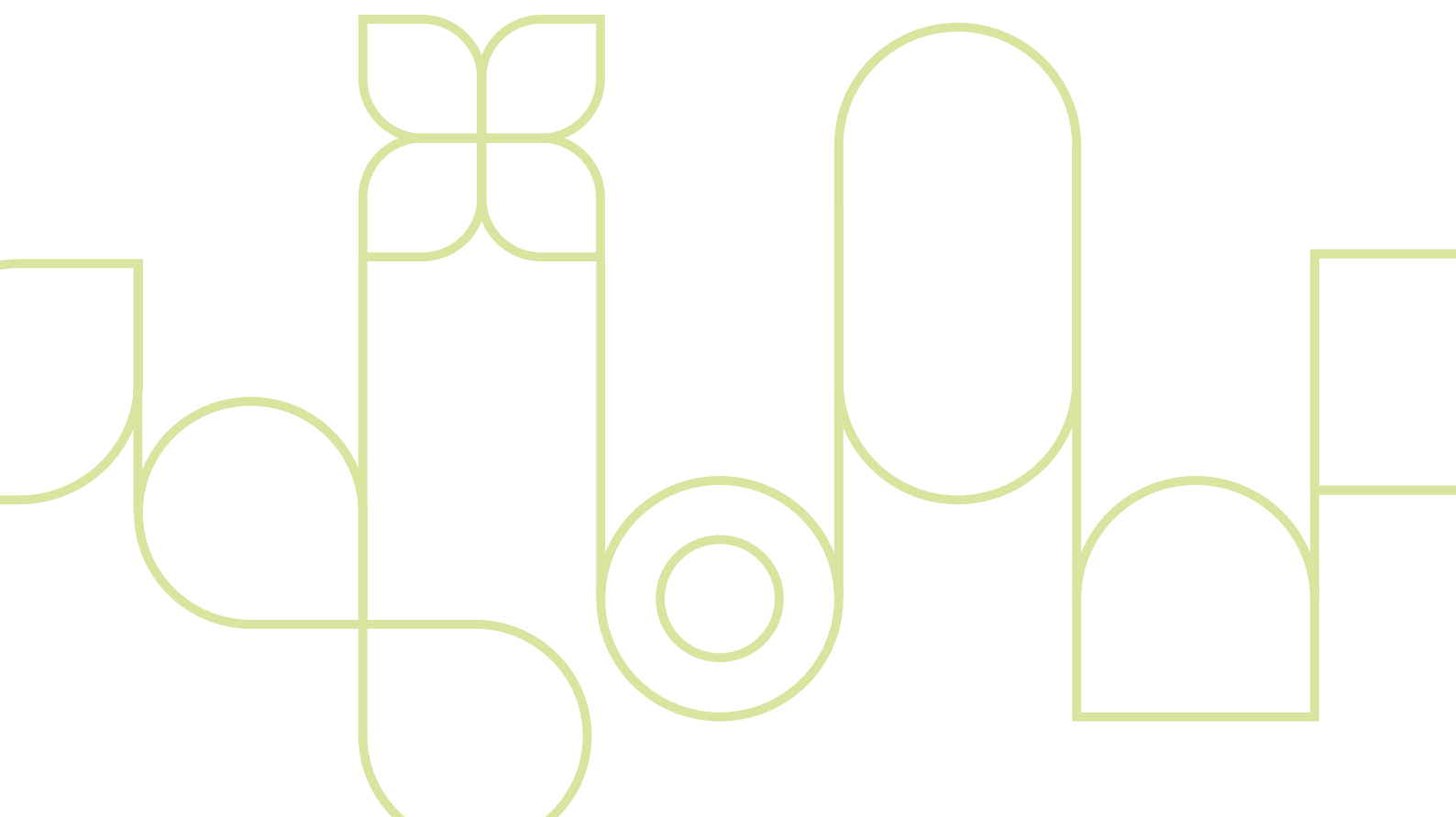
The impacts of Saviola Group have been classified into positive and negative, actual and potential impacts. With regard to potential impacts, these were assessed according to their degree of magnitude (damage/benefit scale) and probability, while only magnitude was taken into account in the case of actual impacts.

A rating scale of 1 to 5 was used for the magnitude and probability levels. Magnitude levels, in particular, were obtained by considering magnitude (severity), scope (extent) and, for negative impacts only, irretrievable nature of the impact (possibility of restoring the pre-impact situation).

With regard to financial risks and opportunities, a potential magnitude and probability of occurrence were estimated.

For negative impacts and risks, if any, the mitigation strategies that the Group, or some of its Corporate Bodies, implements to minimise their effects will be indicated.

The highest value on the magnitude scale (5) implies that the impact, due to its magnitude,



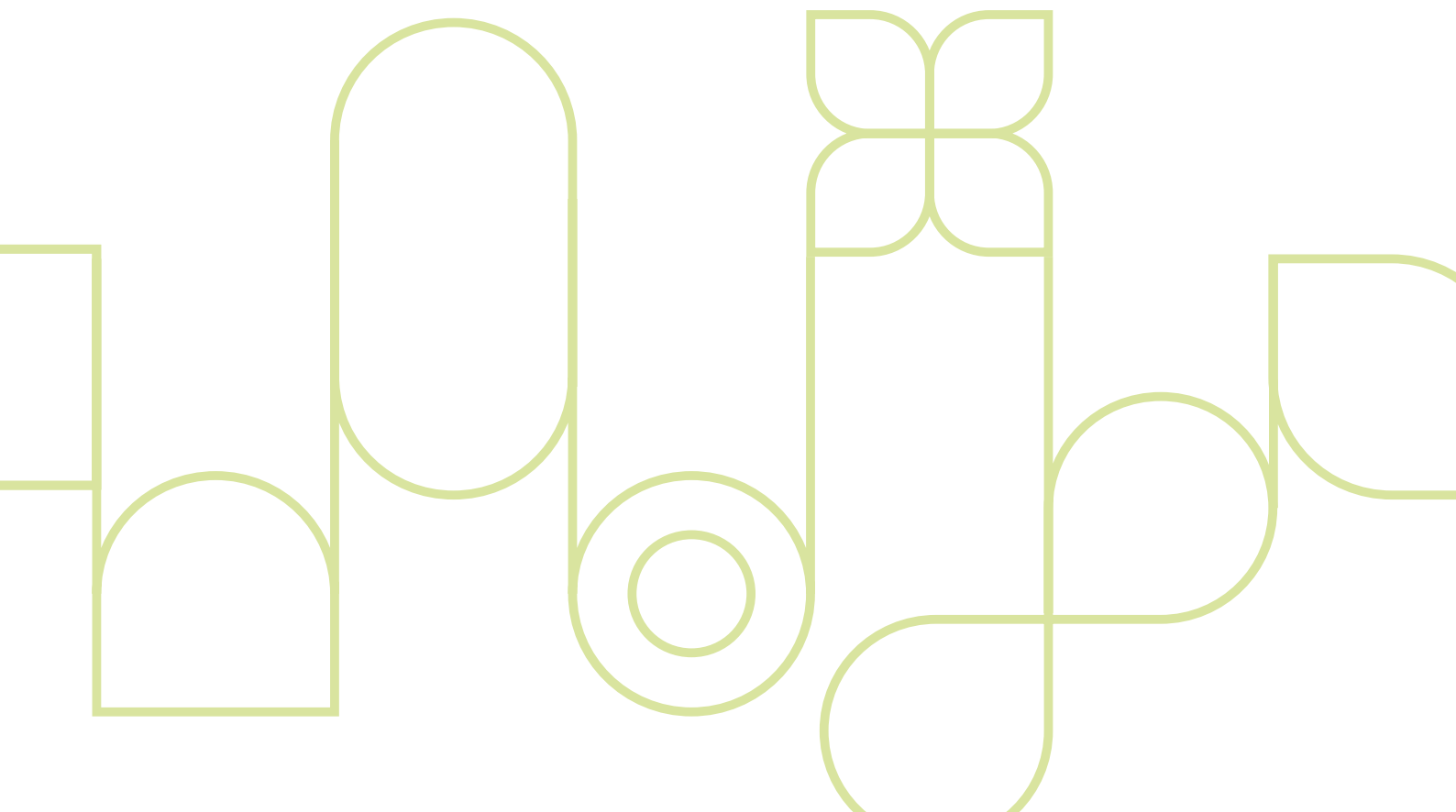
extension or irretrievable nature, is particularly significant: the highest value is therefore the optimal one for positive impacts, while it is a strategic driver to guide mitigation choices when associated with negative impacts. With regard to potential impacts, a level 5 probability indicates a high likelihood of the impact occurring.

The numerical values attributed to the different components of the analysis were then proportioned on the maximum magnitude for actual impacts and on the product between maximum magnitude and probability for potential impacts, in order to effectively compare the relevance of each impact with respect to Saviola Group's business.

The conducted study is presented below, through the representation of already manifest effects, followed by the representation of potential effects.

For the details of each impact, refer to the relevant chapter, while a summary, in tabular form, of the impacts and related numerical values used to generate the weight of each is given in the appendix.

Considering the complexity of the Group, the identification of impacts is not always common to all companies: should an impact be limited to one or more specific sites, this is evidenced either by the overall magnitude (which is reduced as a result of the reduction in scope), or by notes on the scope.



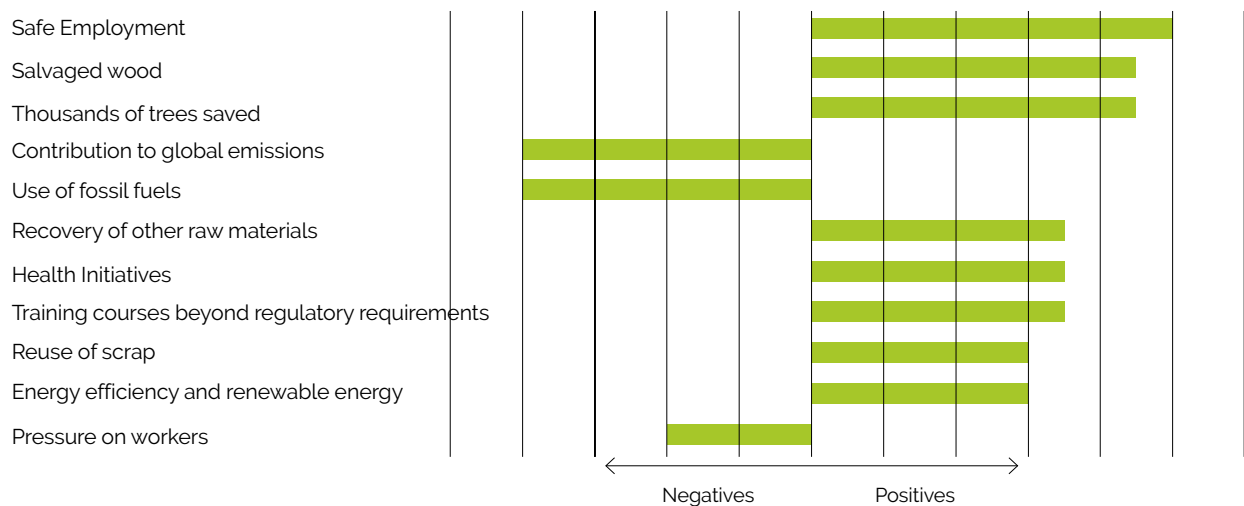
Identifying Impacts (inside-out perspective)

As mentioned, impacts mean all those effects that, as Saviola Group, we have, or may have, on the world and/or society around us, including the value chain related to our business.

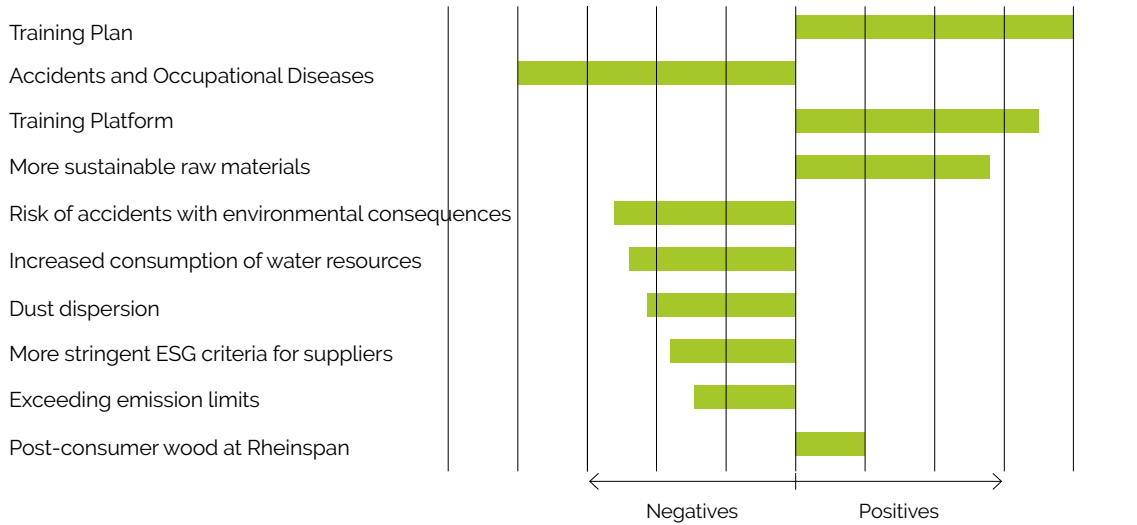
In carrying out the analysis, we have in fact gone beyond the GRI standards referred to in this document, in order to come closer to the requirements of the recent non-financial reporting directive (CRSD, mentioned above), which foresee, over the next few years, the integration of the analysis of impacts by also considering the

supply chain both upstream and downstream of the company itself. For this reason, the following chapters will also outline some impacts that are not directly attributable to the activity carried out at our sites, but are related to the so-called value chain, i.e. the set of suppliers, customers, communities and end consumers.

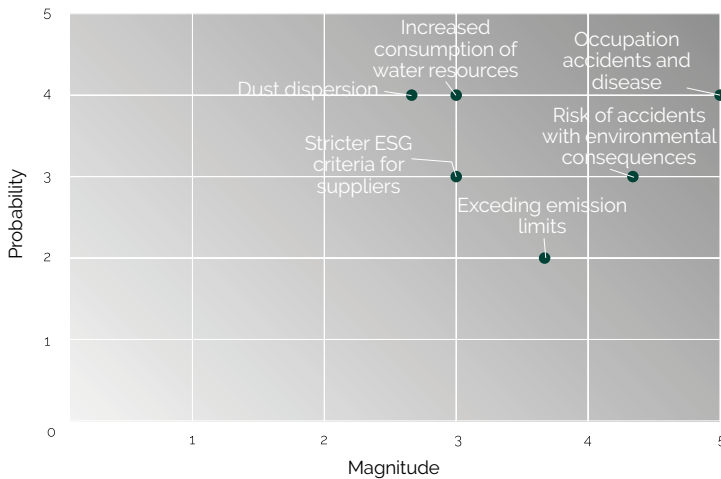
Actual Impacts



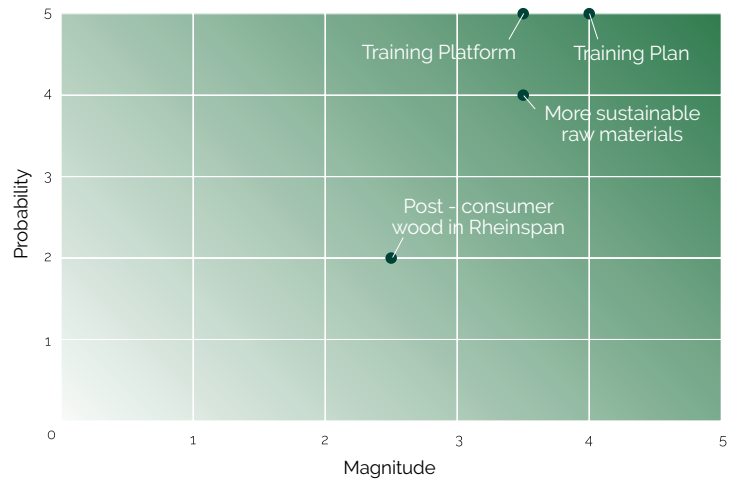
Potential Impacts



Potential negative impacts



Potential positive impacts



Identification of Risks and Opportunities (outside-in perspective)

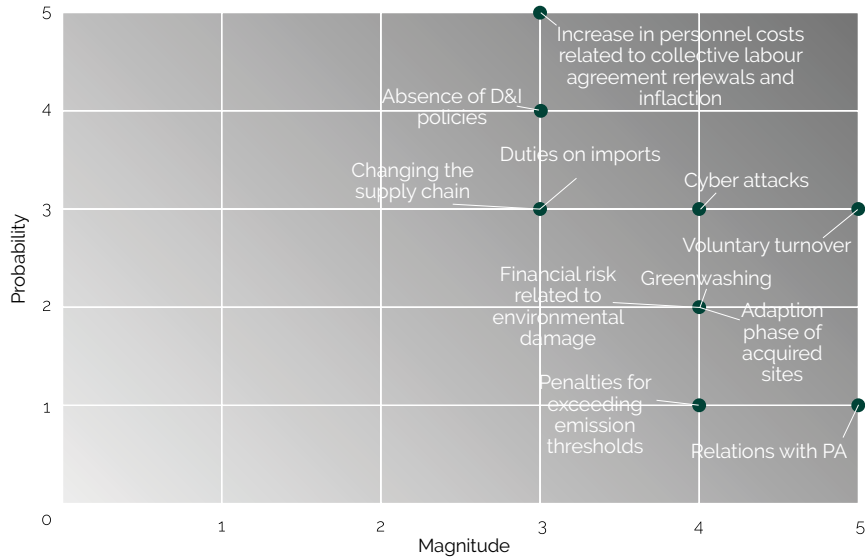
In order to identify financial Risks and Opportunities relevant to the company, we focused on analysing the dependency relationships with certain sustainability issues, such as the workforce, the upstream and downstream chain, the environment and the availability of resources, and from this basis we developed both the topics under analysis and the magnitude and probability values attributable to them.

With a view to responding promptly and in advance to the need to monitor and analyse these risks and opportunities, aware of their relevance in directing the company's strategic choices in order to enable it to be aware, competitive and transparent with its stakeholders, we have therefore identified the main ones of these risks and opportunities, using a qualitative approach, with the intention of gradually extending the analysis to other issues and integrating it with data, including quantitative data, that will become relevant in the future.

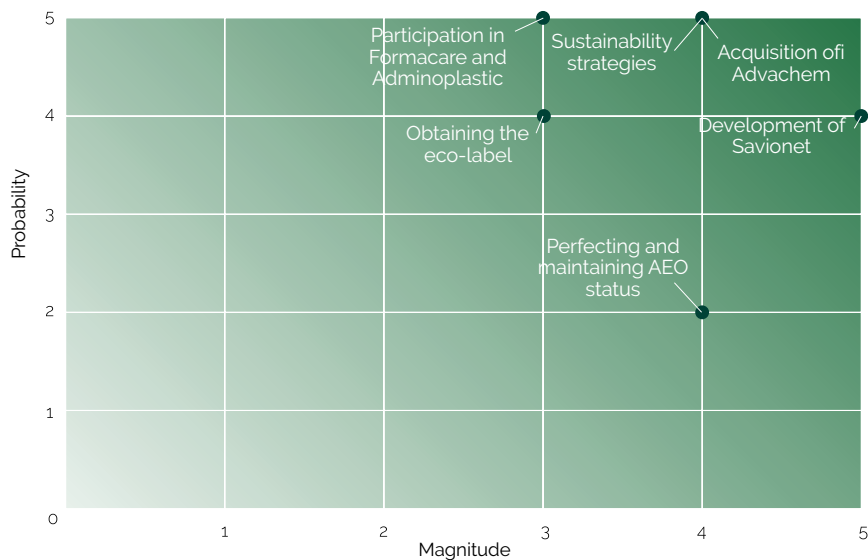
Risks and Opportunities



Risks



Opportunities



The combined analysis of the material issues identified as prioritised by the stakeholders and the Impacts, Risks and Opportunities identified for Saviola Group, allows us to determine the sustainability issues that will be analysed in this document:

• **CLIMATE CHANGE: MITIGATION AND ADAPTATION STRATEGIES**

- Energy
- Climate change mitigation
- Research & Development

• **AIR, WATER AND SOIL POLLUTION**

• **WATER AND MARINE RESOURCES: WATER RESOURCES MANAGEMENT**

- Water consumption
- Water discharges

• **RESOURCE USE AND CIRCULAR ECONOMY**

- Resources inflows
- Resource outflows
- Waste Management

• **OWN WORKFORCE**

- Worker health and safety
- Staff management and welfare
- Training and skills development

• **BUSINESS CONDUCT: TRANSPARENT GOVERNANCE AND MANAGEMENT**

- Corruption prevention and detection
- Management of relationships with suppliers
- Sustainability strategies

• **CONSUMERS AND END USERS**

- Transparent communication

Information and metrics on contribution to community, diversity and inclusion, and biodiversity protection in the supply chain will also be provided throughout the document.





Environment

3

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ENVIRONMENT

For Saviola Group, environmental issues are material and a priority. The Group is committed to sustainability through the recycling of wood and the use of environmentally friendly materials. It promotes the circular economy, reducing its environmental impact and contributing to the conservation of natural resources.

3.1

Climate change

3.1.1

Energy consumption



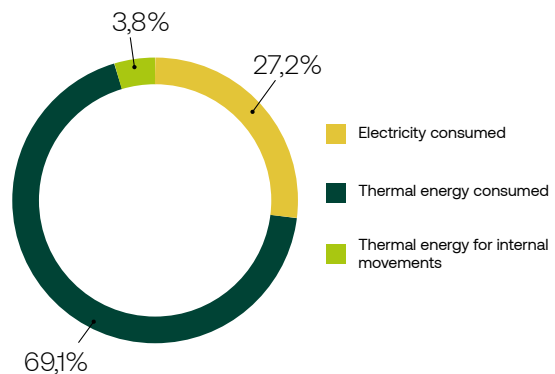
Saviola Group is an energy-intensive organisation and in 2023 used almost 5,000 TJ for its activities, with this breakdown:

- 1330 TJ (27.2% of the total) of electricity (90% drawn from the grid, the remainder self-generated by individual plants).
- 3400 TJ (69.1% of the total) of thermal energy for process and space heating uses.
- 200 TJ (3.8% of the total) of thermal energy for material handling within the production facilities and for the company fleet.

As can be seen from the breakdown (and as will be further discussed in the next section on emissions), part of Saviola Group's energy requirements is covered by fossil fuels¹. The Group is

evaluating the progressive electrification of the company fleet, with particular reference to the possibility of avoiding the use of diesel fuel for internal handling (raw material/finished product). Added to this is the renewal of Delta Trasporti vehicles in order to have newer and more efficient vehicles.

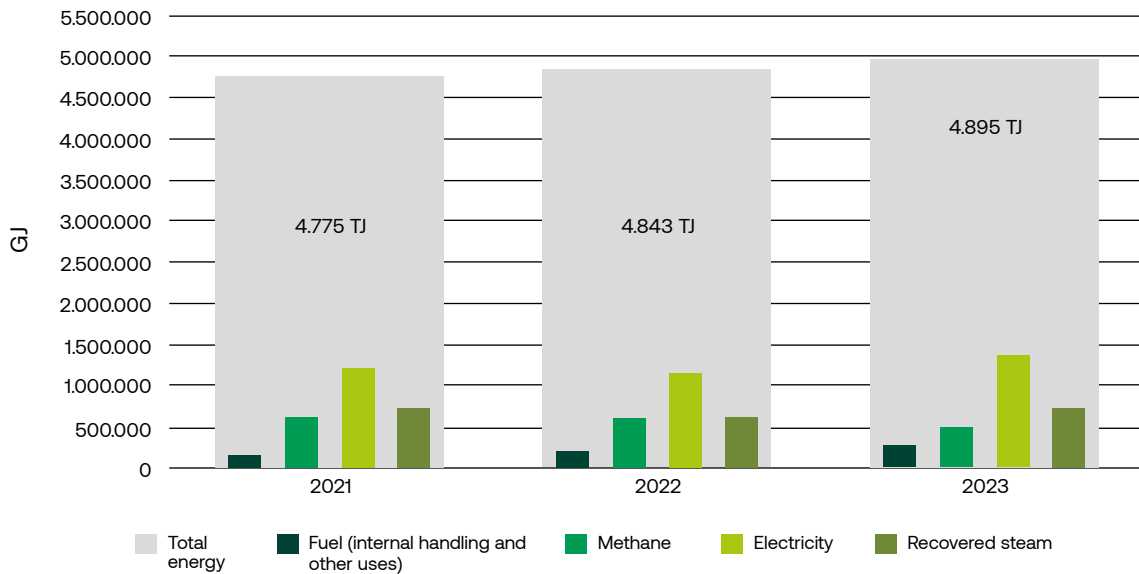
Breakdown of energy consumption



The trend of the Group's overall energy consumption is depicted in the graph below. As can be seen, the company's main energy carriers are methane, electricity, steam from recovery and fuels (mainly diesel) for the handling of materials, raw materials and finished products. However, 60% of the total energy requirement, represented by the grey background in the graph, is provided by waste biomass from the production process.

¹ §Actual negative impact: Partial use of fossil fuels to meet business needs

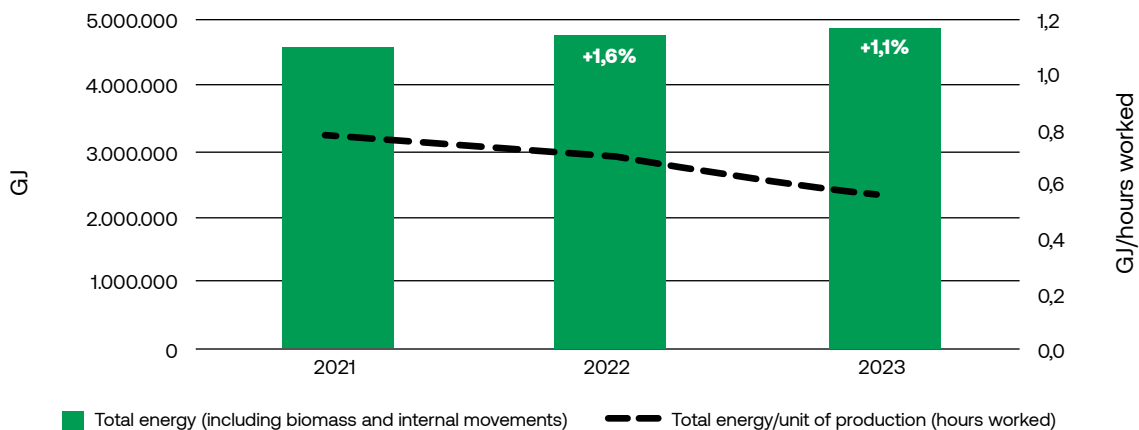
Energy consumptions



As mentioned above, 5,000 TJ of energy was consumed in 2023, an increase of 1.1% over the previous year. The slightly upward trend in consumption has been stable for a couple of years now; however, considering the complexity, articulation, and expansion of the Group and the variations due to the enlargement of the reporting perimeter due to the absorption of new plants and Business Units, it is advisable to conduct an

analysis of specific, rather than absolute, consumption trends. To calculate specific consumption, the organisation chose to relate its energy consumption (expressed in GJ) to the hours worked. The choice of this indicator arose from the need to find a common denominator for the extremely heterogeneous production of the entire Group. The following graph therefore shows Saviola Group's total and specific consumption trends.

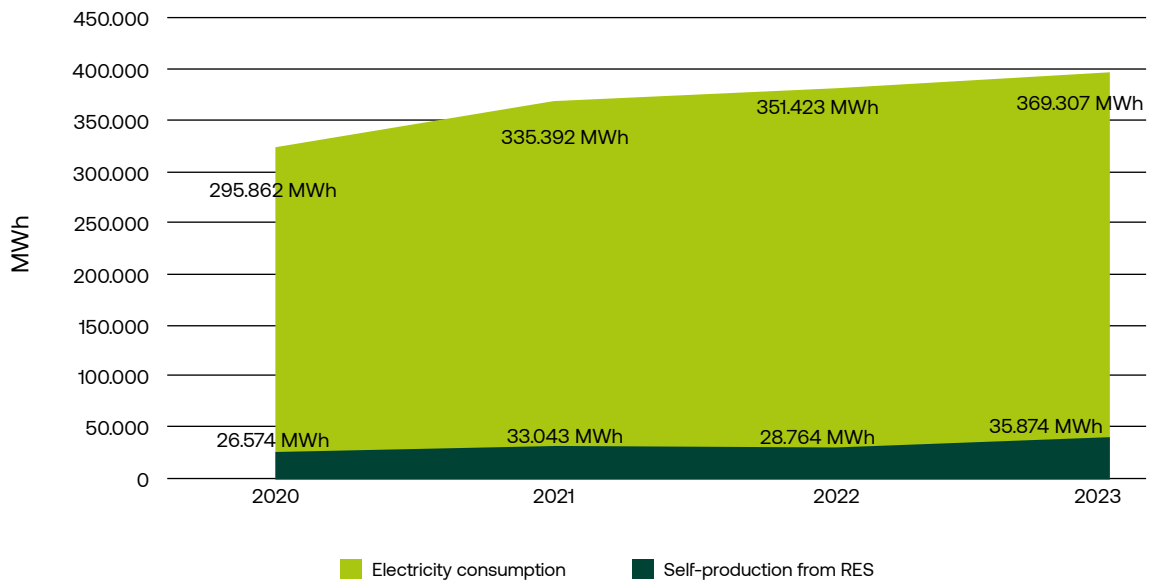
Total and specific consumptions



Consumptions, as mentioned above, increased in absolute terms, while specific energy consumptions, expressed in GJ/hours worked, decreased. This phenomenon is mainly due to the expansion of the reporting scope following the addition of new business units that have reduced energy requirements but contribute to the increase in hours worked.

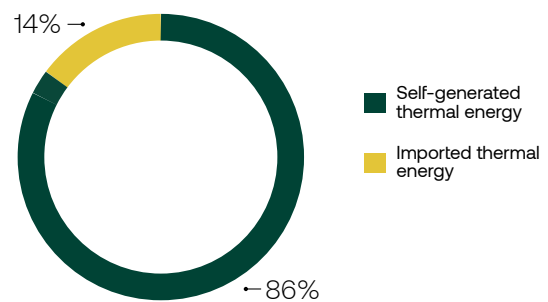
Saviola Group partly self-produces its own electricity to cover its needs. In 2023, 10% (up from the previous year) of electricity consumption was met by self-generation from renewable sources, which saved about 36,000 MWh. In addition to self-consumed energy, the Group also fed more than 23,000 GJ into the grid.

Electricity



As far as thermal energy is concerned, destined for process and workplace heating needs, Saviola Group self-produced 86% (+4% compared to the previous year) of its total energy, resorting to waste biomasses decaying from its production processes and the recovery of heat from exothermic chemical reactions, thus limiting the use of natural gas from the distribution network.

Thermal energy consumption (2023)



3.1.2

Fighting climate change



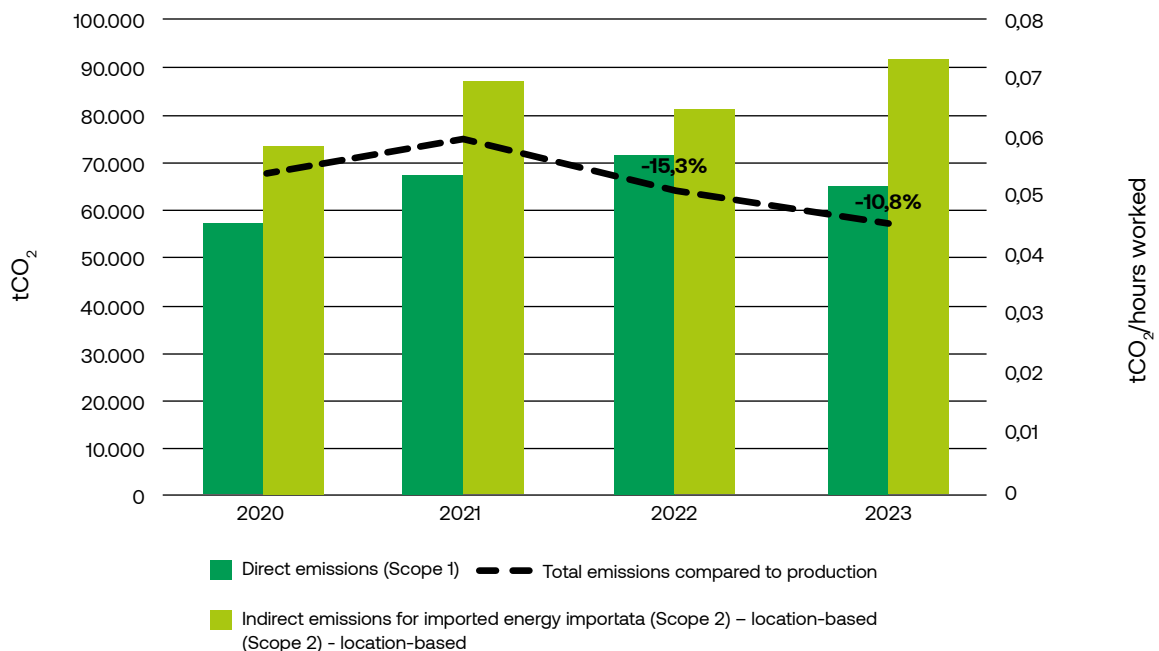
As mentioned in the previous section, Saviola Group is an energy-intensive and, consequently, Emissive organisation. Monitoring greenhouse gas (GHG) emissions is a material issue for the Group and some of its plants are subject to the *Emission Trading System* (ETS).

Saviola Group monitors its emissions for Scope 1 and Scope 2 categories, i.e. direct emissions

associated with combustion for production processes and fuels for company vehicles, and indirect emissions associated with imported electricity. For Scope 1 emissions, the approach is that of the *Emission Trading System*, i.e. a zero emission factor is applied to the renewable fraction of carbon present in biomass and used in combustion systems.

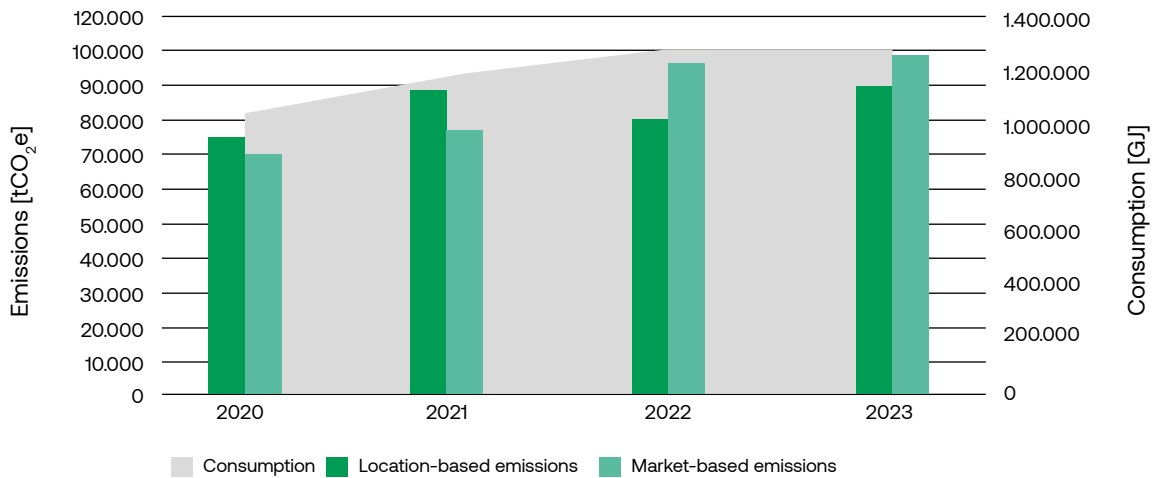
For Scope 2 emissions, the approach used in this first graph is location-based, i.e. an emission factor corresponding to the national mix was chosen, without carrying out a plant-specific supply analysis. The reason for this is that this approach is consistent with the European standard ISO 14064-1:2018. In total, Saviola Group emitted 157,000 tCO₂ e (tonnes of CO₂ equivalent) in 2023, an increase of 2.9% compared to the previous year, partly due to the expansion of the reporting scope. In specific terms, i.e. looking at the ratio of emissions to hours worked, there was an improvement (reduction) in the emission index of 10.8%.

Emissions



The second diagram shows the calculation of Scope 2 emissions according to the market-based approach, which then considers the energy mix of the electricity supplier of each plant or business Unit², ed il confronto tra i due approcci considerati (market e location-based).

Scope 2 emissions (location-based vs market-based)

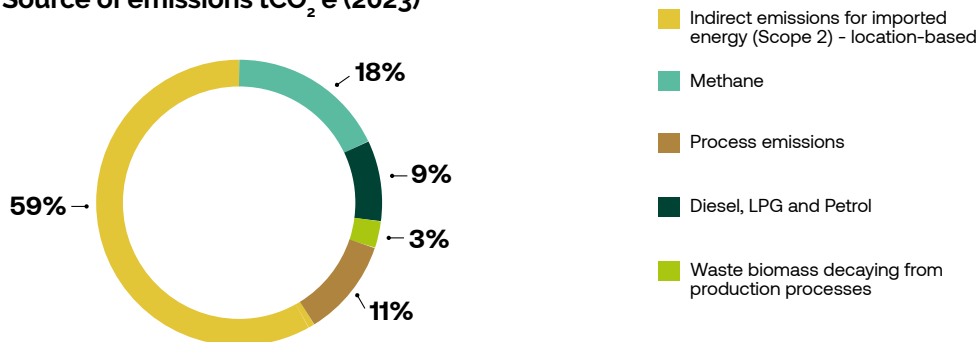


As can be seen from the graph, market-based emissions are higher than location-based emissions for the year 2023. This means that on average, Saviola Group suppliers have higher specific emission values than the national average.

mainly used for the process and heating of work areas and, to a very small extent, within the Sustinente self-generation power plant; then there are fuels such as diesel, LPG and petrol (9%), used for the movement of materials within the production plants; finally, there are waste biomass (3%) decaying from production processes and mainly used for process heat and heating of work areas; and process emissions (12%) for the production of formaldehyde from methanol.

Analysing the origin of Scope 1 and 2 emissions for the year 2023, the following graph shows that electricity is the main source (58% of the total, considering a location-based approach); then there is methane (18%),

Source of emissions tCO₂e (2023)



In terms of the climate change impact of its products, the Group recognises the opportunity to carry out a Life Cycle Assessment (LCA) study on the panel³. Carrying out LCA analyses is among the short-term tasks of the soon-to-be-published Sustainability Plan.

² For some Business Units/plants, the supplier-specific emission factor could not be obtained. In these cases, the location-based emission factor was used.

³ §Opportunities: Obtaining the eco-label.

Focus: Decarbonisation plan

Published in 2023, Saviola Group Decarbonisation Plan represents the company's public commitment to reduce greenhouse gas emissions in line with the Paris Agreement. The plan includes an analysis of baseline emissions for the year 2021 against Scope 1 and Scope 2 and a list of reduction actions in the medium and long term. The first update of the decarbonisation plan will be published in 2026 and will include a progress report on the plan itself, and from then on, the update will take place every five years. To date, in line with the Group's investment plan, 16 of the 58 planned medium-term projects

have been implemented. These include, among others, the replacement of a boiler and the installation of a photovoltaic system at the Composad Gerbolina plant. The implementation of these measures will lead to a reduction of approximately 5,000 tCO₂ eq, corresponding to 3.2% of Saviola Group's Scope 1 and Scope 2 emissions, from 2024. The goal is to achieve a 21% reduction in market-based Scope 1 and 2 emissions by 2026, in line with the Paris Agreement.



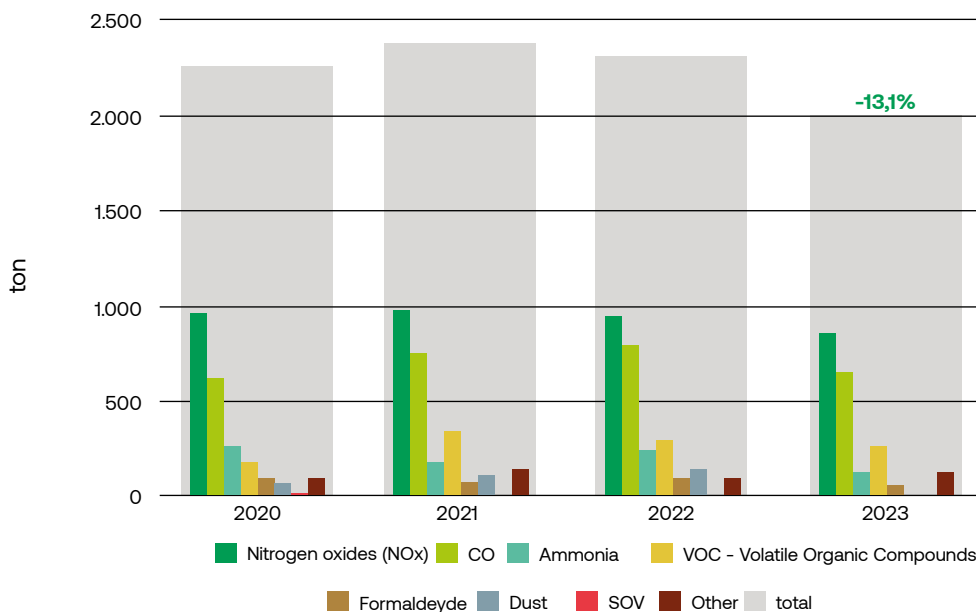
3.1.3

Pollution prevention

Saviola Group's production processes generate other emissions besides carbon dioxide. For this reason, some plants are subject to continuous monitoring of the most significant pollutants, constantly certifying that the threshold limit imposed by permits or applicable regulations is not exceeded⁴. The Chemicals Business Unit, as already mentioned in the analysis of impacts⁵, is subject in its production plants to the Seve-

so directive⁶; therefore, there is a specific and constant attention to environmental impacts, also because of the possible considerable financial consequences of non-compliance. The following graph shows the development of significant emissions monitored by the Group. In 2023 there was a further decrease (-13,1%) in emissions, confirming the trend of previous years

Significant emissions



Finally, a potential negative impact for almost all business units is related to dust dispersion⁷. In order to mitigate and reduce it, emission abatement systems are in place and measures such as

planting trees, installing atomised water spraying systems controlled by an anemometer, and installing windbreak glass around the woodpiles have been implemented.

⁴ §Potential negative impact: Exceeding emission limits and § Risk: Penalties for exceeding emission thresholds

⁵ §Potential negative impact: Risk of accidents with environmental consequences § and § Risk: Financial risk related to environmental damage.

⁶ Directive 96/82/EC is the European standard for the prevention and control of major-accident hazards involving certain substances classified as dangerous.

⁷ §Potential negative impact: Dust dispersion

3.2

Resource use and circular economy



One of Saviola Group's priority topics is the use of resources and the circular economy, which is reflected in the sub-categories of material flow and waste management. Adopting an innovative and sustainable approach to natural resource and waste management is fundamental to the organisation, which believes in promoting a regenerative system based on the ethics of recycling.

3.2.1

Materials



Saviola Group stands out as the world leader in post-consumption wood processing thanks to a production philosophy based on the recovery and regeneration of a raw material capable of being recreated and reused. Recycling wood means:

- Preserve the forest heritage, avoiding the felling of trees and protecting biodiversity.
- Reduce landfill volumes.
- Reduce environmental impact and greenhouse gas emissions.

In terms of weight, Saviola Group uses almost 2 million tonnes of material for its production processes. Of this, thanks to the synergy between the Wood BU and the Savionet BU, 70% is wood waste⁸, from furniture, packaging, processing scrap, building site material and generally uncontaminated wood waste. This percentage is destined to grow as the acquisition of 100% of Rheinspan (Germany) makes it possible to plan investments aimed at converting the German company's production plant so that it, too, can achieve 100% production from post-consumption wood⁹.

Wood from recovery operations undergoes a complex industrial cleaning process consisting of several stages:

- Quality control: ensures compliance with the requirements of current regulations and internal quality control procedures.
- Tank immersion: the wood is immersed in water to separate the heavy inert materials.
- Cleaning, screening through various systems (traps, magnets, centrifuges): the wood is separated from any other foreign material (sand and aggregates, nails, hinges, furniture fittings, glassware, etc.) without the use of chemical solvents or reagents.

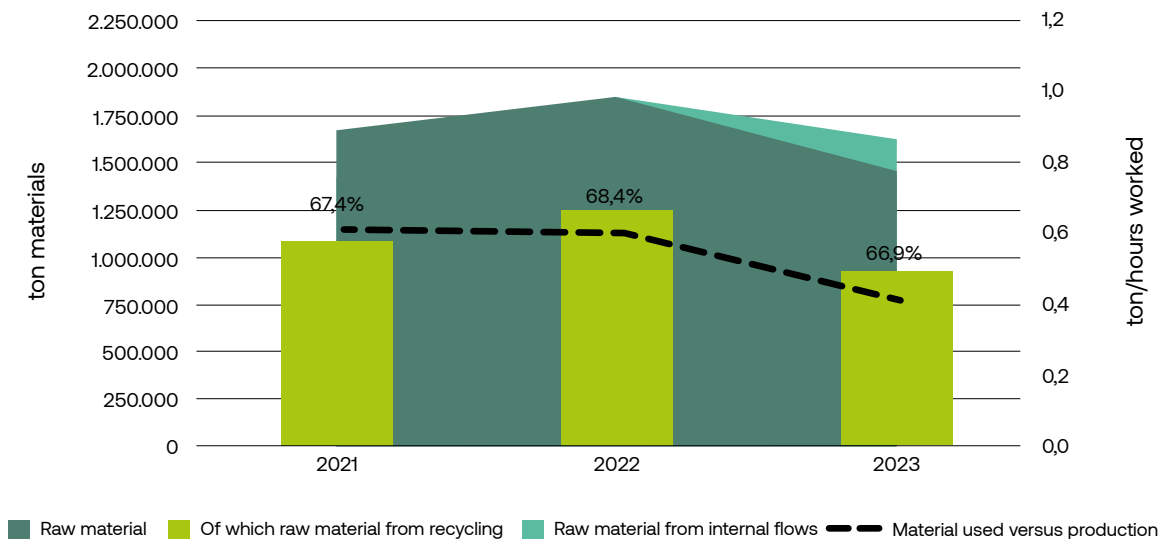
⁸ §Actual positive impact: recovered wood and § Actual positive impact: Recovery of other raw materials

⁹ §Positive potential impact: post-consumption wood in Rheinspan

Below is a diagram showing the development of the overall raw material flow in absolute terms and in relation to production (hours worked). From this report, Saviola Group decided to improve its data collection, excluding internal material flows between the various plants and BUs. As a result of this change, the graph represents

the material flows occurring at the Group perimeter level. The Savionet BU is excluded from this graph as the incoming flows to the various network centres do not constitute material used for production, they are instead shown in the graph "Waste from Ecolegno".

Use of raw material for production (Gruppo Saviola)



In 2023, Saviola Group (excluding Savionet) used 1,600,000 tonnes of material, of which 1,400,000 tonnes came from outside the organisation. Consumption is down 12% compared to the previous year. Of the total, 66,9% of the materials are recycled raw materials, a percentage that has remained constant for several years.

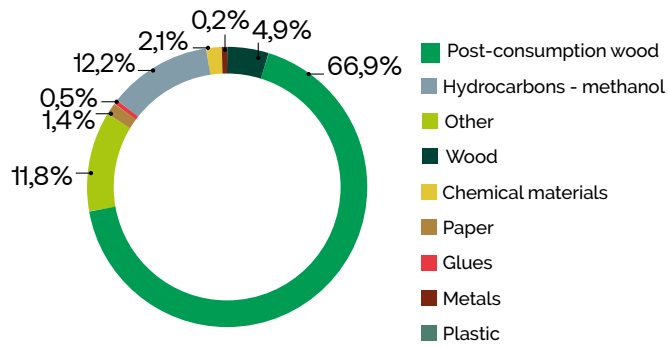
The high percentage of recycled materials is due to the activity of the Savionet BU, which recovers processing waste that, instead of being used for energy production, is reused by the Wood BU in the production processes of new products. Innovation projects that aim to recover ash for use in the construction sector, or the recovery of rare earth elements, also contribute¹⁰.

The use of more sustainable raw materials is the focus for the Chemicals BU, which plans to procure alternative raw materials derived from biogas¹¹. The new mapping of materials has also made it possible to consider some flows that were previously excluded from reporting because they were not accounted for in terms of mass. The following graph shows the proportion of the various product categories: in 2023, 66,9% of the materials were post-consumption wood from furniture, packaging, processing scrap, building site material and uncontaminated wood waste; and 4,9% from virgin wood. The remaining material streams are hydrocarbons (methanol), chemicals, paper, plastics, metals and glues.

¹⁰ §Positive actual impact: Reuse of processing waste

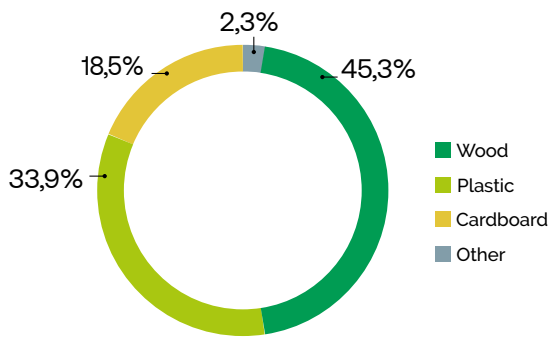
¹¹ §Potential positive impact: More sustainable raw materials

Materials used (2023)



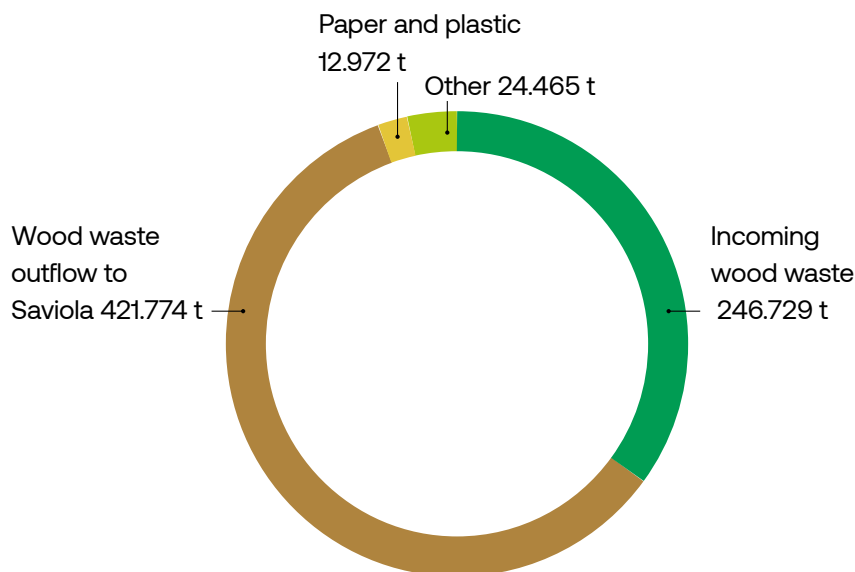
With regards to packaging, in 2023 Saviola Group used 13,500 tonnes of packaging material between wood (45.3%), plastic (33.9%) and cardboard (18.5%).

Packaging used (2023)



As mentioned above, the Savionet BU has been reported separately as the flow of incoming material to the Ecolegno centres does not contribute directly to production. The total material flow was about 705,000 tonnes, an increase of 17% over the previous year, partly due to the inclusion of some new centres within the perimeter. 95% of this material is wood waste, most of which is then delivered to Saviola Group for recycling and production of the Ecological Panel®.

Wastes of Ecolegno (tonnes)



3.2.2

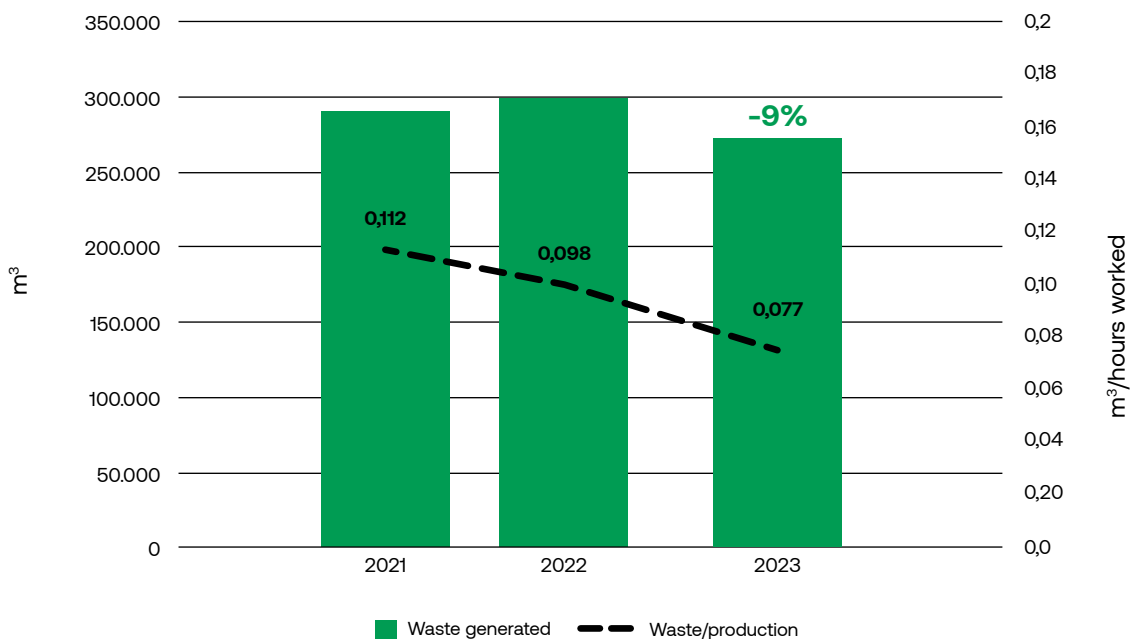
Waste



Saviola Group is at the forefront of waste management, turning post-consumption wood into new resources. With a serious commitment to sustainability, the group promotes a circular economy that valorises recycled materials, limits waste production and favours recovery and reuse processes.

The following graph shows the trend of total waste production in relation to hours worked. The quantity of waste was considered to be that produced by the various Organisational Units, excluding waste entering Savionet, which was reported in the previous chapter on materials. The hours worked on which the indicator is calculated instead refer to the Group.

Trends in waste generation



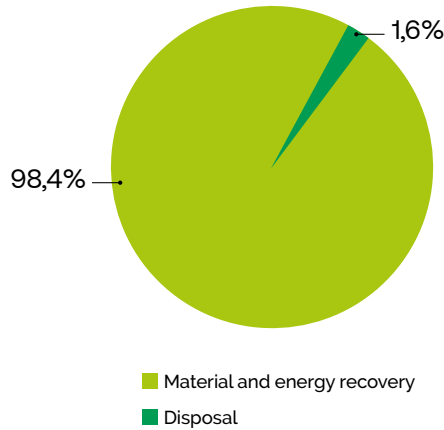
In 2023, Saviola Group generated approximately 270,000 tonnes of waste (-9% compared to the previous year).

In order to reduce the amount of waste produced, it should be noted that a project is underway at the Chemicals BU to recover bottoms from the glue tanks at customer sites, in order to avoid the disposal of such waste¹².

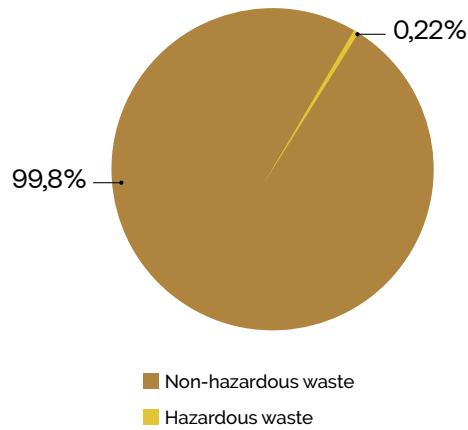
98.7% of the waste generated in 2023 was sent to recovery operations, including recovery for energy purposes. As far as the hazardousness of waste is concerned, only 0.22% of the waste produced by Saviola Group is hazardous.

¹² §Potential positive impact: More sustainable raw materials

Waste destination by mass (2023)



Waste hazardousness (2023)



3.3

Waters and marine resources



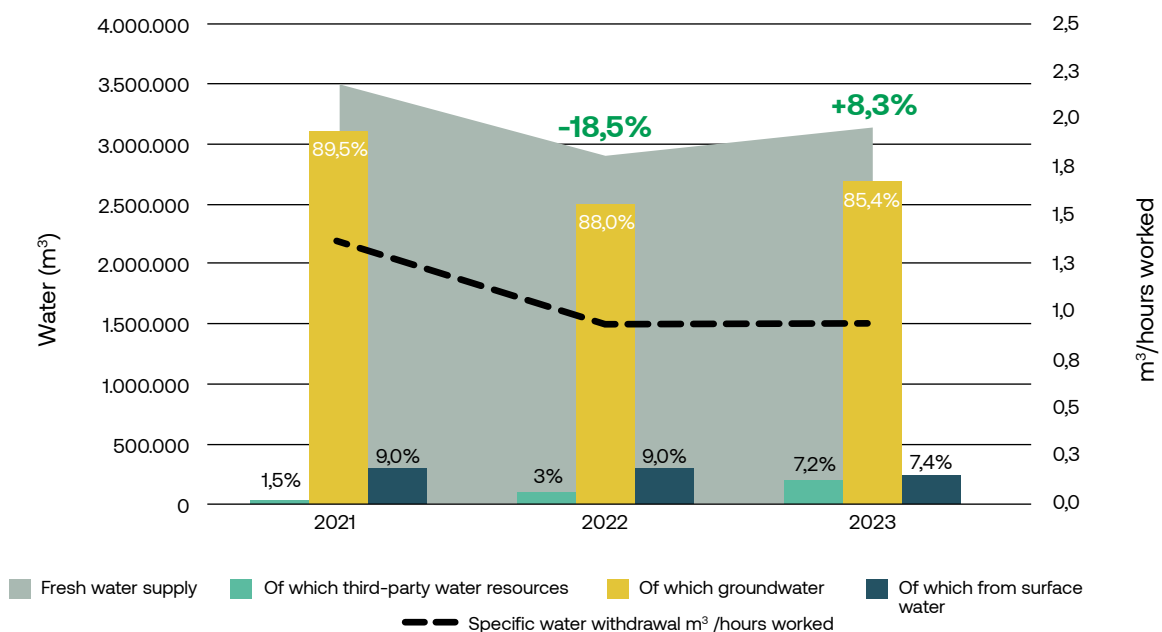
Saviola Group is dedicated to the sustainable management of water resources, recognising water as a precious and irreplaceable asset. Through innovative and responsible practices,

Saviola is committed to reducing water consumption and protecting natural reserves, promoting efficient and sustainable use of this vital resource.

Water is used by Saviola Group for a variety of production activities such as:

- Washing wood waste
- Cooling industrial processes
- Production of liquid resins
- Tannin extraction process (at the Radicofani plant in Siena).

Water withdrawal



Well water is used within the Wood and Chemical BUs for industrial cooling and as a raw material for resins. This use within the production process means that consumption can also increase significantly, depending on production volumes¹³. For this reason, the adoption of more efficient cooling systems is being studied in order to limit the increase in water withdrawals.

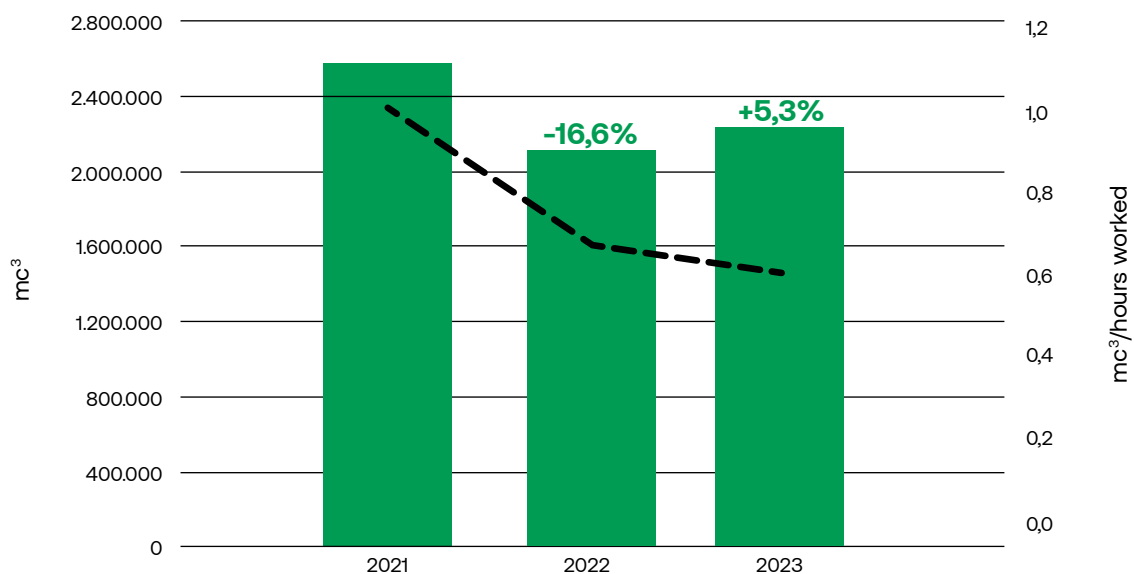
In 2023, Saviola Group withdrew approximately 3,100,000 m³ of water, 85% of which came from wells. Considering total withdrawals, there was a +8.3% increase in withdrawals; however, if these are compared to production (in hours worked), the indicator improves by about 6%.

From the point of view of water discharges, the main contributions are:

- Wastewater from clariflocculation systems for washing and neutralisation.
- Of combustion fumes from wood waste boilers.
- Bleed water from evaporative towers or cooling circuits.
- Waste water from demineralised water production plants serving steam circuits.
- Civil drains.

The following graph shows the trend of water discharges over the years.

Water discharges



In 2023, Saviola Group discharged approximately 2,200,000 m³ of water, +5.3% compared to the previous year.

¹³ §Potential negative impact: Increased consumption of water resources

3.4

Biodiversity and ecosystems



For Saviola Group, biodiversity is a heritage to be defended. The production process of the Group's various units has the potential to directly affect forest habitats, which will then affect both plant and animal biodiversity. By selecting post-consumption wood, Saviola Group's Wood BU saves thousands of trees every day¹⁴.

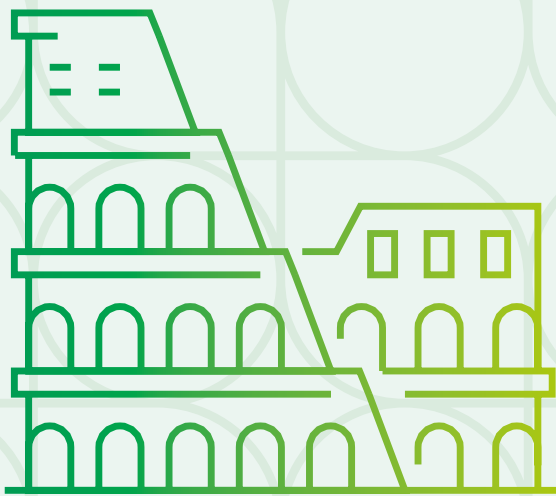
In addition, the choice of certifications such as FSC (*Forest Stewardship Council*), testifies to the Group's promotion of practices linked to the conservation of biodiversity and the rights of local communities (it should be noted that all BUs have products certified according to this standard).

¹⁴ Positive actual impact: Thousands of trees saved



Record Numbers

Target decarbonization plan



ROME

NEW YORK



49.200 tCO₂e
SAVED
by 2026

Corresponding to
285 trips
Rome - New York



NEW FRONTIERS IN ENVIRONMENTAL MONITORING: SATELLITE TECHNOLOGY AND SUSTAINABILITY



Alessandra Astolfi

Global Exhibition Director Green and Tech Division

The current panorama requires an increasingly innovative and technologically advanced approach to tackle global environmental challenges. In this context, new satellite monitoring technologies emerge as a key resource for Earth observation and sustainable management of natural resources. New perspectives open up to explore the most advanced applications in this crucial field for environmental sustainability: Ecomondo 2024 will delve into them in the new dedicated exhibition district "Environmental Monitoring & Earth Observation".

The evolution of satellite monitoring technologies has enabled the development of integrated solutions to monitor water, air, soil and climate simultaneously and accurately. This holistic approach provides a comprehensive view of the state of the environment and enables any critical issues to be quickly identified, facilitating timely and targeted interventions.

The application of artificial intelligence (AI), big data analysis and satellite data is revolutionising the environmental monitoring sector. Advanced processing of data from satellite sensors makes it possible to create predictive models to forecast and mitigate the effects of climate change, representing a real frontier in the fight against global warming and extreme weather events.

Satellite data analysis is at the core of environmental monitoring, allowing trends, identifying patterns and monitoring the evolution of critical environmental phenomena with unprecedented accuracy. Thanks to increasingly sophisticated sensors and more efficient data transmission systems, satellite monitoring is becoming more and more precise and reliable, offering detailed information on the environment with a frequency and resolution, which were unthinkable just a few years ago.

Alongside advanced technologies, there is a growing interest in nature-based solutions. The adoption of nature-based approaches, such as the restoration of natural ecosystems and

sustainable resource management, is proving effective in promoting long-term sustainability and counteracting biodiversity loss.

Spatial planning based on data and earth observation is essential to prevent and mitigate environmental risks. The information provided by satellites enables the development of adaptation and resilience strategies to protect communities and ecosystems from the consequences of climate change.

Finally, the European Union plays a key role in tackling climate change through its adaptation mission. By promoting innovation and collaboration, the EU is supporting the development and implementation of advanced solutions to protect the environment and build a more sustainable future for all.

In conclusion, new satellite monitoring technologies are a valuable asset in the fight against global environmental challenges. With integrated solutions, advanced analysis and a shared commitment, we can protect our planet and create a greener and more resilient future for future generations. Ecomondo 2024 offers an important platform to explore these new frontiers of sustainability and to promote innovation in the field of environmental monitoring and Earth observation.





Social



4

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4.1

Own workforce

Saviola Group is committed to protecting and valuing people, strictly adhering to occupational safety regulations and aspiring to extend the highest safety standards to all its plants by 2026. Ensuring a safe working environment that respects human and civil rights is one of the company's priorities.

The company values the skills and commitment of its people, offering opportunities for personal and professional growth and promoting a work-life balance, and supports dialogue and inclusion through employee involvement in the development and communication of company strategies.

4.2

Occupational health and safety



The subject of occupational health and safety and the related risk of accidents are often identified as one of the most important in terms of the potential impact of a manufacturing company. Saviola Group has also identified it as one of those with the highest magnitude, the result of high severity (since it affects health, which is a fundamental human right), a broad scope (it cuts across all business units and all countries, since it is an intrinsic risk of any work activity) and at the same time with a medium potential degree of irreparability (depending on the type of injury).¹

Saviola Group is constantly striving to ensure the health and well-being of its employees in the workplace, adhering to safety standards set by regulations and regularly monitoring their compliance to reduce the risk of accidents.

This commitment is formalised in the company policy for safety and health at work, which requires that all workers at the Group's production sites are trained, educated and made aware of how to prevent accidents and occupational diseases and establishes specific procedures for interventions by external companies or the presence of visitors, who are required to respect

¹ § Potential negative impact: occupational accidents and diseases

the operating practices and procedures in the company, cooperate with public authorities and define emergency procedures to deal with any accidents and minimise potential consequences.

Raising the awareness of departmental and shift supervisors, so that they constantly monitor compliance with safety procedures and operating instructions, systematically carrying out safety studies, investing in new technologies to improve the reliability and safety of plants and processes, and supervising and monitoring production activities and their potential effects on safety and the environment are also among the strategies that Saviola Group constantly implements to prevent the risk of accidents.

As far as external personnel are concerned, they are instructed on site safety practices during their first visit to the company and then undergo a learning check before being allowed to work in the Group's plants.

The subject of occupational safety and health is of primary importance for any company operating in the production sector. However, a forward-looking company understands that complying only with national regulations² is not sufficient to guarantee the protection of its workers. Obtaining ISO 45001 certification (Occupational health and safety management

systems) for all the group's companies by 2026 is the final goal (currently, the certification is present in the Composad, Sadepan Latinoamericana, Trasporti Delta, Sadepan Trucazzano, Sadepan Viadana, Sadepan Genk plants), but the process to achieve this goal involves the implementation of a series of procedures and management systems that allow the company to make a qualitative leap in terms of worker safety; if on the one hand, in fact, the infrastructures, organizational structures and management systems are strengthened in an upside-down perspective, in the complementary bottom-up perspective there is the development of an incentive program for the reporting and management of *near misses* that allows workers to be directly involved in this important aspect.

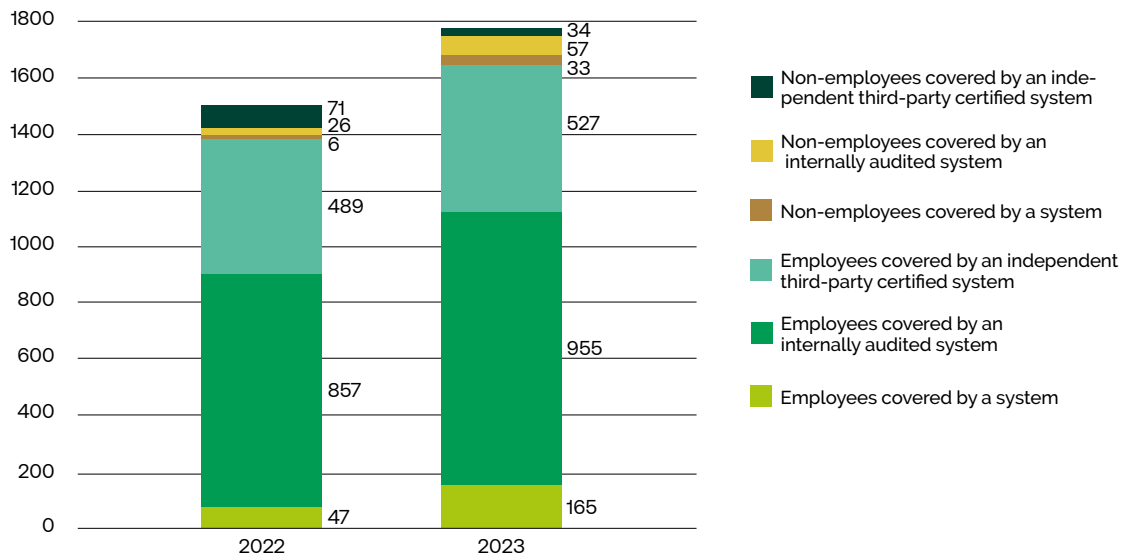
In addition to the ISO 45001 management system, the MOG 231/2001, where applied³, also includes a specific section on Safety and Health of Workers in the Workplace, which also includes site HS procedures. Every year, Saviola Group's Supervisory Board verifies compliance with the MOG through a specific audit process and issues a dedicated report to the employer, Mauro Saviola Group management and the HSE Holding management. The following graph shows the proportion of workers (employees and non-employees) covered by a management system in Saviola Group⁴.

² A risk assessment system in accordance with the relevant national legislation is in place in all plants.

³ Saviolife has not yet adopted the MOG 231/01, but in the production sites of Sadepan and Mauro Saviola Group, the adoption and implementation of the model is constantly applied within the topic of safety at work.

⁴ Excluding employees of the Savionet BU, for whom the figure is not available.

Non-employees covered by an independent third-party certified system

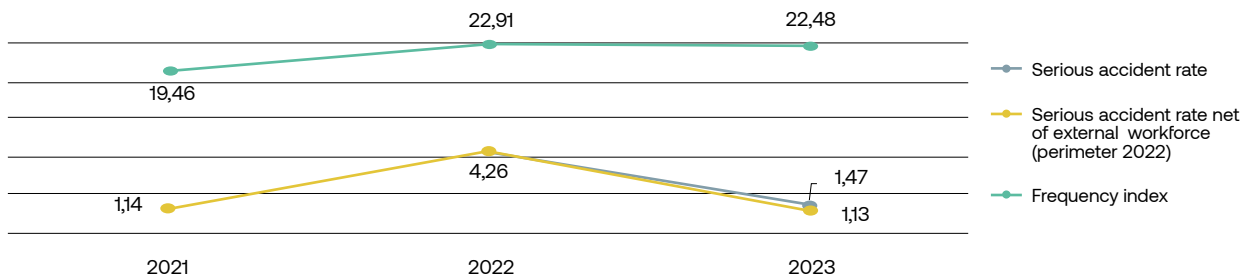


Each newly acquired recovery centre or factory is audited to assess regulatory compliance and adherence to Group standards. In 2023, Savio-la Group extended the scope of its accident tracking to include accidents that occurred to workers not directly under the company's control, but managed and controlled by third-party suppliers (contractors, maintenance workers, cooperatives, service providers, etc.). The safety procedures adopted by the Group correspond to the dictates of national legislation (in Italy, L.D. 81/2008, which requires the acquisition of the Operational Safety Plan and the drafting

of the Single Document for the Evaluation of Interference Risks).

As can be seen from the graphs which follow, considering the type of activity and the increasing number of workers in the group, the annual number of accidents remains low, with a slightly reduced frequency index in 2023 compared to 2022 and a significantly decreasing serious accident rate, both considering the same scope of work as in the previous two years and including the external workforce⁵.

Accidents - frequency and severity rates



Accidents (extension of the reporting boundary over the total workers)



⁵ Frequency rate calculated as the total number of accidents per million hours worked; serious accident rate calculated as the number of serious accidents, i.e. with a prognosis of more than six months, per million hours worked.

4.2.1

Health and safety training and information strategies

Saviola Group's strategy of attributing a strategic role to the training of its employees, especially with regard to health, safety and environmental risk prevention, reflects a concrete commitment to employee welfare and corporate sustainability, which is expressed through a number of key points:

- Priority to health and safety: the focus on health, safety and environmental risk prevention training demonstrates a tangible commitment to employee well-being and respect for the environment. This is particularly important in sectors such as chemicals, where the management of hazardous substances is crucial.
- Beyond the legal requirement: exceeding legal training requirements demonstrates a proactive commitment on the part of the company to safety and continuous improvement. Investing in additional training is a sign of social responsibility and commitment to quality work and the environment⁶.
- Focus on incident management and communication: courses that focus on incident management and communication in the safety field are particularly relevant to ensure that employees are prepared to deal with critical situations effectively and efficiently. Communication is crucial for preventing accidents and handling emergency situations in a timely and accurate manner.

The training and information of workers regarding Health and Safety at Work is managed through different stages. At the time of recruitment⁷, whether in-house or by contract, each worker receives all internal directives, the safety manual and emergency plans relevant to his or her position. Subsequently, personnel are kept up-to-date in accordance with current regulations and attend specific internal and external training courses on the use of machinery or procedures relating to particularly risky or sensitive aspects.

Saviola Group is committed to creating the safest possible working environment through the involvement, participation and empowerment of workers at all levels. Also in 2023, the promotion of the culture of prevention was managed by the Prevention and Protection Service under the supervision of the Holding's HSE structure: training sessions offered the opportunity to discuss with workers to collect possible observations and assess possible improvements in health and safety protection in various situations.

In 2023, in particular, employees were trained in areas such as:

- Fire-fighting training
- First Aid training
- Emergency plan training
- ISO 45001 standard for the internal auditor.
- Compressed air management
- Safe driving
- Postural education
- Work at height, confined space work, electrical work
- Specific training following accidents and near misses
- Specific training on the use of machinery
- Safe use of equipment and vehicles (forklifts, AWP, mechanical shovels, spiders)

⁶ §Positive actual impact: training courses beyond the regulatory obligation

⁷ Within 60 days of recruitment

4.2.2

Worker participation and consultation and communication on occupational health and safety

L.D. 81/2008, the Italian legislation governing the management of health and safety in the workplace, emphasises the need to adequately inform workers about risks and the information must be easily understandable for workers and must enable them to acquire the relevant knowledge.

Communication in the field of safety must be clear, comprehensive and understandable, and is a crucial element in the management of health and safety at work; it facilitates real awareness of risks and good practices and improves prevention and worker involvement for optimal management of company safety. For this reason, too, Saviola Group has chosen to provide specific courses beyond the regulatory requirement for safety officers, focusing on leadership, communication and management of accidental events⁸.

In addition, a process was initiated to involve workers, starting with the WHSRs, in the choice of processes to improve safety levels and healthiness in the workplace. Direct participation is expressed through various strategies, all of which are based on the involvement of the worker, who is considered to be primarily responsible for his or her own safety and aware of his or her task and the feasibility of specific applications and possible improvements.

The risk assessment is in fact regularly updated in the event of changes to the organisational or procedural set-up and in response to reports of dangerous situations by workers: the latter can communicate directly with the WHSR (Workers' Health & Safety Representative), the person in charge or the Company Doctor, or through an internal notification system (boxes located at the various sites) that allows them to report perceived risks and propose safety measures.

Any actions implemented to address the identified risks are then shared with the WHSRs of the various sites and, if they involve technical or plant modifications, are reviewed by the engineering department. Key information on safety improvement processes and procedures to maintain high standards of health and safety in the workplace is therefore disseminated through various channels, such as direct communications, regular meetings, and communications from managers and WHSRs as well as through SFERA, the company's intranet.

Sadepan, Sadepan Latinoamericana and the Saviola BU also have specific occupational health and safety committees, which aim to ensure and promote the safety and health of employees. Depending on the organisation, these committees are composed of plant managers or top management⁹, together with representatives from among the employees in the various areas and departments¹⁰.

⁸ §Effective positive impact: training courses beyond the regulatory obligation

⁹ Sadepan Chimica: director of the two plants, HPPS, PPSO, WHSR; Saviola: director HR Holding, director HSE Holding, HPPS, WHSR.

¹⁰ Sadepan Latinoamericana: CEOs, managers, heads of areas with different hierarchical levels

4.2.3

Health Promotion

In 2023, Saviola Group maintained compliance with legal obligations in all plants concerning the presence of the Company Doctor, to whom workers can turn for any health needs related to the working environment. The Company Doctor, in accordance with the requirements of Italian L.D. 81/2008, visits production sites at least once a year, coordinates with the HPPS for any specific investigations or limitations related to the health of employees, prepares and updates the plan for periodic visits, organises them in compliance with the health protocol, and participates in the annual coordination meeting with the Employer, HPPS and WHSR.

Initiatives aimed at improving the health and well-being of workers include participation, for the Saviola plants located in Lombardy (GMS Mortara - Sustinente - Viadana / Sadepan Truccazzano - Viadana, Composad, Trasporti Delta, and Saviola Holding, in the WHP programme ('Workplace Health Promotion') managed by ATS Valpadana (Viadana - Sustinente), ATS Pavia (Mortara), ATS Città Metropolitana di Milano (Truccazzano) with the support of the Lombardy Region. This programme is based on the model proposed by the United Nations to promote health in the workplace and will involve the company in various activities aimed at improving the health of employees. These activities include regular check-ups, tobacco control interventions and the provision of free drinking water. Actions with positive results will also be extended outside Lombardy, possibly in cooperation with the Health Protection Agencies (Aziende di Tutela della Salute - ATS) in the area concerned.

Sadepan Latinoamericana also offers a medical assistance service through which employees

can access health advice that is not only work-related, including that aimed at the prevention of chronic diseases. Sadepan Latinoamericana is also certified as a 'Tobacco Smoke-Free Institution', with the aim of achieving a 0-smoking rate within the company. In accordance with the national strategy for the prevention and control of chronic non-communicable diseases, Sadepan Latinoamericana is committed to promoting a healthy lifestyle among its employees and their families, based on healthy eating, physical activity and zero smoking.

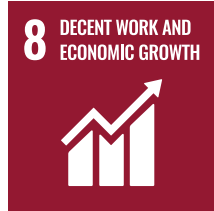
In addition to compulsory annual health monitoring, there are employer-paid insurances for employees and their families, covering a variable percentage of the costs recognised by the National Health Service on hospital, medical and paramedical services¹¹.

As in previous years, Saviola Group adheres to Fondo Altea for all employees in the wood industry located in Italy. The fund provides members with a system of agreements with private health facilities with a contribution paid by the company for the employee, subsidised for family members. In 2023, the company provided a total of €299,964 to 944 beneficiaries.

¹¹ §Positive actual impact: Health initiatives

4.3

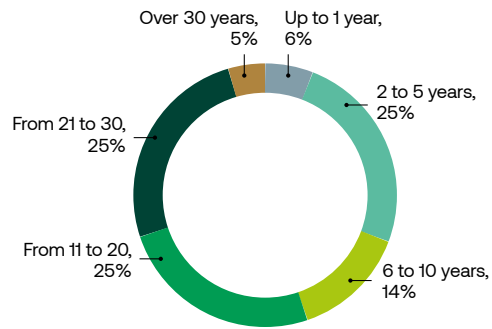
Staff management and welfare



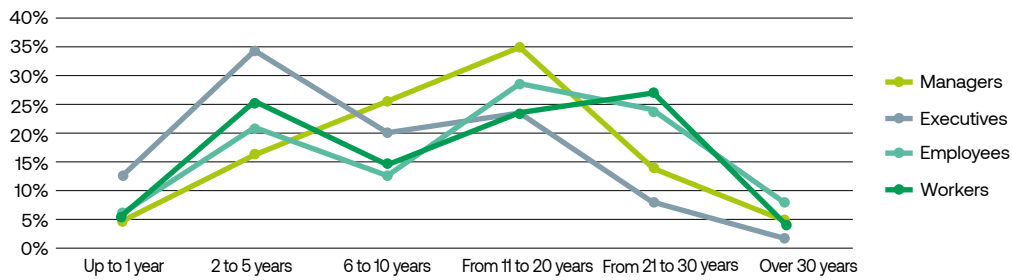
The financial stability, reliability and recognisability of Saviola Group in Italy and around the world allow it to be identified as a company that guarantees stable and continuous employment opportunities, which contribute to the professional and personal development of its resources and the context in which the company operates¹².

The graphs which follow illustrate the breakdown of employees by seniority, with a focus on diversity in the different departments. The analysis was carried out on the entire perimeter, excluding the BU Savionet, for which the data was not available. For the most recently acquired sites, reference was made to company seniority, including seniority prior to joining Saviola Group: more than 50% of the workforce has been employed with the company for more than 10 years, 30% for more than 20.

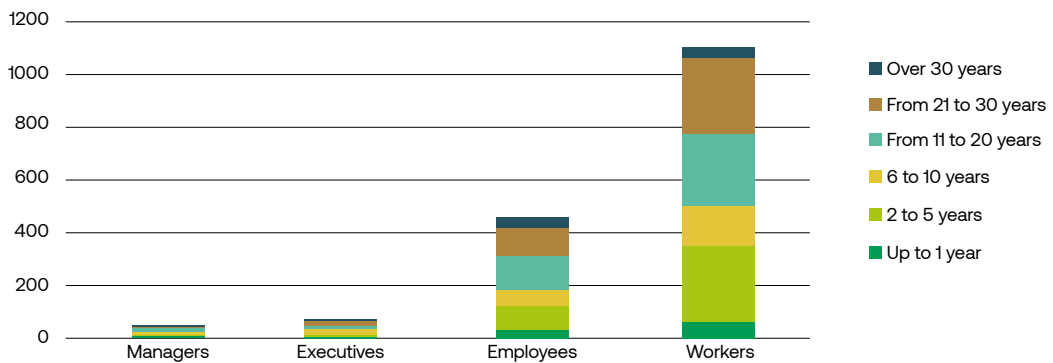
Workers by seniority 2023



Distribution of resources by company seniority 2023



Workers by seniority 2023



¹² §Actual positive impact: Secure employment

The most recent national workforce studies¹³ indicate that one of the relevant risks to be considered with regard to the workforce is the difficulty in finding and retaining workers, especially with regard to specific skills and tasks¹⁴. In addition to the demographic decline, whose consequences in terms of finding labour are known, the scenario that followed the Covid19 pandemic has highlighted, especially among young people, a tendency to weigh more consistently, compared to the past, the strategies that the company implements to facilitate work-life balance: compared to even just five years ago, workers tend to choose companies able to guarantee benefits that go beyond mere economic recognition, but rather materialise in actions aimed at alleviating work pressure, encouraging flexibility and the possibility of care and facilitating time management. The recent external and internal acquisitions and the increasing activity of the Group present a challenge for the management of employees, especially those included in the holding company structure¹⁵: Saviola Group is aware of this impact and is working, on the one hand, to review the organisation of work and to give a fair work balance to the people involved in the growth process,

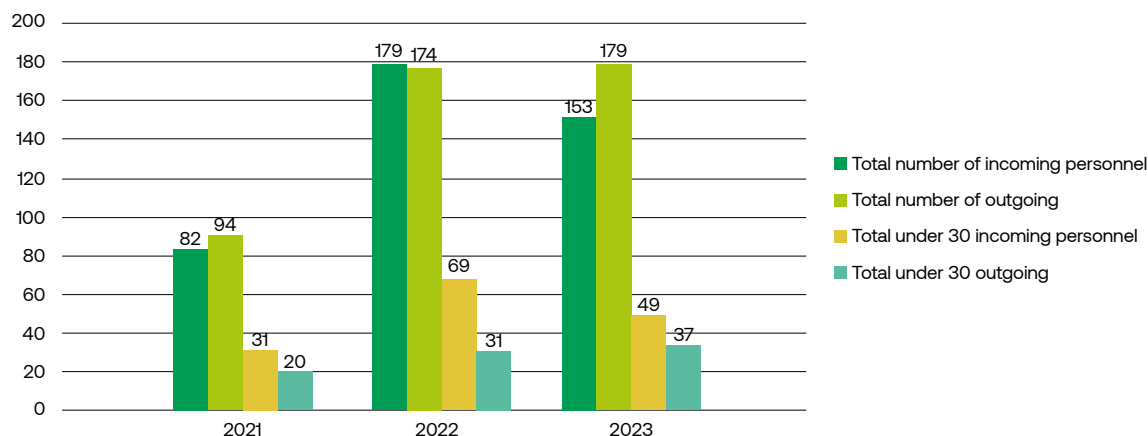
providing them with tools, procedures and resources that can facilitate them in the delicate procedures related to acquisitions, and on the other hand, to recognise their commitment also economically, through the structuring of performance evaluation systems that provide for an economic bonus related to growth objectives.

As at 31 December 2023, the number of Saviola Group employees was 1890, up by 79 compared to 31 December 2022.

An analysis of the data on labour force movements reveals a substantial number of new incoming personnel, aligned with the number of outgoing personnel (slightly higher in 2023 than in 2022). The figure for new incoming personnel does not include transformations of contracts from fixed-term to open-ended (44 in total, of which 12 related to workers under 30).

Analysing specifically the share of Under 30 resources, the incoming personnel are, over the three-year period, significantly higher than the outgoing.

Resource turnover: recruitments and terminations



¹³ <https://www.confindustria.it/home/centro-studi/temi-di-ricerca/valutazione-delle-politiche-pubbliche/dettaglio/indagine-confindustria-sul-lavoro-2023>

¹⁴ §Risk: Voluntary turnover

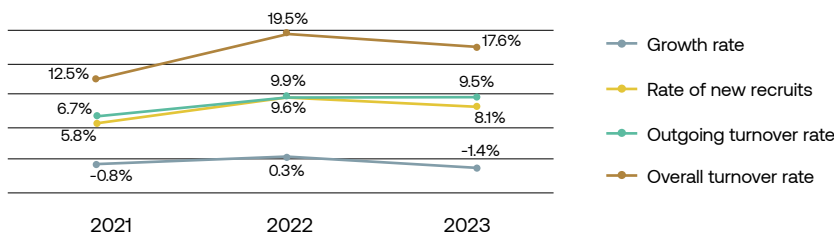
¹⁵ §Actual negative impact: Pressure on workers

The following graphs, which show in detail the growth rates, new recruits, outgoing turnover and overall turnover¹⁶, reveal a trend that is not substantially different from the 2022 figures, even taking into account that the 2023 perimeter includes a new company (Advachem), and several new centres in Savionet. It should also be mentioned that at the Rheinspan site, which was acquired in 2022, an overall reorganisation

of the company took place, resulting in a reduction in the number of employees (-6.85% 2023 vs. 2022).

Significantly, despite numerous acquisitions and necessary company reorganisations, overall turnover figures remain well below the national average ¹⁷.

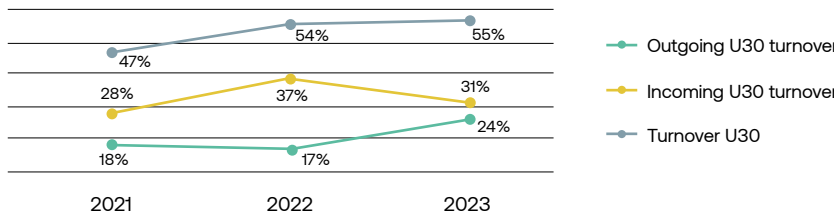
Riesource turnover: growth and turnover



As for the absolute figure, in the next graphs we show the Under 30 turnover figure: since under 30 resources, although progressively increasing, make up less than 10% of Saviola Group's workforce, the turnover rate appears fairly high

(55%), in line, however, with the general trends associated with this specific age bracket, which is more subject to variability depending on external factors than on the actions taken by companies.

Riesource turnover: growth and turnover: U30 focus



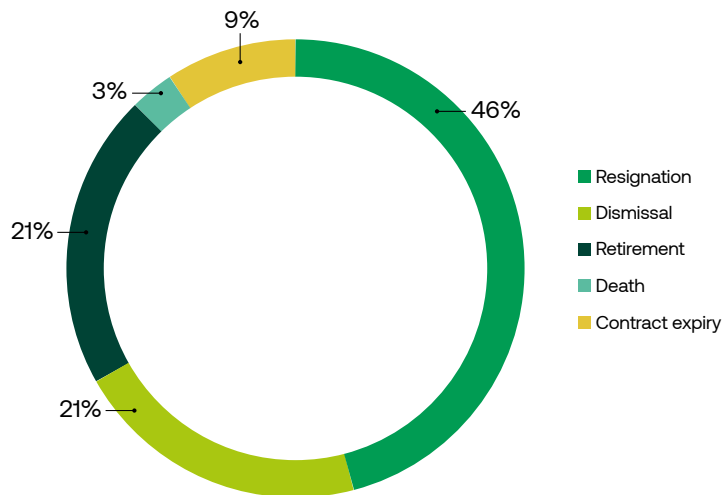
For 2023, the figure for outgoing personnel was analysed in more detail, in order to monitor the share of voluntary turnover compared to the

physiological turnover linked to the contractual expiry of fixed-term resources and retirements.

¹⁶ Total turnover is calculated as the sum of incoming and outgoing personnel in the year divided by the total number of employees as at 31/12. The new incoming personnel rate is calculated by dividing the number of recruits by the total number of employees as at 12/31, the outgoing turnover by dividing the number of outgoing personnel by the number of employees as at 12/31, and the growth rate by subtracting the incoming from the outgoing and dividing by the number of employees as at 12/31. U30 data are calculated by analysing the same parameters for the U30 category of workers only.

¹⁷ Estimated at 27.9% in industry (national average 37.7%) with reference to the year 2022 and early 2023 - source: <https://www.confindustria.it/home/centro-studi/temi-di-ricerca/valutazione-delle-politiche-pubbliche/dettaglio/indagine-confindustria-sul-lavoro-2023>

Type of outgoing personnel 2023



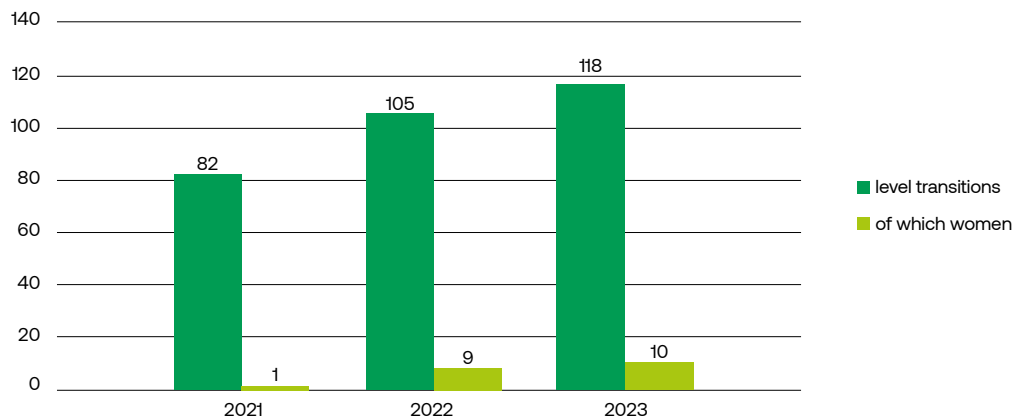
The previous graph shows that, of the 179 outgoing personnel in 2023, more than one third can be considered 'physiological': this figure, combined with the exogenous factors and national trends mentioned above, reveals that the strategies implemented by the company to maintain its people's attachment can be considered effective.

These strategies include maintaining and developing smart-working and flexible working

time policies even post-pandemic, and ensuring work where skills and know-how are important for maintaining excellent service, guaranteeing worker satisfaction and rewarding merit also through the development of a structured system of horizontal and vertical mobility within the company organisation.

In 2023, there were 118 level changes, of which 10 were women, and 75 transfers (17) and job changes (58).

Vertical mobility



4.4

Working relationships and conditions

In 2023 there were no collective redundancies or transfers of groups of workers, with the exception of Rheinspan (18 terminations due to work reorganisation). In addition, 12 people from the Composad Business Unit were seconded to the Mauro Saviola Group in October 2023.

In general, the acquisitions resulted in the absorption of the workers of the acquired companies into Saviola Group.

The notice periods are those laid down in the various national collective bargaining agreements and regulations, while transfers require adequate notice (> 30 days) and are prohibited above the age of 50 for certain categories of workers.

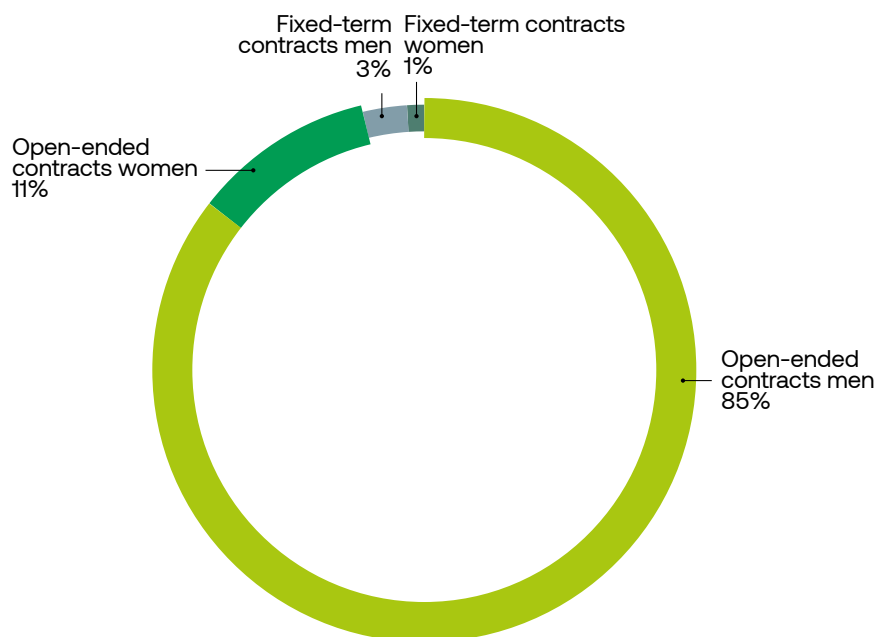
As far as the economic classification is concerned, the renewal of the National Contracts for the sectors to which they belong (wood, chemi-

cals, transport and paper) and the adjustment of salaries to inflation trends for the foreign offices have led and will lead the company to a reflection aimed at intervening on the variable part of remuneration to guarantee employees the maximum benefits allowed by the dedicated resources¹⁸. Actions already introduced include meal vouchers for Group employees at¹⁹ and the provision of bonuses outside the scope of second-level bargaining, while the introduction of vouchers or bonuses for employees' children is under consideration.

96.6% of Saviola Group's employees are covered by CCNL (collective labour agreement) or similar institutions: the remaining percentage, belonging to the foreign offices Sadepan Latino-americana and Rheinspan, is covered by other collective bargaining arrangements, which are better than the basic bargaining agreement.

Across the analysed perimeter, Saviola Group has 96% of permanent contracts, which corresponds to 95% among female workers and 97% among male workers.

Open-ended contracts



¹⁸ §Risk: Increase in personnel costs related to collective labour agreement renewals and inflation

¹⁹ Excluding employees of the Trasporti Delta unit and the Savionet BU

4.5

Training and skills development



Saviola Group is aware that a company's effectiveness is built on the quality of the products it offers but this, in turn, is closely dependent on the skills of the people who help produce them. Competitiveness necessarily passes through the reliability of resources and the effectiveness of the service provided and, at the same time, continuous training develops skills that contribute to maintaining the attachment to the company and the professional and personal satisfaction of employees.

In the area of specific training on ESG issues, the company recognises the importance of involving all employees, at all levels and with maximum diversity in terms of age, seniority and job description, in order to successfully implement its sustainability strategy. This approach aims to gather diverse and innovative ideas and proposals. The Innovation Project, which will be mentioned in the next chapter, includes among its KPIs the involvement of employees in each business unit. Similarly, projects are being developed to create ESG committees or referents for each site, coordinated by the Group ESG committee. This will allow detailed project management and specific sustainability goals, as well as promoting initiatives dedicated to each company, also in collaboration with local communities.

In 2023, numerous training courses were provided beyond the compulsory training, including, in the H&S area, those already mentioned on leadership and communication for supervisors, as well as courses dedicated to the new Savionet centres and focused on waste management²⁰. 2023 also saw the development of new structured training plans for the staff of the Italian offices, also thanks to national calls for tenders that offered the opportunity to extend training to include transversal topics and soft skills²¹. Offering a wide range of courses, including those on non-technical skills, demonstrates an interest in enriching employees not only on a professional but also on a personal level, helping to improve their satisfaction and attachment to the company.

Another innovation that the company is planning, for the time being for sites within the Italian perimeter, is the one concerning the way courses are delivered: in fact, a training platform is being implemented that allows access to general and specific courses with the initial objective of training trainers who can then disseminate the company culture and specific topics related to safety and the environment. Using an internal platform to deliver training will allow for greater control over the content and learning processes. Furthermore, making courses accessible both on-site and remotely promotes flexibility and employee participation, especially considering the needs of an increasingly distributed and global workforce²².

In 2023, a total of 29,375 training hours (more than double the previous year's figure) were provided, spread over all company departments. The graphs which follow show in detail the average hours for each function and the total expenditure by the company: both data are comparable with the latest national average data made available by Istat (Italian National Institute of Statistics).²³

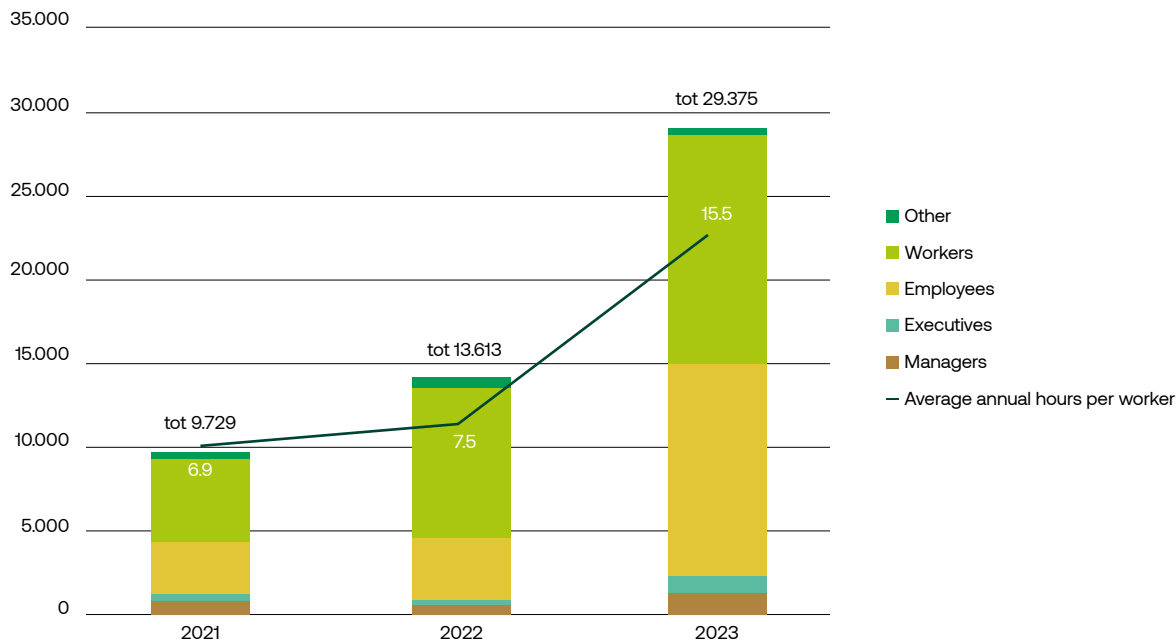
²⁰ §Effective positive impact: training courses beyond compulsory education

²¹ §Actual positive impact: Training plan

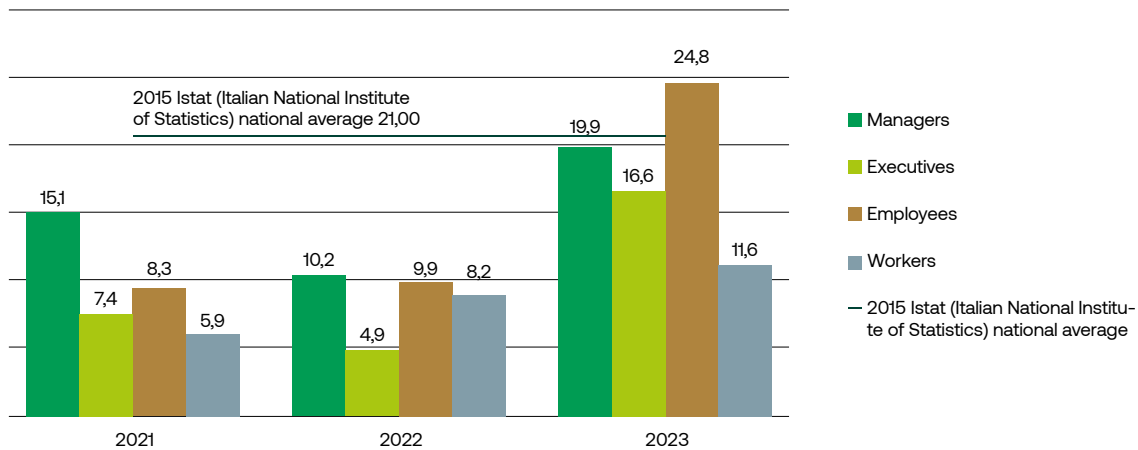
²² §Potential positive impact: training platform

²³ <https://www.istat.it/wp-content/uploads/2017/10/Formazione-nelle-imprese-2015.pdf>

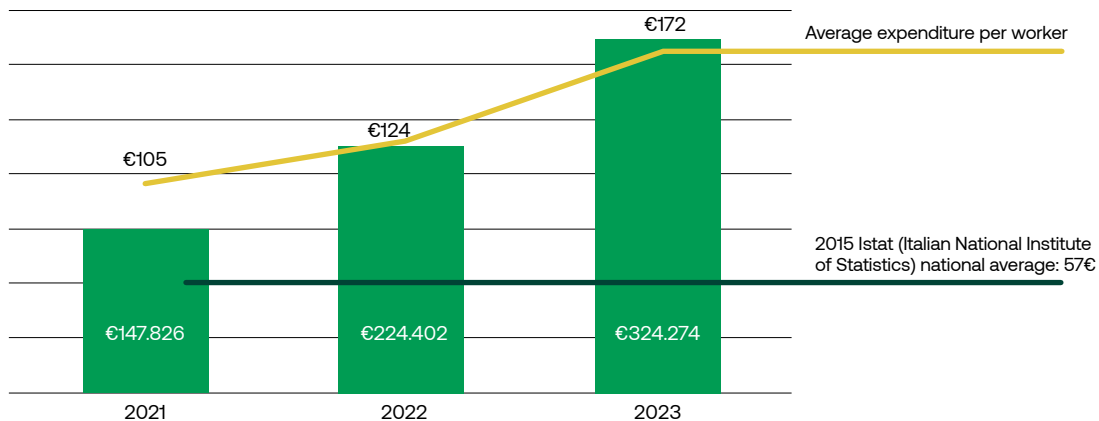
Annual training hours for task



Average hours for department



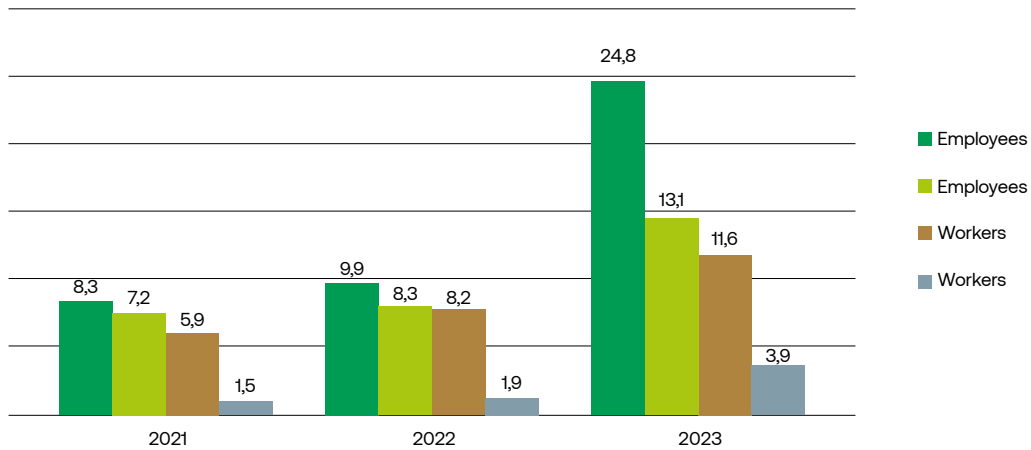
Expenditure on training hours



A focus is also shown on the two most representative roles in terms of gender (employees and workers): the following graph shows that training, in line with national trends, is generally

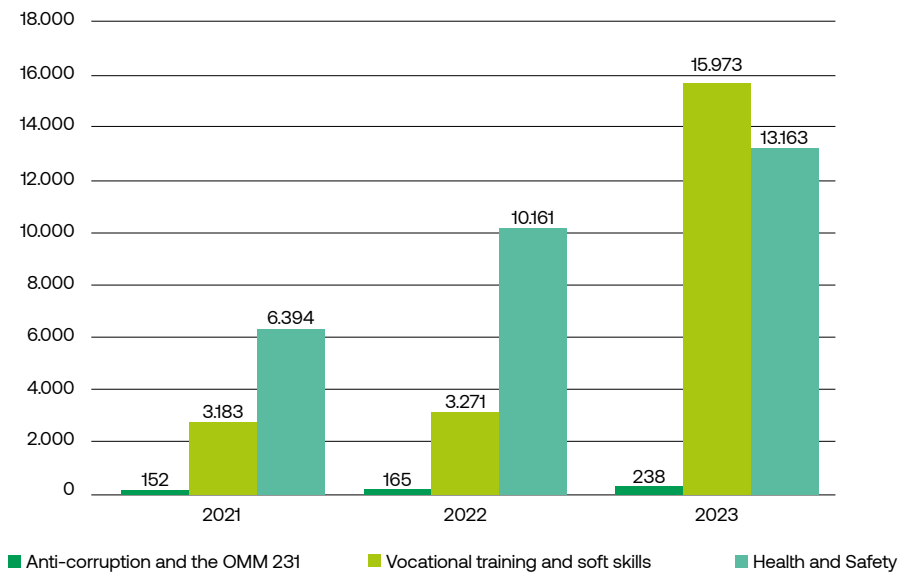
focused on male resources, even if, in general, all categories and both genders have seen a significant increase in the average hours of training received during the year.

Average hours for department: focus by gender white-collar and blue-collar workers



The graph which follows highlights the share of total hours for each year, broken down by topic: it is clear that, although the hours relating to specific training in the Health and Safety area have also increased, as well as those related to ethics/anti-corruption, the area subject to extra commitment by the company is, as mentioned, that relating to soft skills and technical skills, well

beyond legal obligations and stringent operational needs: in addition to the topics illustrated in the focus "Saviola Academy", which follows, 2023 saw the provision of courses that concerned policies of respect for people, diversity and inclusion²⁴, updates to management systems and related ISOs, the adoption of healthy lifestyles and language courses.



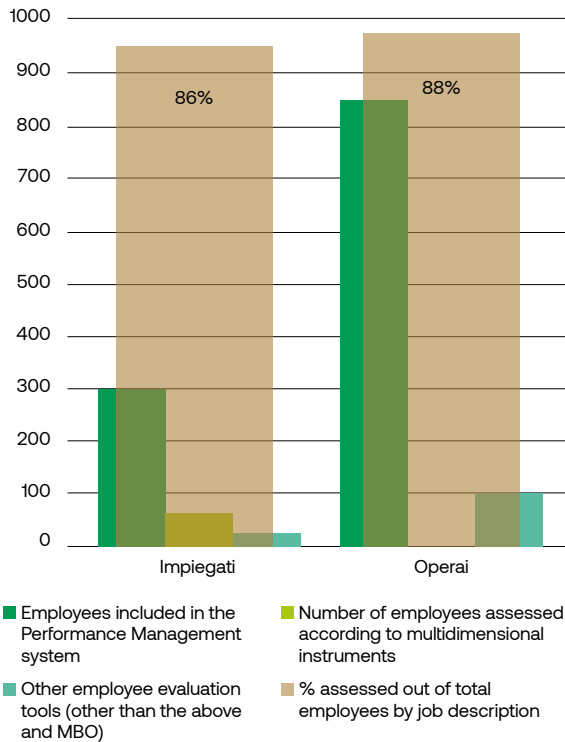
²⁴ In Sadepan Latinoamericana

Finally, with regard to training provided to business partners, Sadeplan Latinoamericana provided 184 hours of health and safety training to 93 employees of suppliers, goods, services and contractors who served the company.

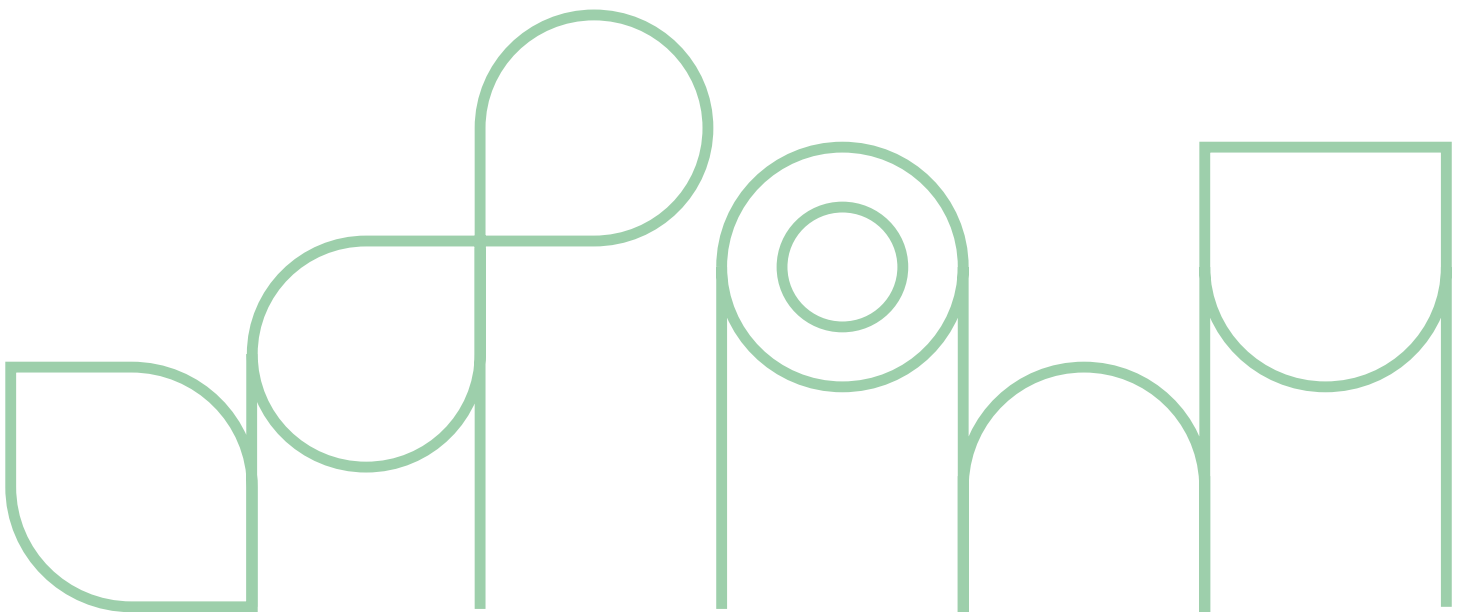
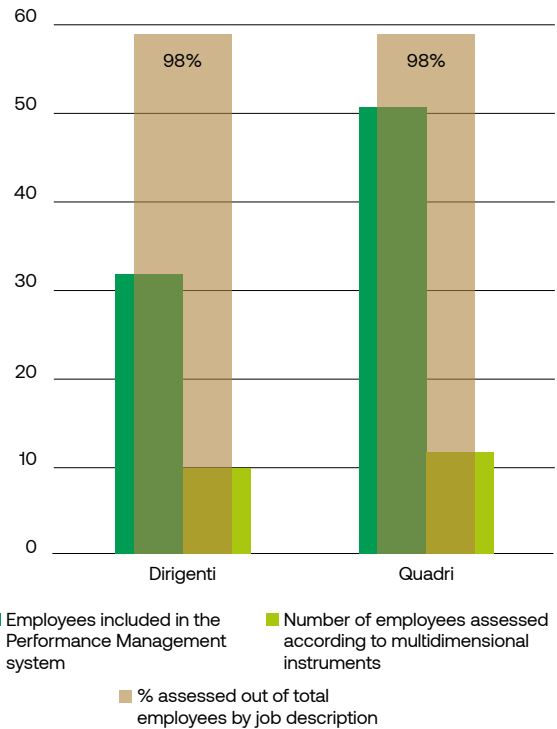
The following is also the result of the analysis of the aggregate data relating to the systems in place for the evaluation of worker performance: Saviola Group's performance evaluation system aims to enhance the potential of each worker, encouraging their professional development in line with their expectations and commitment

to the company's values and objectives. This system includes reporting by objectives (MBO), which is implemented through individual agreements with managers, middle managers and some employees, using qualitative and quantitative performance indicators. In addition, it provides rewards for all employees, awarded on the basis of the achievement of specific company objectives. As can be seen from the graphs, just under 90% of workers and employees are evaluated according to a performance evaluation system, and the percentage rises to 98% for managers and executives.

Performance Appraisal - Employees and Workers



Performance Appraisal - Managers and Executives



4.5.1

Focus: Saviola Academy

As mentioned, training for Saviola Group has always been one of the fundamental pillars on which to build its success, because it translates into a tool dedicated to personal growth, the acquisition of new knowledge and skills, the development of abilities and the improvement of the profession of all its people.

The Group's growth dynamics require continuous updating of technical, vertical, hard skills and equally a push on the enhancement of so-called soft skills.

While specific technical skills remain fundamental, it is Saviola's belief that building relationships, encouraging collaboration and managing complex dialogues is crucial for any level and role in the company.

The topics the group is focusing on are:

- Change: technologies and business models evolve very rapidly, market contexts are increasingly complex and volatile, so it becomes necessary to develop flexible mindsets equipped to navigate through uncertainty.
- Improving relationships: aimed at promoting respect, understanding and cooperation.
- Leadership: to implement the ability to inspire and motivate, communicate visions and goals clearly and effectively.

Training planning in 2023, for the Italian sites and excluding the Savionet BU, included courses such as:

- Effective communication - 8 editions
- Emotional intelligence - 8 editions
- Creative problem solving - 2 editions
- The managerial role - 1 edition
- Geopolitics - 1 edition
- Creativity and decision making - 2 editions
- English - 9 editions
- German - 1 edition
- Evolved XLS - 11 editions
- Lean Six Sigma - 5 editions

For a total of:

- 302 people
- 1874 classroom hours delivered (presence and synchronous distance)
- Unità organizzative raggiunte: Saviola Holding, Saviola, Sadepan, Composad
- 565,948 total hours
- 70% funded training (FNC and Fondimpresa)

The training provided was developed through the use of different tools:

- Synchronous and asynchronous distance learning
- Classroom training
- Laboratories
- Workshop
- Experiential training

Growing together with 'institutional training', building bridges where mutual experiences can be enhanced, building opportunities for mutual growth are the reasons that continue to drive Saviola to intercept:

- Middle schools
- High schools
- ITS
- Universities

In the different territories Saviola is present through:

- Sustainability projects
- Process improvement projects
- Company visits
- Welcoming students on internships/traineeships
- Welcoming thesis candidates with whom to develop experimental projects



4.6

Diversity and inclusion



Saviola Group, which started in a local context, has extended its branches throughout the country, with more and more plants located abroad. This evolution has led to a workforce with distinctive characteristics: at the Italian sites, there is a clear male predominance in the production departments as to the natural distribution of the workforce in the Italian socio-cultural context. Furthermore, the growth of the Group has made the workforce very heterogeneous in terms of both geography and age. The company therefore wants to balance the needs of different categories of workers while maintaining a focus on business needs. This led to the planning of a flexible working hours project and work/life balance strategies that take into account the needs of all parties involved, with benefits in terms of retention, attraction and inclusion, especially for young people and caregiver workers. Alongside these practical strategies, the creation of a committee is being considered to draft a manifesto that would bring together corporate values and monitor their dissemination and implementation at all corporate levels.

Among the risks that the company assessed, with a medium-high magnitude and probability, when analysing gender diversity among employees and at top management level is that related to the absence of diversity and inclusion policies. If, on the one hand, as mentioned, the

distribution of the workforce by gender derives from more exogenous than endogenous factors, the absence of strategies aimed at gender equality and of a committee for gender equality, combined with a situation shared at national and international level (few women in top positions, difficulties for a woman in accessing career paths, manual work still seen - especially in Italy - as the prerogative of the male gender²⁵) could prove to be strategically penalising considering the growing interest by the community towards issues relating to gender equality²⁶. Also in terms of strategic management, several studies have shown that, since men and women have different soft skills, both categories could benefit in terms of management and leadership if resources in top and managerial positions were equally distributed between the genders.

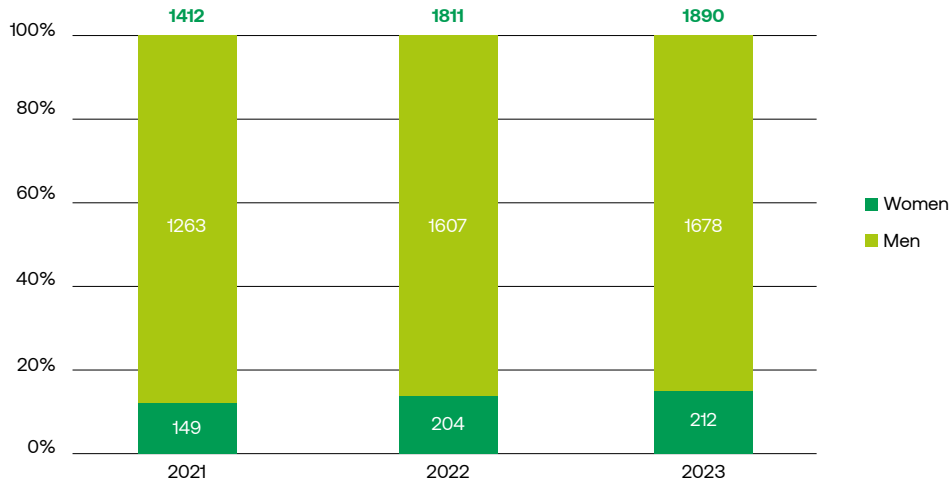
Saviola Group has assessed that, in line with the emergence of these issues, progress is being made in the corporate culture, through the development of targeted initiatives that value diversity among people in a broad sense. Training and team-building initiatives have also led to an increase in internal awareness of the risks and opportunities related to diversity and inclusion issues, concretised in the creation of cross-functional working groups involving figures and positions from different business units.

²⁵ https://www.ey.com/it_it/women-fast-forward/il-futuro-e-donna

²⁶ §Risk: absence of D&I policies

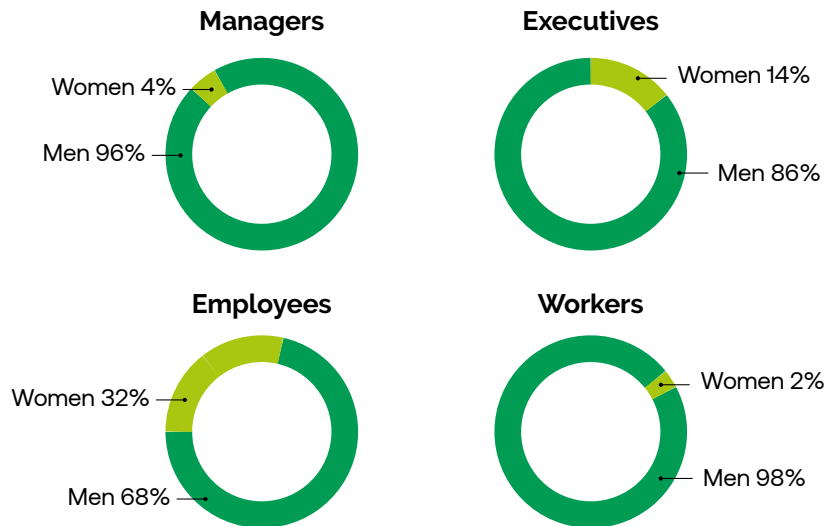
The graph which follows shows the evolution of Saviola Group's workforce over the three-year period:

Workers by gender



While the predominance of male workers over female workers is evident, a trend towards a rebalancing between the two categories is

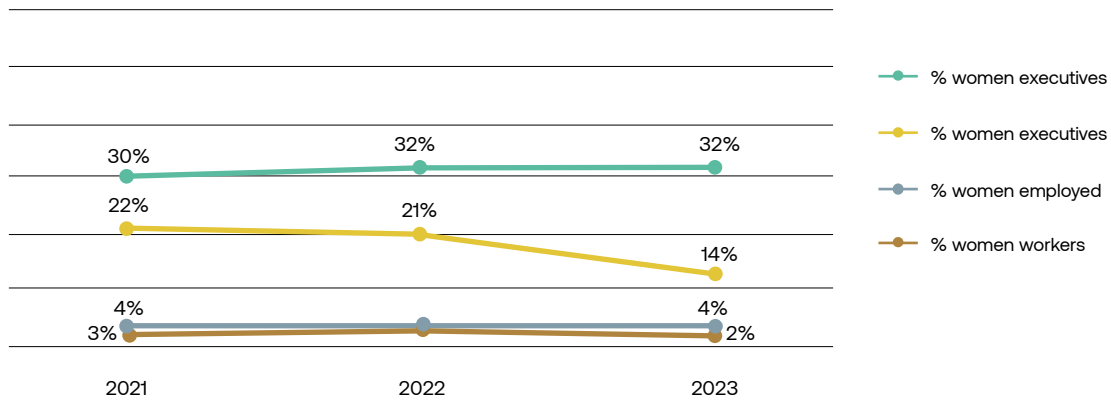
evident. Whereas in 2021, the share of female workers was just over 10%, in 2023 it is around 18% of the total number of workers.



In order to respond with an effective measurement to the issue of diversity and inclusion, the evolution, in percentage, of female resources for each company function was also analysed: the trends show a growth peak in the category of female employees while the other three functions are stable or decreasing; the numerical analysis

shows that the number of female executives and managers has remained unchanged, while the male counterparts have slightly changed; the number of female workers has also slightly decreased, but not significantly (-7, compared to a significant increase in male workers, +200).

Evolution % of women for each corporate department

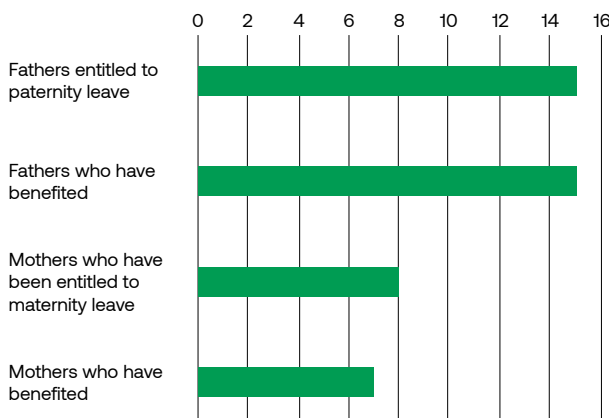


It is well known that one of the main difficulties in the employment of women is related to the caregiving department they are naturally ascribed, not so much by companies as by the social context in which companies operate. National policies have progressively extended paternity rights but, in Italy, we are far from equal access to, for instance, optional parental leave.

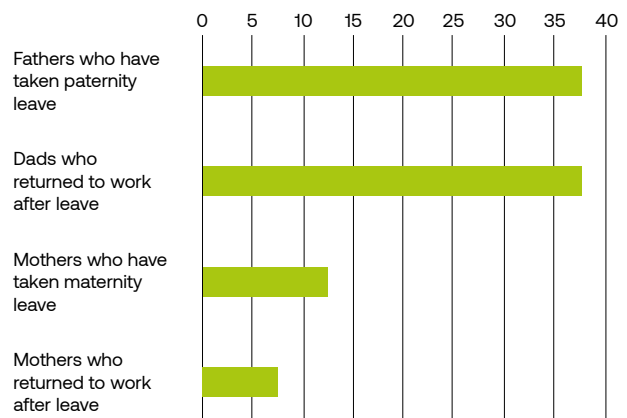
In 2023, Saviola Group celebrated 26 new bir-

ths²⁷, children of its workers, and analysed data on the take-up of parental leave, also for the purpose of monitoring any difficulties in taking it or returning to work in subsequent periods. The graphs which follow show that the take-up rate of optional parental leave is close to 100%, as is the rate of return of new fathers. Of the 6 new mothers who did not return to work after maternity leave, 3 were still on leave on 31 December 2023.

Taking optional parental leave



Return to work after parental leave

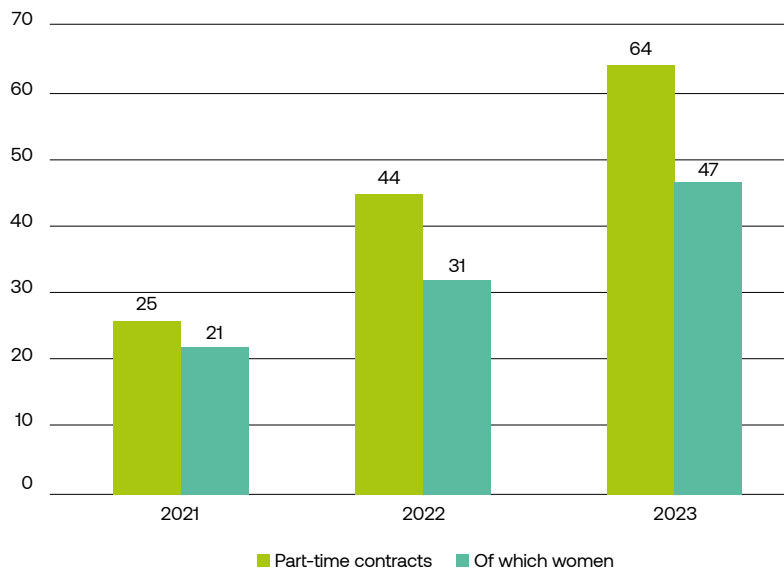


One of the measures to facilitate parenting, caregiving and flexibility in a broader sense comes from the granting of part-time contracts. Saviola

Group has a 3% share of part-time workers in 2023. Of these, over 70% are women.

²⁷ The figure for births and parental leave refers to the Group perimeter net of the Savionet BU, for which the data was not available.

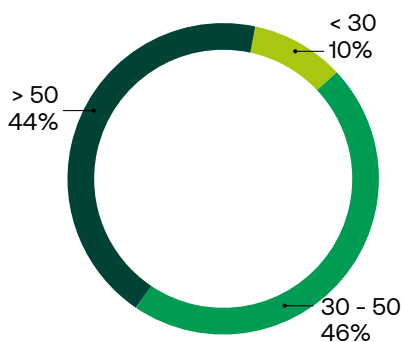
Part-time contracts



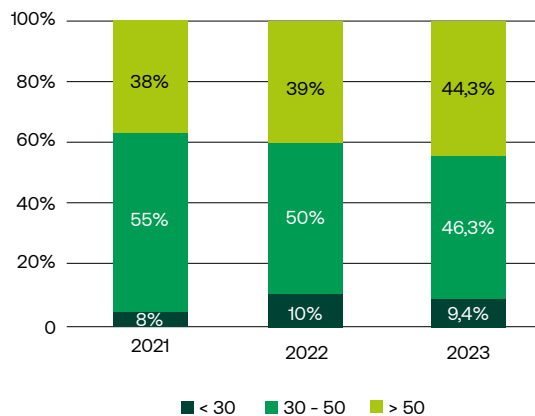
With reference to the diversity of employees in terms of age groups, the two graphs below show the breakdown by specific age in 2023 and the percentage evolution of the three categories identified (under 30, 30 to 50 and over 50); the analysis was carried out on the Group's total perimeter, net of the Savionet BU for which data is not available.

tegories identified (under 30, 30 to 50 and over 50); the analysis was carried out on the Group's total perimeter, net of the Savionet BU for which data is not available.

Employees by age group 2023



Changes in the distribution of resources by age group

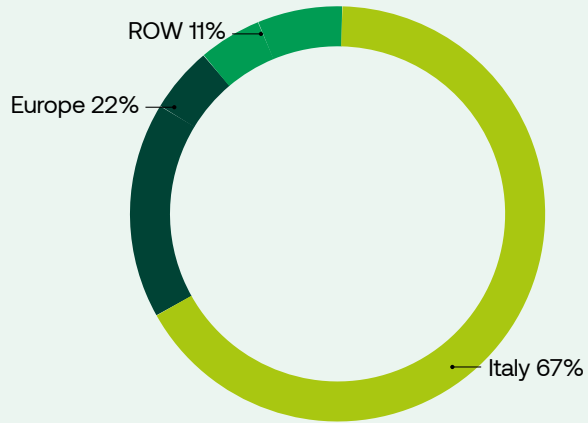


4.6.1

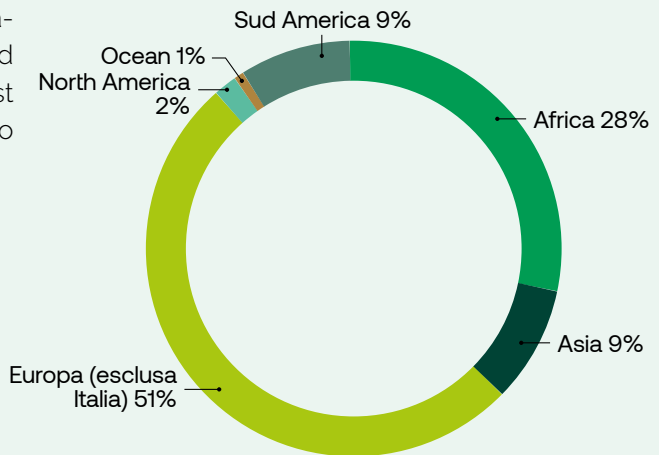
Focus: Saviola Group: melting pot of languages and cultures

With reference to 2023, identifying this issue as relevant for framing its current characteristics, but also the future of its resources, Saviola Group chose to collect data on the origin of its employees²⁸ analysing their ethnic characteristics in terms of language spoken and state of origin, in the event that workers boast a second or different citizenship, in addition to Italian citizenship.

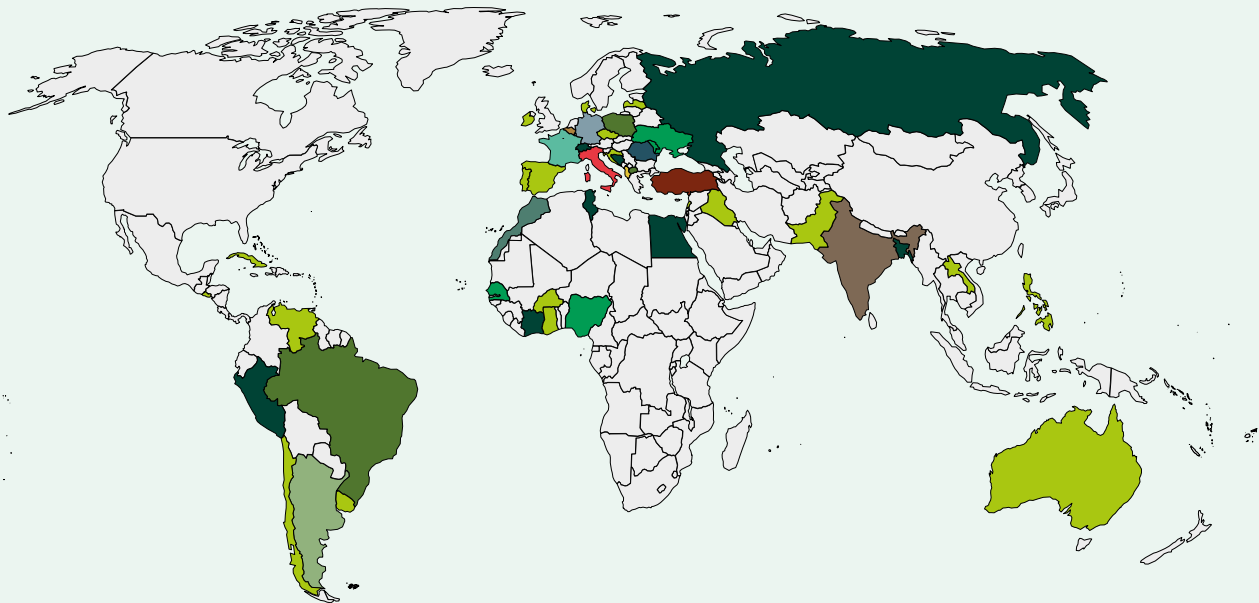
Workers by geographical area of origin



Workers by continent



Saviola Group community by home state



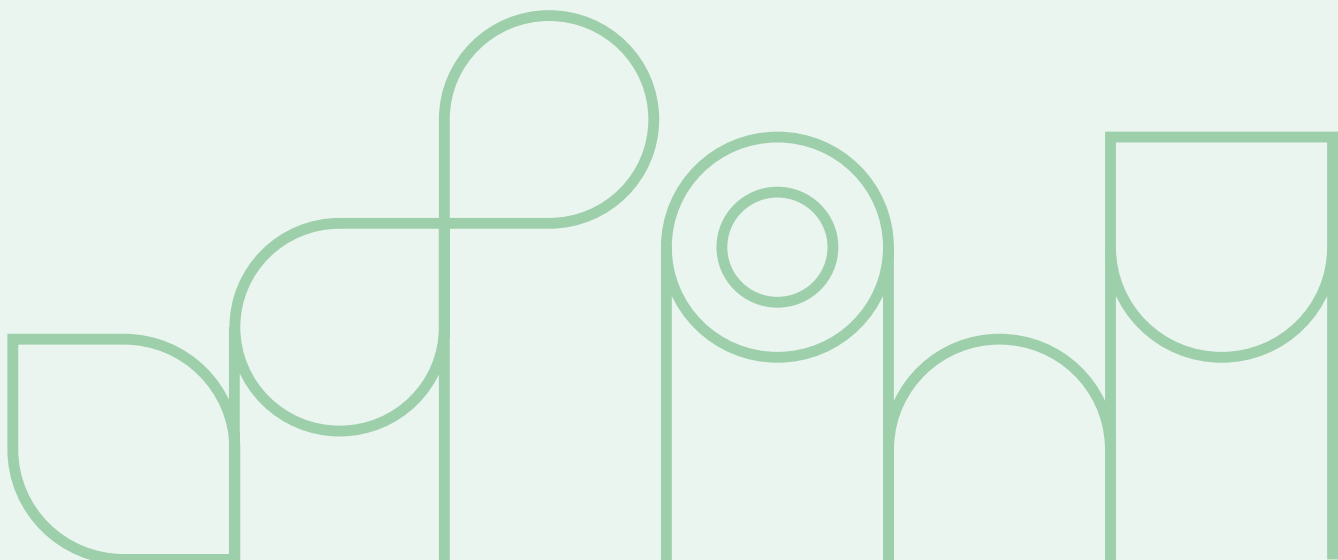
- Italy: 1113 Germany: 210 Argentina: 122 Belgium: 70 Albania: 24 Morocco: 22 Turkey: 14
- Romania: 13 France: 11 India: 5 4 (Brazil, Macedonia, Poland) 3 (Moldova, Nigeria, Senegal, Ukraine)
- 2 (Bangladesh, Bosnia and Herzegovina, Ivory Coast, Egypt, Peru, Russia, Switzerland, Tunisia)
- 1 (Australia, Burkina Faso, Czech Republic, Chile, Croatia, Cuba, Denmark, El Salvador, Philippines, Ghana, Iraq, Ireland, Laos, Latvia, Lebanon, Pakistan, Portugal, Spain, Uruguay, Venezuela)

²⁸ Boundary: all Group sites, except those belonging to Savionet BU: by origin we refer to the first nationality of membership, even if the worker was naturalized.

Other languages spoken in Gruppo Saviola



An interesting melting pot of languages and cultures emerged that can only make Saviola Group proud to boast this richness in terms of diversity and inclusion.



4.7

Communities concerned



Contribution to the community

While keeping environmental objectives and the satisfaction of the people in its value chain, whether they are internal resources or business partners, at the centre, Saviola Group is aware that each company can influence the territory and communities in which it operates and is committed to ensuring that this impact is positive. Through the Savenergy consortium, the company creates opportunities in energy markets and supports emerging energy communities. It also develops district heating initiatives to optimise thermal energy production. These strategies bring multiple benefits: they diversify business activities in a cost-effective way, improve energy efficiency and supply sources, and create connections with local communities around their industrial plants.

Furthermore, Saviola Group promotes collaborative projects with local entities and associations, providing human and technical resources, thus contributing to economic growth and the development of specific skills in the communities hosting its plants.

For years, Saviola Group has been active in initiatives to support local realities, through direct

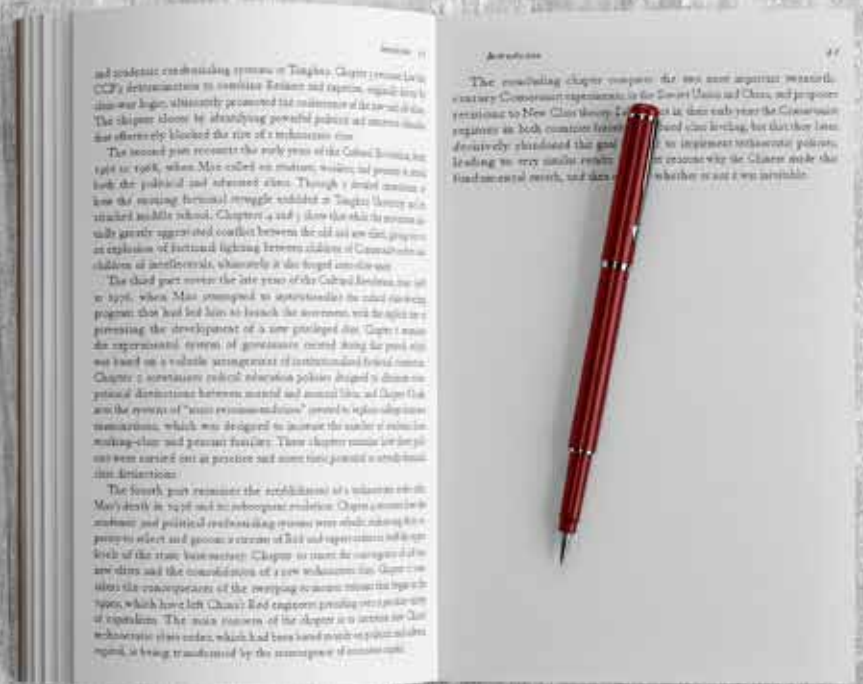
and constant contact with each of them. By financing cultural, sporting, institutional, and associative bodies, the Group is committed to meeting needs and rewarding excellence.

As in the previous year, 2023 proved to be a very profitable year for economic growth, and as a consequent action, Saviola Group decided on a proportional increase in donations to local entities, reaching the figure of €1.116.958, +26% with respect to 2022 sum.

The main areas that Saviola Group has chosen to support through donations and sponsorship are:

- **Cultural initiative:** an area that has always been at the crossroads of great historical events, and with an artistic, architectural, literary, musical and theatrical heritage, focusing on culture is certainly an advantageous choice for preserving and disseminating this legacy.
- **Youth and Sport:** support for important local executives (Rugby, Volleyball and Football) and national sports associations, with the aim of providing support for the younger generation.
- **Fight against poverty and support for the third sector:** contributions and donations to entities engaged in the fight against poverty both locally and nationally.
- **Health and personal care:** initiatives for the facilitation of treatment and support in the prevention of diseases, especially oncological ones, relating to both adult and paediatric age. In addition, there is support for organisations involved in creating services and facilities for people with disabilities who lack financial and/or family support.
- **Recreational and community activities in the area:** Saviola Group supports projects with recreational and aggregative purposes for the community, which are managed extensively by Pro Loco, relevant offices and local authorities.





and academic conditioning systems in Tanghai. Chapter 1 (especially CCP) demonstrates to ourselves Reform and Reform, especially in the late 1970s, ultimately presented the maintenance of the reform in the. The chapter shows the identifying powerful subject and reform ideas, and effectively blocked the rise of a reformist class.

The second part presents the early years of the Cultural Revolution, 1966 to 1968, when Mao called on students, workers, and peasants to attack the political and advanced class. Through a novel revision of how the existing formal struggle unfolded in Tanghai County which marked middle school. Chapter 4 and 5 show the shift in power usually greatly appreciated conflict between the old and new class, progress an explosion of political fighting between students of Communist Party children of intellectuals, ultimately in the final months of 1968.

The third part covers the late years of the Cultural Revolution, 1968 to 1976, when Mao attempted to intensify the class struggle program that had led him to launch the movement, with the goal of preventing the development of a new privileged class. Chapter 6 shows the experimental system of governance created during the period, which was based on a volatile arrangement of institutionalized formal control. Chapter 7 summarizes radical education policies designed to diminish political distinctions between mental and manual labor, and shows that the rise of "class recommendations" served to heighten class distinctions, which was designed to increase the number of reform-making-class and peasant families. These chapters provide for the political and social context in practice and more than provide a wholehearted class distinction.

The fourth part examines the establishment of a reformist class. Mao's death in 1976 and the subsequent evolution. Chapter 8 summarizes reform and political conditioning systems were made, including the reform to select and groom a certain of the old generation with the reform of the time, but mainly Chapter 9 shows the emergence of the new class and the consolidation of a new reformist class. Chapter 10 shows the consequences of the sweeping economic reform in 1978, which have left China's Red emperor growing over population of capitalism. The main concern of the chapter is to discuss the class reformist class order, which had been based on the political and social reform, as being transformed by the emergence of capitalism.

The concluding chapter compares the two most important twentieth-century Communist experiments, in the Soviet Union and China, and proposes revisions to New Class theory. It argues that in their early years the Communists required as both common factor and class leveling, but that they later decisively abandoned the goal of class leveling to implement reformist policies, leading to very similar results. It also discusses the reasons why the Chinese made the fundamental switch, and discusses whether or not it was inevitable.



4.8

Consumers and end users



Transparent communication

2023 saw the start and continuation of two legislative processes on greenwashing²⁹, at the tables in Brussels, driven by the drive to contribute to more sustainable consumption patterns through transparent consumer information. Companies therefore have a responsibility to provide clear, relevant and reliable information on the environmental and social characteristics of the products they market.

Greenwashing is a practice of using ecology and the environment as marketing leverage, acting on consumers' growing awareness of the issue, without actually intervening in products and processes and without providing concrete evidence to support the claims. Greenwashing can affect indiscriminately any product and any business, on any aspect, and is sometimes intentional, often unintentional. The risk, also identified for Saviola Group, is that of disclosing information or emphasising aspects of products and processes that are not yet fully developed or do not have a structured documentation process to support them. The financial consequences concern, in addition to possible penalties, the

repercussions resulting from image damage and the consequent possible loss of market share³⁰. The strategies implemented by the company to deal with this risk are expressed through B2B and B2C communication channels that highlight the group's values and products with an undoubtedly positive environmental impact, such as the choice to use post-consumption wood for the panel to preserve biodiversity. Internal communication is also crucial in order to align all resources by informing and training them on their environmental impacts and how to communicate them externally.

From this point of view, as will be illustrated in the relevant section of the next chapter, the Group is considering the creation of specific ESG committees for Business Units, one of the purposes of which is to make the sharing of reliable and corroborated sustainability information more effective, so that it can be disseminated inside and outside the company.

The drafting of documents based on internationally recognised standards, such as this Sustainability Report, now in its fifth edition, as well as the preparation of improvement plans (Innovation Project, decarbonisation plan, industrial plan, sustainability plan) allow us to ensure that the company's attention is not limited to claims but is extended to concrete actions to protect the environment.

²⁹ EU Directive 2024/825 on empowering consumers for the green transition by improving protection against unfair practices and information, published in the OJ on 06/03/2024, and proposal for a directive on the attestation and disclosure of explicit environmental claims (so-called Green Claims Directive), ongoing process.

³⁰ § Risk: Greenwashing

Transparently communicating the directions taken and the activities carried out both inside and outside the company through social media, newsletters and digital platforms and ensuring the possibility of reporting any critical situations by consumers through the same social platforms and contact emails, the presence of B2C survey systems³¹, the same materiality analysis carried out in 2024 for the purposes of drafting this document are all methods that allow to delve deeper into the expectations and doubts of external and internal stakeholders, in order to develop effective and transparent communication that leads to the national and international recognition of the brand as a positive example of a company that is serious about and has always been committed to protecting natural resources³².

4.8.1

Focus: Nuova Vita (New Life) communication campaign

Living today while thinking of tomorrow, furnishing in a sustainable way: this is the Circular Economy, a concrete solution that combines ecology and competitiveness through innovation not only in technology, but in thinking.

With the Group's 60th anniversary, the 'New Life' communication campaign, which started in October 2022, was relaunched with three characters with a green soul who work in the entertainment industry and who have made sustainability a life mission. The three testimonials explain their vision of sustainability through their storytelling, which takes place in environments made with the Ecological Panel®.

"New Life" La Buonanotte with Giovanni Storti and Viola: synergistic vegetable garden and creative recycling champion. Between the pastel-coloured walls of a small bedroom, it is he who reveals an important secret, who shows us what is hidden behind our everyday gesture: it is the Ecological Panel® made of 100% post-consumption wood... because, as Giovanni says to Viola, Nature is our home!

"New Life" The VideoCall with Aurora Cavallo @Cooker Girl and her mum: a food blogger with a red apron conveys to the general public the importance of sustainability by promoting products from the short supply chain and 0 km, while maintaining the tradition of our country. In the commercial, she is engaged in a beautifully designed and extremely functional Kitchen to make everyday life better and easier. Reliability, aesthetics, design flexibility, all designed with frames and doors certified with Ecological Panel® made from 100% post-consumption wood... because, as Aurora says: this way, instead of cutting down trees, we enjoy them.

"New Life" The inauguration with Francesco Gabbani and his friends: committed to environmental protection and a lifelong lover of nature, he chose to live in the mountains of his hometown, Carrara. Its new creative space is articulated in a game of industrial flavour and eco-sustainable development, where beauty is always at the service of quality and functionality. Here, Saviola's real flagship is once again the Ecological Panel® made from 100% post-consumption wood... because as Francesco says, the most precious thing is the environment!

³¹ Analysis carried out on a representative sample of 1200 people after the launch of the communication campaign

³² §Opportunities: Sustainability strategies



4.8.2

Focus: 60 years of Saviola Group

In 2023, Saviola Group reached the important milestone of 60 years in business. A path that leads to new challenges such as the energy transition and the dissemination of the Group's identity to as many people as possible.

To celebrate this event, Saviola Group undertook a number of communication and promotional activities to promote its sustainable history with the aim of disseminating corporate values and mission. The activities performed were numerous and involved a variety of activities.

- Creation of a dedicated logo celebrating 60 years.
- Creation of a digital landing page dedicated to the Group's history where the concepts of innovation, future, circular economy, recycling/upcycling, Italianness and territory, environment and nature were highlighted.
- Recounting the history of the Group during an episode of the programme 'Pensa in Grande' broadcast on the national channel Rete4.
- Social campaigns dedicated to highlighting sustainability aspects and achievements: 'Sustainability in deed not in words', 'For 60 years

our footprint in the world', '60 years for a sustainable future'.

- Social infotainment, educational and record numbers.
- Publication of two volumes dedicated to the history of the group 'The Lords of the Panels' and 'Those who... the Trees'!
- Podcast released on the Spotify streaming platform entitled 'Evergreen', produced by Will Media with the collaboration of Mattia Battagion, Head of Sustainability.
- Collaboration with university lecturer and naturalist Riccardo Groppali, author of the book 'La guerra agli alberi' (The War on Trees) published by Saviola Group, and realisation of video clips within the 'Inspired by Nature' column.
- Interview with Giorgio Campanini, one of the first Saviola Group employees who collaborated on the first panel produced on 30 June 1963.
- Branded Content videos: one in collaboration with Lifegate featuring biologist Elena Gogna and one in collaboration with Will Media featuring Mattia Battagion.



**SUSTAINABILITY
IN ACTIONS,
NOT WORDS.
FOR 60 YEARS.**



60 anni
di Saviola

1963

 saviola



4.8.3

Focus: Salone del Mobile with Wood You Believe?

In 2023, Saviola Group participated for the first time at the Salone del Mobile with an installation created in collaboration with the design and innovation studio CRA-Carlo Ratti Associati and architect Italo Rota. Entitled Wood You Believe?, the façade of the installation consists of four tonnes of waste material to show the entire process of post-consumption wood transformation. The project also features an immersive room that highlights the full potential of digital printing in the realisation of impactful and sustainable bespoke projects. Saviola Group was ahead of its time when it converted its production to Ecological Panels through recycled wood in the 1990s. Its commitment is made visible with the installation at the Salone del Mobile 2023 that outlined future scenarios in interior design. Wood You Believe? It is a cubic structure in which each façade features a series of modular claddings, derived from post-consumption wood such as desks, chairs, pallets, fruit boxes, and other wooden objects that have been attached to the walls

of the installation. The aim is to recall what can be seen in a wood recycling plant. This three-dimensional collage serves as a reminder of the enormous amount of waste produced by the furniture industry. By reintegrating everyday objects into our living spaces, design respects the principles of the circular economy to extend their life cycle and functionality beyond what is expected. With the support of technology, what is waste becomes valuable raw material. The pavilion's interior space emphasises Saviola Group's use of advanced manufacturing technologies in the production of customised panels. Passing through a steel-effect portal, visitors are welcomed into an immersive space built with over one hundred Ecological Panel® products. Composed of 100% recycled wood, these panels are digitally treated and represent the effect of a wide range of finishes that complement different designs. Using artificial intelligence tools, an abstract landscape was recreated to emphasise the design potential of the product.



SAVIOLA TALKS (DAVIDE CHIARONI, FULL PROFESSOR OF STRATEGY AND MARKETING, POLIMI) THERE IS RECYCLING AND RECYCLING! THE CHALLENGES AND OPPORTUNITIES OF 'CIRCULAR' RECYCLING



Davide Chiaroni

Energy & Strategy, Polytechnic of Milan

I realise that this may seem a contradiction, all the more so in a context such as an Italian one, where the word 'recycling' is often mistakenly used as an integral synonym of Circular Economy, but I am deeply convinced that there are two types of recycling, the 'linear' one (i.e. associated with the traditional economic model) and the 'circular' one, and that it is more necessary than ever to embark on a path of transition towards the second.

I will try to explain myself better. Recycling, which I call 'linear', is first of all characterised by the fact that it is considered as a phase of 'waste management' (and already this should raise some doubts about its adherence to the principles of the Circular Economy) and furthermore, it suffers today from three major limitations.

(1) With very few exceptions, this is actually downcycling, a technical term in the Circular Economy that highlights how the value of the recovered material is typically lower than its original value and as such destined for much less profitable uses. And this applies to paper (and we all have experience of the difference between virgin paper and recycled paper), to plastic (which in its recycled polyethylene form has significant limits in its use), to glass (if we consider in particular the most valuable glass or the so-called "brown" glass used in cosmetics and pharmaceuticals), and also to steel and wood – with some exceptions, such as those represented by Saviola, but which we will return to later – which often end up, after recovery, in uses less noble than those for which they were originally placed on the market. Downcycling, by reducing the value of the

output, forces one to look for scale mechanisms to reduce recycling costs that make the processes even less 'qualitative'.

(2) It is a system that operates, to use the metaphor of the sieve, with 'wide', indeed 'very wide' meshes. A household appliance that comes to the end of its life cycle today and goes through the normal (I would say linear) metal recovery and recycling process allows iron and aluminium to be recovered (for a value of around 200 €/tonne), while letting for example Neodymium 'go through', a very important material because it is classified among the 'rare earth elements' and has several uses in electric motors (e.g. car motors), which instead has a value of over 40,000 €/tonne. Mind you, 'let it pass' because the process is designed, as mentioned earlier, to minimise recycling costs and increase the scale; therefore, it must be able to quickly process products (that have become waste) from many different categories.

(3) This is a system that is still largely regulated and standardized on the basis of the "origin" of the material and not its nature. And so the same object (e.g. a computer or a printer or an X-ray machine) coming from a hospital or a machine shop will follow different paths and have to be treated differently. It is quite clear that this does not make sense from the point of view of 'material' and 'components' (i.e. if we assume the perspective of the Circular Economy), whereas it is entirely consistent with the 'linear' view of having products end their life cycle in line with the 'line' against which they entered the market.

What does a 'circular' recycling system look like then?

It will, I think, be evident to the reader that this must be designed to overcome the above-mentioned limitations. (1) Starting, first of all, with the creation of upcycling opportunities, i.e. the full (or even higher) restoration of the value of the material collected and 'put back into circulation' in a production system that can fully exploit it. (2) Setting up an ad hoc process that is able to meticulously separate the different materials on the basis of their nature, sending them to dedicated treatment paths, and bringing them back to a condition that can naturally (and in a circular manner) reconnect with the production process of the 'new' products. (3) Reconstructing a collection ecosystem that is based on the 'nature' of the material to be recycled and not so much, or at least not exclusively, on the type of economic actor that has possession of it before its end-of-life - while respecting the limits imposed by the legislation, and while waiting for this too to finally evolve.

It is not difficult to read these characteristics in the extraordinary example of the Saviola Ecological Panel, with the history of product, process and ecosystem innovation that is linked to it. And above all, understand the differences with the 'linear' recycling model.

We definitely need, as I said in my introduction, more examples of this kind and finally Europe - and hopefully Italy soon too - has realised this, with the recent Waste Framework Directive, Circular Economy Action Plan and Critical Raw Materials Act. Only a 'circular' recycling system will allow our economic system to be sustainable, both environmentally (by finally containing the need for new resources) and economically (by valorising, rather than depleting, the resources we already literally have 'in our hands' as products). The challenge for all of us is to make this transformation happen in time.



Governance and sustainability strategy

5

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5.1

Business conduct: governance and transparent management

Business strategies focused on sustainability not only protect the planet, but improve economic performance with benefits for the local and broader economy. Saviola Group has proved that the quality of its products knows no boundaries, taking 'Made in Italy' to new global heights. With an irresistible combination of high-end performance and cutting-edge design, the brand stands out for its reliability and stability over time.

But that's not all: innovation is in the company's DNA and is constantly transforming the company. Group researchers studied new products and processes, expanding the market and confirming the Eco-Ethical Company vision. Saviola Group is not just a brand, it is an expression of a constant commitment to continuous improvement.

Implementing production processes that maximise circularity and taking practical actions to align with global goals is important, but not enough: business partners, end-consumers and public and private bodies also assess a company's commitment by the formal commitments it makes. Although the decarbonisation plan and the circularity of the supply chain are Saviola Group's strong suits to demonstrate its commitment to environmental sustainability, the company also intends to act in other directions: these include adhering to the United Nations Global Compact, to which our Sadepan Latino-americana office already adheres, updating the Organisational Management Model 231/2001, and setting up a structure to support its implementation also in the newly established Savio-net Business Unit.

In addition, the company plans to adapt its code of ethics and reporting structures to the Supervisory Board, create a Charter of Values reflecting the company's fundamental principles and values, and obtain and maintain Authorised Economic Operator (AEO) status: these initiatives confirm Saviola Group's recognition as a business partner that guarantees maximum transparency and reliability in a variety of contexts.

5.2

Corruption prevention and detection



From the materiality analysis carried out by Saviola Group, one of the issues that stakeholders, especially external ones, have attributed relevance to is the company's conduct, on the one hand in terms of anti-corruption, and on the other in terms of governance inspired by ESG issues, also in terms of managing relations with suppliers. The company then analysed its practices in order to identify any impacts, risks or opportunities arising from these issues.

The fight against corruption is a stimulus for strengthening corporate ethics, a means of maintaining public and community trust in the Group, and provides support for economic growth by creating a stable and investment-friendly environment.

Supervisory Board

Code of Ethics and Organisation and Management Model

Saviola Group resonates with the definition given by its founder: "The Eco-Ethical Company". Environment, People, Local Area, Quality and Innovation are the five value pillars that distinguish Saviola Group's actions. The Group recognises, therefore, the importance of a system that ensures that the values of fairness, honesty, integrity, legality, transparency, good faith and protection of human and environmental resources are solid and long-lasting and respected in the conduct of business and corporate activities.

In view of the above, Saviola Group has - therefore - adopted its own Code of Ethics, the latest version of which was approved on 23/09/2019.

Likewise, the Group's companies have adopted and approved their own Organisation and Management Model (OMM - latest version 23/09/2019, currently under revision) in accordance with the provisions of Legislative Decree No. 231/2001 on the administrative liability of bodies.

The values and principles of Saviola Group's Code of Ethics are, therefore, concretely implemented in the precautionary protocols provided for by the Organisational and Management Models of the various Group Companies, in order to:

- integrate and strengthen the governance system of the companies;
- minimise the risk of commission of offences related to the company's activities;
- make all those who work in the name of and on behalf of the Group Companies aware of the risk of incurring criminal and administrative sanctions, including on the Company, in the event of violation of its provisions;
- inform those who work with Group companies that violation of the provisions will lead to the application of sanctions or directly to the termination of the contractual relationship;

- confirm that the Saviola Group will not tolerate any unlawful conduct regardless of any purpose, even those that may possibly benefit the company, as they are contrary to the principles underlying the Group's business activity.

This approach aims to ensure that ethical values are concretely applied at Saviola Group, protecting the company and its employees from illegal behaviour and reinforcing its image as an ethical and responsible company¹.

The Ethical Code and OMM thus identify the sensitive areas and processes at risk of offences and possible offences (the so-called 'predicate offences'), the principles applied to prevent their commission and the relative sanctions.

Particular importance is attributed to the system of powers of attorney and proxies, which is aligned with the Guidelines laid down by Confindustria and complies with the standards prescribed by Legislative Decree no. 231/2001.

Equally important is the Procedural System, which is designed to regulate the performance of corporate activities, also providing for specific checks to be carried out in order to ensure their correctness and effectiveness.

The general check principles adopted by the Group are based on the separation of functions and powers, the transparency of operations, the adequacy of internal rules based on specific procedures and the traceability of documentation.

The Supervisory Board (SB), appointed by the administrative body of the individual Group Companies, supervises the implementation of the OMMs and the Code of Ethics in compliance with the provisions of the same Decree, verifies their effectiveness, identifying and proposing to top management updates and amendments in relation to changing regulations and/or changing needs or business conditions.

¹ SRisk: Relationships with the PA

aviola Group's Supervisory Board is formal and composed of three members who meet the requirements of autonomy and independence, professionalism and continuity of action laid down in Legislative Decree 231/01.

The activity of providing information and updates on the OMMs and, in particular, on the precautionary protocols and procedures laid down therein, is carried out through:

- an initial communication to all resources in the individual companies;
- specific training activity on the main principles of Lgs. D. 231/2001 and Saviola Group's Organisational Models;
- making available, in a specific section of the company intranet and on all company notice boards, all the documents that make up the Organisation and Management Models.

Third parties that act as counterparties at all levels of Saviola Group's business are informed of the adoption of the Code of Ethics and the OMMs and are invited to read it on the website and to sign, in specific contractual clauses, the acceptance of these behavioural principles and of the consequences of non-compliance.

In order to fulfil the obligations of reporting to the Supervisory Board by persons inside or outside the Company in the event of violations of the provisions of the Organisation and Management Models, differentiated communication channels have been set up, with the aim of guaranteeing confidentiality for whistleblowers and at the same time facilitating the flow of reports and information to the Supervisory Board.

The latter assesses the submitted reports by notifying the reporting party and ensuring in all cases the utmost confidentiality (or, where possible and requested, anonymity) and the absence of retaliation, discrimination or penalisation of any kind against reporting parties.

Each year, the Supervisory Board submits to the administrative bodies of the Group companies an 'Annual Plan of Control Activities' that defines the areas at risk of offences and/or sensitive processes that will be monitored by the Supervisory Board

During the year 2023, the Supervisory Boards of the various Saviola Group companies carried out a total of 22 supervisory audits at production sites and administrative offices, covering various 'risk-offence areas' including the environment, occupational health and safety, management of intercompany relations, management of legal disputes, management of financial flows and management of customs activities.

Following the supervisory audits, the Supervisory Board draws up accurate reports with observations, suggestions and recommendations, which are distributed to the functions concerned so that they can take them on board and proceed to the possible revision and/or updating of the relevant precautionary protocols and internal procedures, contributing to the continuous improvement of the effectiveness of the Organisational Models. Every year, a final report is then sent to the administrative bodies of the individual companies, summarising the supervisory activities carried out by the Supervisory Board and making the appropriate assessments on the functioning and compliance of the respective OMMs.

Third parties interacting with Saviola Group are informed about the adoption of the Code of Ethics and the OMM and are invited to view these documents on the website and to accept their behavioural principles through contractual clauses.

With reference to the management of relations with the Public Administration, it is relevant to note that the Chemicals Business Unit is in the process of obtaining the status of Authorised Economic Operator (AEO)³: this is a certification of the specific reliability of a particular body

² Specifically, it is possible to send an e-mail or to fill in, even anonymously, an on-line form within the intranet channel or, again, to send a paper communication in a sealed envelope via a dedicated mailbox, set up at the various Group sites.

vis-à-vis the customs authorities and is part of the new computerisation procedures in relations between private bodies and authorities in charge of international trade control activities. Bodies that obtain this authorisation are deemed trustworthy and secure with regard to supply chain management. Obtaining and maintaining this status is ensured through targeted strategies: an accurate documentation management system, the appointment of a dedicated figure and appropriate training and information to all company stakeholders involved in this sensitive issue.

At Sadepan Latinoamericana, the only BU outside the European perimeter, there is an anti-corruption

policy through which the company undertakes to combat corruption in all its forms, including extortion and money laundering, by adopting ethical principles of conduct and ensuring that all activities are conducted in compliance with local and international laws, including by means of a reminder of the individual integrity of employees, who must avoid conflicts of interest and guarantee confidentiality on company processes and information. Significant corruption risks are identified and assessed regularly through internal audits, and all members of the company, including new hires and contractors, receive comprehensive training on the company's anti-corruption policies.

³ §Opportunity: Perfecting and maintaining AEO status.



5.3

Management of relationships with suppliers

The subject of supply chain management is increasingly relevant in many respects: on the one hand, the accurate monitoring of the supply chain allows constant and punctual control of quality and price; on the other hand, the pressure from the market and the European community in terms of reporting and tracking the value chain forces companies, especially large ones such as Saviola Group, to carefully reflect on the management of this important issue.

As part of its analysis of impacts, risks and opportunities with reference to the supply chain, the Group assessed that its current operations with small and medium-sized companies in the region could turn into an exclusion of these companies if performance measurement and effectiveness with reference to ESG issues became stringent⁴. Such an exclusion would entail a change in the company's current supply chain towards medium-sized or large companies that benefit from a more substantial structure that is able to meet ESG reporting requirements, at the cost of a possible increase in supply costs⁵.

The strategy implemented by the Group is based first of all on a system of analysis and monitoring of suppliers: service providers are subject to the requirement to send in the Sustainability Report, but the company is considering the possible implementation of a more comprehensive analysis of the supply chain, by means of special questionnaires on sustainability issues.

However, the company is aware of the fact that, in many cases, the inability to meet formal ESG reporting requirements is not related to the substantial absence of a focus or actions and good practices in this regard, but rather to the characteristic structure of micro and small companies in terms of resources. Often, therefore, de facto fulfilments (actions and compliance with ESG requirements) precede formal ones. The timely dialogue with suppliers and their involvement also in the drafting of the Saviola Group Sustainability Report also aims to spread the importance of these issues throughout the supply chain, in order to raise awareness and improve its contribution to global objectives.

As mentioned, European directives may also have consequences for supply chain management: in addition to ESG reporting requirements, in fact, another important driver impacting the supply chain is related to European decarbonisation strategies, which envisage duties for certain types of materials (mainly from China) that are not otherwise available on the European market, which could have repercussions on the costs and procurement of some components⁶.

⁴ §Potential negative impact: Stricter ESG criteria for suppliers

⁵ §Risk: Changing the supply chain

⁶ §Risk: Duties on imports

Strategic planning aimed at responding effectively to any need for changes in the supply chain, coupled with a timely response to comply with environmental regulatory requirements⁷, however, provides the Group with the resilience to deal with this issue. Participation in Amminoplastico and Formacare, that Sadepan Chimica has been a consortium partner of for over 20 years, is also in this direction. This allows this Business Unit to be present at European tables where systems for analysing and studying the emission impact of formaldehyde production are being developed, with advantages in terms of sharing practices and early implementation of the best strategies identified⁸.

On the subject of supply chain management, internal and external growth is another key strategy to improving economic independence vis-à-vis the market and control of indicators, including sustainability. The acquisition of Advachem, a company that was integrated into the Chemicals Business Unit in 2023, made it possible not only to internalise the supply chain, but also to take over the related know-how and extend the best technologies between the various sites of the Chemicals business unit, with benefits in terms of optimising resources in both economic and ecological terms. The creation of the Savionet

Business Unit also brings benefits in terms⁹ of optimising costs, shortening the supply chain and extending the group's sustainability strategies throughout the supply chain¹⁰.

The procedure for purchasing supplies of goods or services focuses on the effectiveness of the management of relations and on the commitment to ensure compliance with all legislative requirements to protect workers' health and business ethics. At present, there is an exchange platform open to the relevant corporate functions, which makes it possible to diversify participation, activate a form of mutual control, prevent the centralisation of decisions and monitor related expenses.

Evaluations for services, spare parts, vehicle hire or maintenance work require at least three offers¹¹ and are subject to joint approval by the Group Chairman and the management figures responsible for the sector involved.

A structured portal for supplier management is currently being implemented, which functions both as a document interchange system, a procurement platform, and a repository of documentation related to occupational health and safety and corruption prevention strategies.

⁷ In particular, the requirements of the recent CBAM (Carbon Border Adjustment Mechanism) regulation, the mechanism for offsetting carbon emissions embedded in goods produced outside the borders of the European Union, introduced by Regulation (EU) 2023/956 of the European Parliament and of the Council of 10 May 2023

⁸ §Opportunity: participation in Formacare and Aminoplastico

⁹ §Opportunity: acquisition of Advachem

¹⁰ §Opportunity: development of Savionet

¹¹ There is also the possibility of requesting a single estimate, but this must be objectively justified and is not the standard way of purchasing goods and services. For 2023, the single-source template approval rate was around 33% of the total number of requests approved by management.

5.4

Sustainability strategies



Structure and participation in Governance

Saviola Holding is the parent company in charge of controlling, managing and planning the activities of the entire Group. It provides services to all the companies that it directly or indirectly controls. All the main functions work together to enable efficient and integrated management of the entire Group: administration and management control, finance, health and safety, sustainability, energy, purchasing, communication,

human resources and information technology.

The company is governed by a Board of Directors with management functions, while the Board of Statutory Auditors supervises the administration.

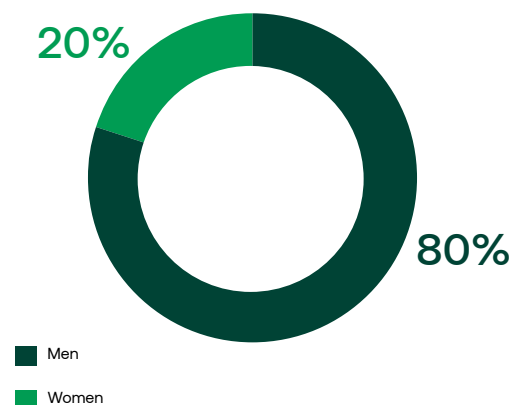
The Board of Directors consists of 5 members and is elected by the Members' Assembly. It holds wide-ranging powers that allow it to manage the company's ordinary and extraordinary administration, with the possibility of implementing any action in order to achieve the company's purposes. Board members hold office until resignation or removal and may be appointed from non-shareholding members. Stakeholders do not participate in the appointment of the Board of Directors.

In addition to the mandatory bodies required by law, Saviola Group has committees that perform crucial functions for the Group's strategy. The Group has the following committees: Privacy Committee, ESG Committee, Innovation Committee.

BOD

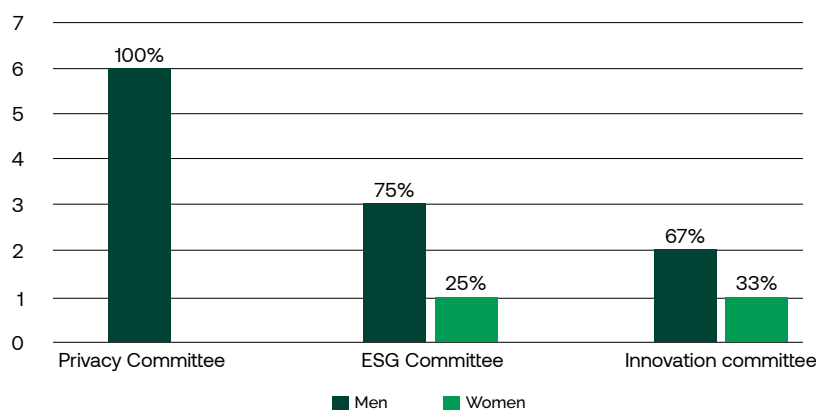
EXECUTIVES	3
NON-EXECUTIVES	2
INDEPENDENT	0
NOT INDEPENDENT	5
<30 YEARS	0
YEARS	2
>50 YEARS	3
WOMEN	1
MEN	4
ITALY	5
OTHER COUNTRIES	0

Board composition by gender



Governing Bodies of Saviola Holding		Number of members
Members' meeting		Sole shareholder GMS s.r.l.
Board of directors		5 (1 Chairman and 4 Directors)
Board of Auditors		3 (1 Chairman and 2 Auditors)
Supervisory Board		3 (1 Chairman and 2 Members)
Committees		Number of members
Privacy Committee		5 (1 Chairman and 4 Members)
ESG Committee		4 (1 Chairman and 3 Members)
Innovation Committee		3 (1 Chairman and 2 Members)

Gender distribution in committees



Privacy Committee

Data protection principles

INTERNAL	4
EXTERNAL	2
<30 YEARS	0
30-50 YEARS	2
>50	4
WOMEN	0
MEN	6
ITALY	6
OTHER COUNTRIES	0

Saviola Group considers the protection of personal data a fundamental right and makes it a guiding principle for all activities. It ensures that these activities respect the rights, fundamental freedoms and dignity of the persons concerned, and simplifies and makes the ways of exercising these rights effective.

The Group adopts the principle of minimising processing, configuring processes to limit the use of personal data to only what is necessary for the intended purposes. It also agrees to limit the period of data retention, keeping the data only as long as necessary to achieve the objective.

Saviola Group implements advanced security measures to protect data from unauthorised or unlawful processing, loss, destruction or accidental damage, in accordance with art. 32 of the GDPR. It has established a structured and up-to-date system to comply with data protection regulations, including the role of the Data Protection Officer (DPO) introduced in 2018.

Protecting the rights of individuals

Saviola Group supports the strengthening of the rights of individuals under the GDPR by taking steps to provide the necessary information to data subjects and facilitating the exercise of their rights within the timeframe set by the law. It has also developed an internal process for responding in a timely manner to stakeholder requests, documented in a specific internal procedure.

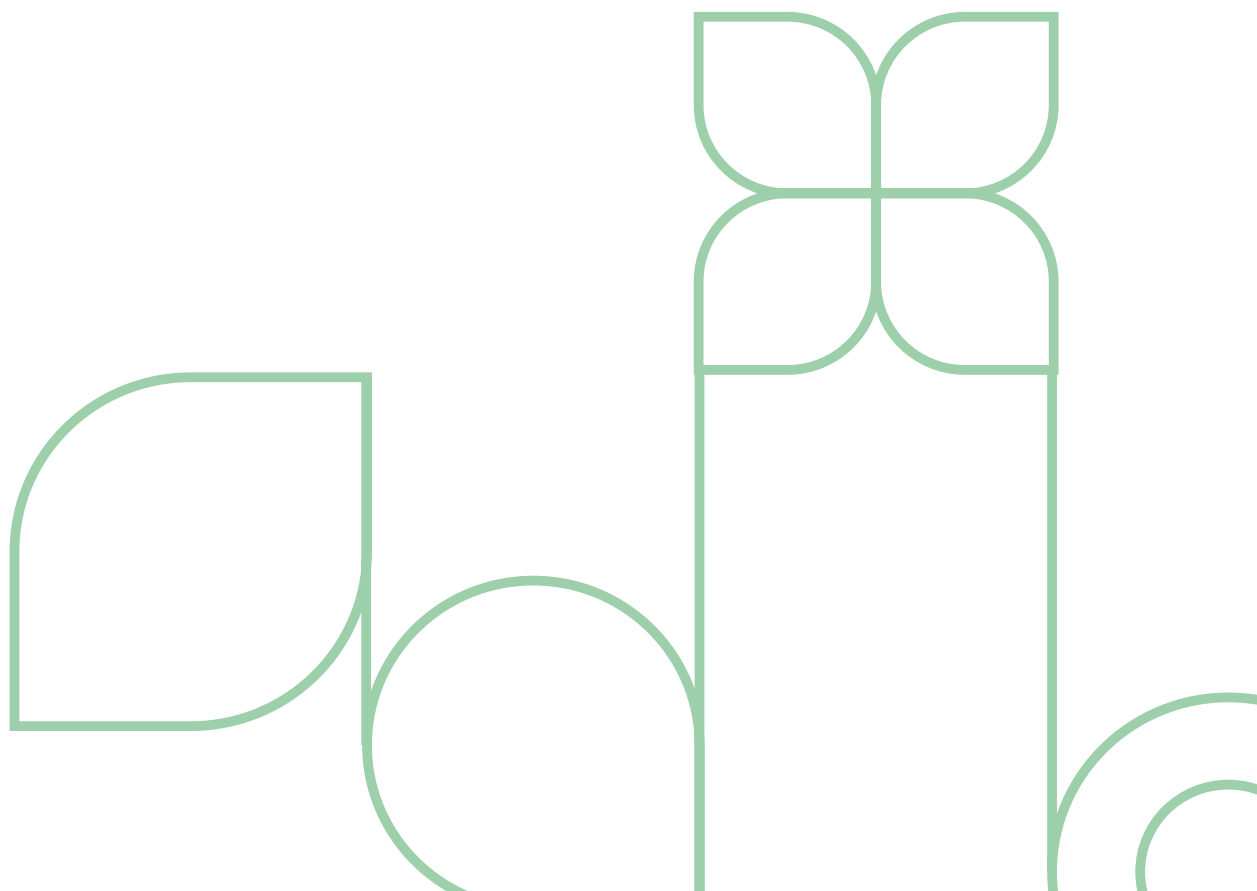
Actions taken by the Privacy Committee

Listed below are the main topics discussed and shared with the DPO, according to a defined schedule, and the activities carried out in 2023:

- Planning and commencement of activities to update the processing activity registers of the companies in the perimeter and related Risk Analysis, against the indications of the individual contact persons of the functions involved.
- Planning of audits concerning intercompany relations as regards the allocation of privacy responsibilities among Saviola Group companies,

also in the light of the corporate evolutions that have taken place (definition of the new company name 'Savionet', replacing Network Ecolegno).

- Monitoring processes to qualify third parties as data controllers under Art. 28 of the GDPR, and the regulation of relations with regards to the processing of personal data, in accordance with current legislation.
- Definition of a plan to update the security measures currently taken pursuant to Art. 32 of the GDPR, with a view to continuous process improvement and IT security.
- Planning of checks on the state of compliance with video-surveillance measures, and of the configuration of the Saviola Group companies' websites with regard to: adequacy of the information provided to data subjects, cookies and any tracking tools present.



Focus: digitisation in the service of security and innovation

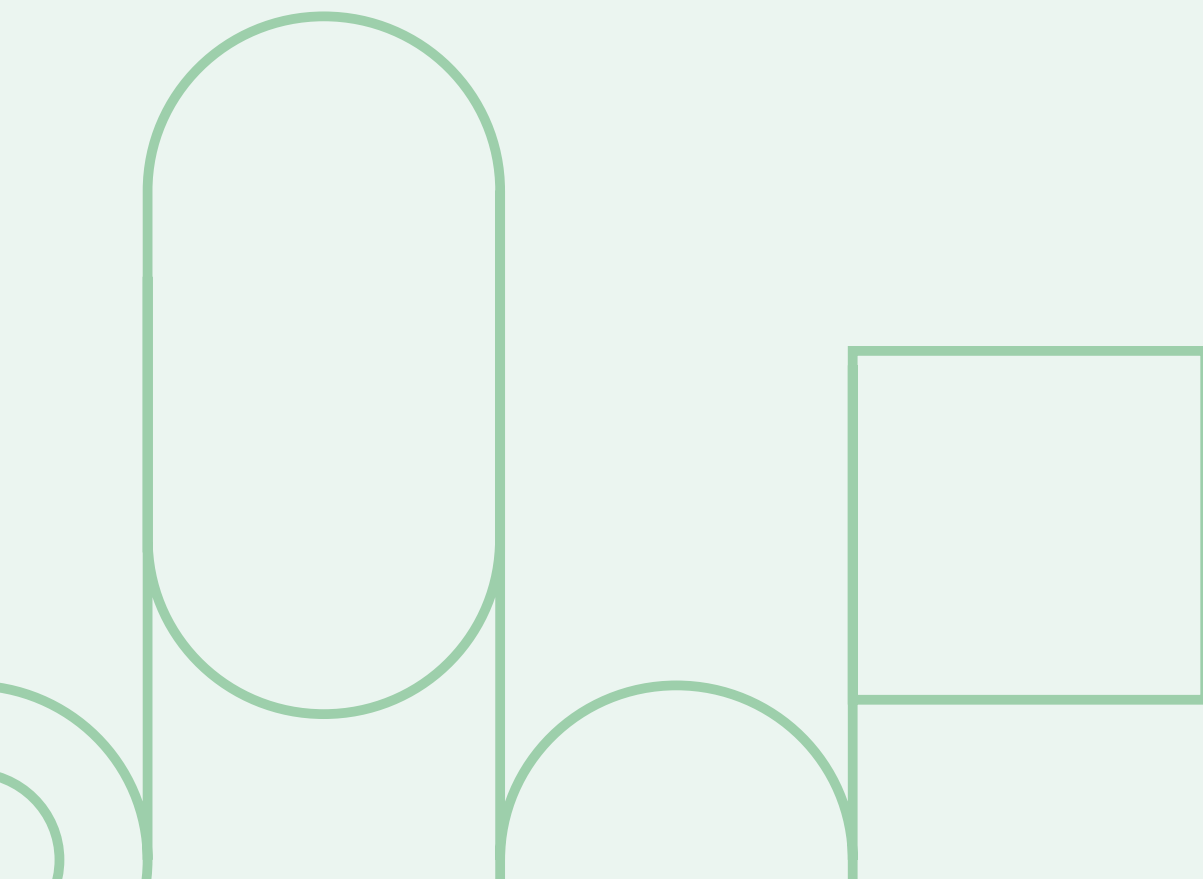
As distant as the fields may seem, the interconnection between IT security and sustainability in companies is increasingly recognised: the adoption of integrated IT solutions and artificial intelligence systems in production processes allows Saviola Group to improve the control and management of operations, with innovations that reduce human error and create reproducible structures at different sites, guaranteeing reliability and security of data and processes. For example, the implementation of the Electronic Data Interchange system and the automation of feedback processes to improve internal control and technological effectiveness is planned for 2024.

However, this digital transformation also increases the risk of cyber attacks, which can undermine sustainability efforts¹². Saviola Group is aware of the need to integrate cybersecurity strategies

with sustainable practices to protect not only data and digital assets, but also to ensure the continuity and resilience of its operations, with an integrated approach that is essential to prevent economic and reputational damage resulting from cybersecurity incidents. Cybersecurity, therefore, becomes an essential component in achieving sustainability goals, ensuring that technological innovations do not compromise the stability and reliability of corporate systems, as well as the privacy of individuals.

The practical actions that Saviola Group intends to use to address this risk consist of improving backup systems and specific training, as well as constant monitoring of phishing and ransomware threats.

¹² §Risk: cyber attacks



ESG Committee

Sustainability is a constantly renewed commitment

INTERNAL	4
EXTERNAL	0
<30 YEARS	0
30-50 YEARS	1
>50	3
WOMEN	1
MEN	3
ITALY	4
OTHER COUNTRIES	0

The ESG committee was established in 2020 with the aim of coordinating and developing the Group's sustainability strategy. The Committee consists of a Chairman and three members who belong to different senior positions. The decision to involve different top management functions was made in order to have a cross-sectoral approach to sustainability that involves the Group's various functions, thus creating an extensive network rather than a centralised approach.

The Committee provides information and suggests guidelines on actions concerning ESG (environmental, social and governance), business

ethics and risk management, guiding the Board of Directors and relevant corporate functions. In this sense, the Board of Directors can request the Committee to provide opinions on ethical and sustainability aspects on certain issues. The Committee is responsible for the drafting of the Sustainability Report, the identification of sustainability-related key performance indicators (KPIs), and the planning of the various projects through the collection of the various initiatives stemming from the different functions, which are analysed and harmonised with each other in order to have a common direction of action.

The Committee's objective is to strengthen internally and externally the understanding and implementation of the concept of Corporate Social Responsibility, a cornerstone for the continuity and success of the Group. The Committee plays a facilitating role in the exchange of information that is needed to achieve the common objectives. Finally, in the performance of its functions, it uses the Code of Ethics in order to assess the adequacy of the corporate procedures used to implement strategies.

Saviola Group is also evaluating the opportunity to set up specific ESG committees for Business Units, with the aim of supporting the Group's ESG committee in a fruitful exchange that can bring specific ideas tailored to the realities of individual Business Units or sites, contribute to the monitoring of emissions and other environmental and social KPIs, and communicate corporate strategies and key information on sustainability to all levels of the company.

ESG Committee activities in 2023

- Involvement of both internal and external stakeholders in order to take their new priorities on board that have arisen in recent years.
- Through a stakeholder questionnaire, a new materiality analysis was created for the entire Group.
- Implementation of the Saviola Group Sustainability Plan.
- Internal consultations with the relevant departments in order to start monitoring and analysing the supply chain.
- Co-ordination of all activities necessary for the drafting of the Sustainability Report.
- Formal approval of the budget and presentation to the Board of Directors.

Innovation Committee

New ideas and contributions for development

INTERNAL	3
EXTERNAL	0
<30 YEARS	0
30-50 YEARS	1
>50	2
WOMEN	1
MEN	2
ITALY	3
OTHER COUNTRIES	0

ince 2023, a centralised body has been created within Saviola Holding with the task of collecting and developing innovative ideas with the greatest potential. The core team consists of three members who report to the Innovation Board. The composition is thus determined in such a way that all technical and market roles belonging to the different Business Units are included in it.

The Innovation Team manages the entire development flow of projects, selected as innovation portfolios, from the research phase to the implementation phase. The team aims to strengthen and further disseminate the culture

of innovation as an approach to work and thinking. It collaborates with different company functions and external partners, coordinating them throughout the process. The team is responsible for verifying that projects throughout their life cycle are aligned with the company's vision and strategy.

2023 Activities of the Innovation Committee

- Creation and consolidation of a central team that organises and manages Innovation activities and projects within the Holding.
- External and internal scouting at the Holding for innovative ideas that can be implemented internally.
- Organisation of the institutional calendar with key appointments such as Steering Committees and Update Meetings.
- Creation of cross-functional and inter-company teams to develop projects from the ideas selected for presentation to the board.
- Coordination, support and documentation management to teams in both project development and implementation.
- Organisation of workshop activities with the various Business Units aimed at collecting Innovative Ideas.
- Relations with universities, external bodies (public or private) and partner companies that co-participate in or support existing projects.
- Monitoring the implementation of projects selected at the Steering Committee stage.



Focus: Saviola Group Strategies and the Sustainability Plan

In addition to the creation of specific committees, the Saviola Group's strategies also include the preparation, dissemination and monitoring of various strategic documents: through the involvement of resources in a bottom-up approach, which allows for the internal and external dissemination and effectiveness of corporate strategies, the Group has in fact developed:

- The Industrial Plan and the relative Investment Plan, first drawn up in 2021 and then updated year by year to adapt to new instances, best available technologies and the constantly evolving scope of the Group.
- The aforementioned Decarbonisation Plan, drawn up in 2023 with the aim of aligning with the Paris Agreements.
- The Innovation Project, launched in 2023, which aims to renew the corporate culture and create an organisational structure to achieve the Group's environmental objectives by involving all Business Units and fostering people, their ideas and talents.

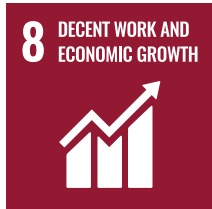
The actions and goals outlined by these structures together form part of the company's Sustainability Plan. The Sustainability Plan is a document that describes how the company intends to improve its environmental, social and governance impact in accordance with the Sustainable Development Goals of Agenda 2030. It integrates with other existing strategies, providing a framework for the development of future projects in the field of sustainability by referring to the four pillars through which the Saviola Group has framed the scope of influence of its various actions: People, Production Processes, Governance and Business Relations.





5.5

Sharing economic value

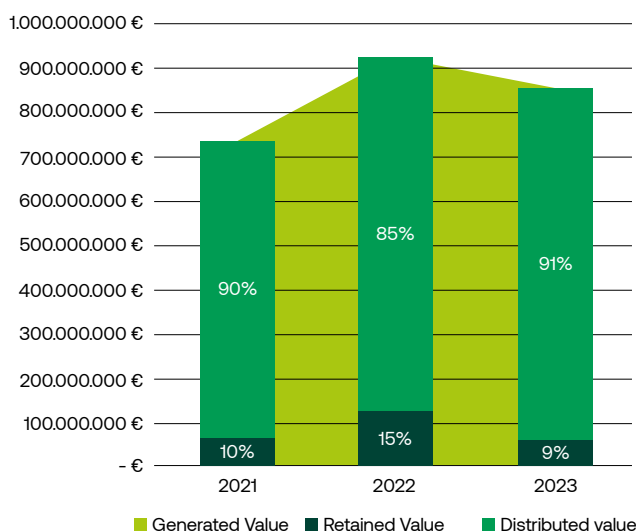


As required by reporting standards, the following is a reclassification of the financial statements showing the share of economic value generated by the company, in terms of revenues, and

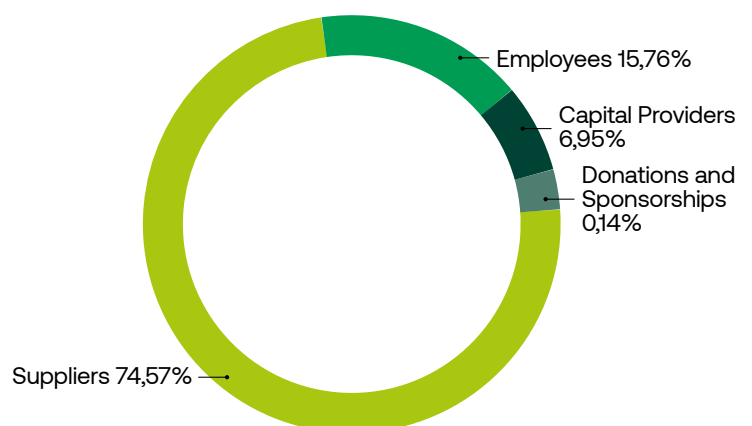
that distributed, highlighting the share transferred to the main stakeholders: suppliers, employees, investors, public administration and the community.

	Year 2022	Year 2023	Var 2022/2023
Generated value	921.275.044,00 €	849.870.137,00 €	-8%
Distributed value	779.611.488,00 €	772.768.519,00 €	-1%
Suppliers	616.529.374,00 €	576.246.052,00 €	-7%
Employees	99.798.002,00 €	121.755.423,00 €	+22%
Capital providers	22.242.951,00 €	53.738.564,00 €	+142%
Public administration.	40.152.551,00 €	19.911.522,00 €	-50%
Donations and sponsorships	888.611,00 €	1.116.958,00 €	+26%
Retained value	141.663.556,00 €	77.101.618,00 €	-46%

Generated and distributed economic value



Distribution of distributed value (2023)



After an extraordinary year in terms of revenue, 2023 was a year of adjustment: despite a slight decline in the generated value, the value distributed to stakeholders increased, with 22%

more value distributed to employees and 26% more value distributed to communities through donations and sponsorships.

THE ROLE OF BUSINESSES IN THE ECOLOGICAL TRANSITION THE VALUE OF NATURAL CAPITAL FOR THE ECONOMIC AND SOCIAL SYSTEM



Federica Gasbarro

Federica Gasbarro, Associate Professor of Economics and Business Management, University of Brescia

Recognising the interdependence between the economic, social and natural systems is the first step in reinterpreting the role of business in the ecological transition. Unfortunately, according to the Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services, we are witnessing a serious deterioration of terrestrial, marine and freshwater ecosystems due directly or indirectly to human activity. Moreover, climate change is an increasingly present and real threat. According to the Intergovernmental Panel on Climate Change, the main risks for Europe are: damage to people or infrastructure affected by coastal and inland flooding; increased stress and mortality due to rising temperatures and extreme heat; water shortages; and losses in agricultural production due to heat combined with drought and extreme weather conditions. Therefore, knowledge of natural systems and the services they provide to social and economic actors is fundamental, because it allows their current and future value to be recognised and then preserved.

For example, a study published in Nature in 2015 estimated the global number of trees to be around 3.04 trillion, with a felling rate of about 15 billion trees per year, but that represents about half of the trees on the planet at the beginning of human civilisation. In fact, we cut

down trees to satisfy human needs, such as paper and timber production and the expansion of agricultural land. However, trees provide not only raw materials, but also food and oxygen, protect water resources, they host biodiversity, store carbon and counteract climate change, improve air quality, contribute to our physical and mental wellbeing, provide shade and reduce temperature by limiting the impacts of heat waves, to name the main ecosystem services. Preserving trees, and thus our natural capital, therefore means ensuring that we can benefit from these services, not only for present generations, but for future ones as well.

In order to achieve the goal of sustainable development, it is essential to rethink our socio-economic system, balancing the creation of economic, social and environmental value. All actors are called upon to make their contribution to sustainable development, not only individuals, but also companies and institutions. How does a citizen adopt more responsible consumption behaviour if he/she does not have the opportunity to buy sustainable products or services because there are no alternatives on the market?

Companies have the resources, skills and knowledge, to lead the transition, but often lack foresight, vision, or determination. Therefore, the example of companies that successfully pursue sustainability by balancing economic goals with social and environmental ones is of paramount importance to trigger the imitative mechanisms that contribute to change in the whole system.

Sustainability for companies does not mean implementing a limited one-off improvement, but means integrating ethics and social and environmental responsibility at both strategic and operational levels into the day-to-day running of the company.

Sustainability for companies also means going beyond traditional operational boundaries to become active promoters of change, helping to set new industry standards, fostering cultural change, and engaging in dialogue with institutions





FOREST MANAGEMENT: GUARANTEE FOR REGENERATION



Giuseppe Bonanno

Director of the FSC® National Office Italy

Forest management and the circular economy are two fundamental pillars for the environmental and economic sustainability of our society. Forests, complex and vital ecosystems, play a crucial role in climate balance, biodiversity conservation and the provision of natural resources essential for human life. However, in order to preserve and sustainably utilise these resources, it is necessary to adopt sound forest management practices and promote a circular economy that enhances forestry supply chains at every stage.

Sustainable forest management implies an integrated approach that takes into account environmental, social and economic needs. This means not only protecting existing forests, but also managing them responsibly to ensure their regeneration and the continuity of their ecological functions. This includes practices such as long-term forest planning, the promotion of forest biodiversity and the control of human activities that may cause damage.

The circular economy, on the other hand, is based on the concept of reducing, reusing, recycling and rethinking resources so as to minimise waste and maximise the value of existing resources. Applied to forestry supply chains, the circular economy implies the creation of a closed cycle in which forest products are used efficiently and responsibly, and waste is minimised or transformed into useful resources.

An example of circular economy in forestry supply chains is the use of wood as a raw material for the production of long-life products such as furniture and construction. Once these products reach the end of their life cycle, they can be recycled or composted to produce new resources.

The circular economy also promotes the use of secondary forest products and derivatives, such as cellulose extracted from waste wood, for the production of biodegradable materials, bioplastics and other innovative products. This maximises the value of forest resources and reduces dependence on non-renewable and non-biodegradable materials.

In order to realise the full potential of the circular economy in forestry supply chains, a number of key challenges need to be addressed. These include the need to develop more efficient technologies and processes for wood processing and transformation, as well as to improve the collection and recycling of wood waste by promoting the awareness and participation of local communities and stakeholders. On top of this we must surely add an ever-increasing attention to the origin and traceability of the materials used: in this, FSC® (Forest Stewardship Council®) certification can make a fundamental contribution, favouring the creation of virtuous and transparent supply chains capable of supporting companies and consumers along this path.

Promoting sustainable forest management practices and adopting a circular approach to forestry supply chains can not only help protect our natural resources, but also create economic opportunities and promote long-term sustainable development.





**GRI Content
Index and
Review**

6

ACTUAL NEGATIVE IMPACTS

TOPIC	IMPACT	CONTRIBUTION MODE	MAGNITUDE		
			ENTITY	SCOPE	IRREMIABLE NATURE
E1 - Climate changes	Contribution to global emissions	Contributed to causing	5	4	3
	Use of fossil fuels	Directly caused	5	5	2
S1- own workforce	Pressure on workers	Directly caused	4	1	1

POTENTIAL NEGATIVE IMPACTS

TOPIC	IMPACT	CONTRIBUTION MODE	MAGNITUDE			
			ENTITY	SCOPE	IRREMIABLE NATURE	PROBABILITY
E2 - Pollution	Dust dispersion	Directly caused	3	2	3	4
	Risk of accidents with environmental consequences	Directly caused	5	3	5	3
	Exceeding emission limits	Directly caused	4	3	4	2
E3 - Marine waters and resources	increased consumption of water resources	Directly caused	4	3	2	4
G1 - business conduct	Stricter ESG criteria for suppliers	contributed to causing	3	3	3	3
S1- own workforce	Occupational accidents and diseases	Directly caused	5	5	5	4

ACTUAL POSITIVE IMPACTS

TOPIC	IMPACT	CONTRIBUTION MODE	MAGNITUDE	
			ENTITY	PROBABILITY
E1 - Climate changes	Energy efficiency and Renewable energy	Directly caused	3	3
E4 - Biodiversity and ecosystems	Thousands of trees saved	Directly caused	5	4
E5 - Resource use and circular economy	Recovered wood	Directly caused	5	4
	Recovery of other raw materials	Directly caused	4	3
	Reuse of processing waste	Directly caused	4	2
S1- own workforce	Training courses beyond the regulatory obligation	Directly caused	3	4
	Health initiatives	Directly caused	3	4
	Secure Employment	Directly caused	5	5

POTENTIAL POSITIVE IMPACTS

TOPIC	IMPACT	CONTRIBUTION MODE	MAGNITUDE		
			ENTITY	SCOPE	PROBABILITY
E5 - Resource use and circular economy	Post-consumer wood in Rheinspan	Directly caused	4	1	2
	More sustainable raw materials	Directly caused	4	3	4
S1- own workforce	Training Plan	Directly caused	4	4	5
	Training platform	Directly caused	3	4	5

RISKS AND OPPORTUNITIES				
TOPIC	OBJECT	RISK/ OPPORTUNITIES	MAGNITUDE	PROBABILITY
E1 - Climate changes	Obtaining the eco-label	O	3	4
E2 - Pollution	Penalties for exceeding emission thresholds	R	4	1
E2 - Pollution	Financial risk related to environmental damage	R	4	2
S1- own workforce	Adaptation phase of acquired sites	R	4	2
S1- own workforce	Increase in personnel costs related to collective labour agreement renewals and inflation	R	3	5
S1- own workforce	Voluntary turnover	R	5	3
G1 - business conduct	Development of Savionet	O	5	4
G1 - business conduct	Acquisition of Advachem	O	4	5
G1 - business conduct	Relationships with the PA	R	5	1

Segue

RISKS AND OPPORTUNITIES				
TOPIC	OBJECT	RISK/ OPPORTUNITIES	MAGNITUDE	PROBABILITY
G1 - business conduct	Participation in Formacare and Adminoplastic	O	3	5
G1 - business conduct	Perfecting and maintaining AEO status	O	4	2
G1 - business conduct	Duties on imports	R	3	3
G1 - business conduct	Changing the supply chain	R	3	3
G1 - business conduct	Cyber attacks	R	4	3
S4 - Consumers and end-users	Greenwashing	R	4	2
S1- own workforce	Absence of D&I policies	R	3	4
S4 - Consumers and end-users	Sustainability strategies	O	4	5



For each material issue identified, the correlation with the main international reference standard for sustainability reporting, the Global Reporting Initiative (GRI), is presented below.

There are no sector GRI standards relevant to the Saviola Group's business.

Declaration of use	Saviola Group has submitted a report with reference to the GRI Standards for the period 01/01/2023 – 31/12/2023.
Used GRI 1	GRI 1 – Fundamental Principles – version 2021

GRI 2 - General disclosure 2021

GRI Standard	Disclosure	Reference paragraph
<i>The organisation and its reporting practices</i>		
2-1	Organisational details	Saviola Group The Eco-Ethical Company
2-2	Entities included in the organisation's sustainability reporting	Saviola Group The Eco-Ethical Company
2-3	Reporting period, frequency and point of contact	Methodological note and reading guide
2-4	Restatements of information	Any changes are indicated in the text
2-5	External assurance	GRI content index and Review
<i>Activities and workers</i>		
2-6	Activities, value chain and other business relationships	Saviola Group The Eco-Ethical Company
2-7a	Employees	Social – Own workforce – Staff management and welfare
2-8	Workers who are not employees	Social – Own workforce – Staff management and welfare
<i>Governance</i>		
2-9	Governance structure and composition	Governance – Business conduct: Transparent governance and management
2-10	Appointment and selection of the highest governing body	Governance – Business conduct: Transparent governance and management
2-11	Chairman of the highest governing body	Governance – Business conduct: Transparent governance and management
2-12	Role of the highest governing body in impact management control	Governance – Business conduct: Transparent governance and management – Sustainability strategies
2-13	Delegation of responsibility for impact management	Governance – Business conduct: Transparent governance and management – Sustainability strategies
2-14	Role of the highest governing body in sustainability reporting	Governance – Business conduct: Transparent governance and management – Sustainability strategies

Strategy, policies, practice

2-22	Sustainable development strategy statement	Letter to stakeholders
2-23	Policy commitment	Governance – Business conduct: Transparent governance and management – Corruption prevention and detection; Social – Workers' health and safety;
2-27	Compliance with laws and regulations	Social – Own workforce – Workers' health and safety

Stakeholder involvement

2-29	Approach to stakeholder involvement	The Group's priorities: materiality analysis and matrix - materiality analysis and stakeholder involvement
2-30a	Collective bargaining agreements	Social – Own workforce – Working relationships and conditions;

GRI 3 - Material topics - version 2021

GRI Standard	Disclosure	Reference paragraph
3-1	Process to determine material topics	Materiality analysis – Our priorities: material topics – materiality analysis and stakeholder involvement, stakeholder vision
3-2	List of material topics	Materiality analysis – Our priorities: material topics – materiality analysis and stakeholder involvement, stakeholder vision
3-3	Management of material topics	Materiality analysis – Our priorities: material topics – materiality analysis and stakeholder involvement, stakeholder vision

Standard Topic: Economic Scope

201-1	Economic value directly generated and distributed	Governance – Sustainability strategies – Sharing economic value
205-1	Operations assessed for risks related to corruption	Governance – Business conduct: Transparent governance and management – Corruption prevention and detection
205-2	Communication and training on anti-corruption policies and procedures	Governance – Business conduct: Transparent governance and management – Corruption prevention and detection
205-3	Confirmed incidents of corruption and actions taken	There were no proven incidents of corruption during 2023.

Segue

GRI 2 - General disclosure 2021		
GRI Standard	Disclosure	Reference paragraph
<i>Standard Topic: Environmental Scope</i>		
301-1	Materials used by weight or volume	Environment – Sustainable use of resources and circular economy - Materials
301-2	Materials used that come from recycling	Environment – Sustainable use of resources and circular economy - Materials
302-1	Energy consumption within the organisation	Environment – Climate changes – Energy consumption
302-3	Energy intensity	Environment – Climate changes – Energy consumption
302-4	Reduction of energy consumption	Environment – Climate changes – Energy consumption
303-3	Water withdrawal	Environment – Marine waters and resources
303-4	Water discharge	Environment – Marine waters and resources
303-5	Water consumption	Environment – Marine waters and resources
305-1	Direct GHG emissions (Scope 1)	Environment – Climate changes – Fighting climate change
305-2	Indirect GHG emissions (Scope 2)	Environment – Climate changes – Fighting climate change
305-7	Nitrogen oxides (NOX), sulphur oxides (SOX) and other significant emission	Environment – Climate changes – Pollution
306-1	Waste generation and significant waste-related impacts	Environment – Sustainable use of resources and circular economy - Waste
306-3	Waste generated	Environment – Sustainable use of resources and circular economy - Waste
306-4	Waste not sent for disposal	Environment – Sustainable use of resources and circular economy - Waste
306-5	Waste sent for disposal	Environment – Sustainable use of resources and circular economy - Waste

Segue

GRI 2 - General disclosure 2021		
GRI Standard	Disclosure	Reference paragraph
<i>Standard Topic – Social Scope</i>		
401-1	New recruitments and turnover	Social – Own workforce – staff management and welfare
401-3	Parental leave	Social - Own workforce - diversity and inclusion
402-1	Minimum notice period for operational changes	Social – Own workforce – Working relationships and conditions
403-1	Occupational health and safety management system	Social – Own workforce – Workers' health and safety
403-2	Hazard identification, risk assessment and accident investigation	Social – Own workforce – Workers' health and safety
403-3	Occupational health services	Social – Own workforce – Workers' health and safety
403-4	Worker participation and consultation and communication on occupational health and safety	Social – Own workforce – Workers' health and safety
403-5	Worker training on occupational health and safety	Social - Own workforce - Workers' health and safety; Training and skills development
403-6	Workers' health promotion	Social – Own workforce – Workers' health and safety
403-7	Prevention and mitigation of occupational health and safety impacts directly related to business relationships	Social – Own workforce – Workers' health and safety
403-8	Workers covered by an occupational health and safety management system	Saviola Group The Eco-Ethical Company; Social – Own workforce – Workers' health and safety
403-9	Accidents at work	Social – Own workforce – Workers' health and safety
404-1	Average annual hours of training per employee	Social – Own workforce – Training and skills development
404-2	Training hours by topic	Social – Own workforce – Training and skills development
404-3	Percentage of employees receiving regular performance and professional development appraisals	Social – Own workforce – training and skills development
405-1	Diversity in governing bodies and among employees	Governance – Business conduct: Transparent governance and management; Social - Own workforce: diversity and inclusion

Report of the auditing companies



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Relazione della società di revisione indipendente sul bilancio di sostenibilità

*Al Consiglio di Amministrazione della
Saviola Holding S.r.l.*

Siamo stati incaricati di effettuare l'esame limitato ("*limited assurance engagement*") del bilancio di sostenibilità del Gruppo Saviola (di seguito anche "il Gruppo") relativo all'esercizio chiuso al 31 dicembre 2023.

Responsabilità degli Amministratori per il bilancio di sostenibilità

Gli Amministratori della Saviola Holding S.r.l. sono responsabili per la redazione del bilancio di sostenibilità in conformità ai "*Global Reporting Initiative Sustainability Reporting Standards*" definiti dal GRI - *Global Reporting Initiative* ("*GRI Standards*").

Gli Amministratori sono altresì responsabili per quella parte del controllo interno da essi ritenuta necessaria al fine di consentire la redazione di un bilancio di sostenibilità che non contenga errori significativi dovuti a frodi o a comportamenti o eventi non intenzionali.

Gli Amministratori sono inoltre responsabili per la definizione degli obiettivi del Gruppo Saviola in relazione alla *performance* di sostenibilità, nonché per l'identificazione degli *stakeholder* e degli aspetti significativi da rendicontare.

Indipendenza della società di revisione e gestione della qualità

Siamo indipendenti in conformità ai principi in materia di etica e di indipendenza dell'*International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code)* emesso dall'*International Ethics Standards Board for Accountants*, basato su principi fondamentali di integrità, obiettività, competenza e diligenza professionale, riservatezza e comportamento professionale.

La nostra società di revisione applica l'*International Standard on Quality Management 1* in base al quale è tenuta a configurare, mettere in atto e rendere operativo un sistema di gestione della qualità che includa direttive o procedure sulla conformità ai principi etici, ai principi professionali e alle disposizioni di legge e regolamentari applicabili.



Saviola Holding S.r.l.

Relazione della società di revisione

31 dicembre 2023

Responsabilità della società di revisione

E' nostra la responsabilità di esprimere, sulla base delle procedure svolte, una conclusione circa la conformità del bilancio di sostenibilità rispetto a quanto richiesto dai *GRI Standards*. Il nostro lavoro è stato svolto secondo quanto previsto dal principio "*International Standard on Assurance Engagements ISAE 3000 (Revised) - Assurance Engagements Other than Audits or Reviews of Historical Financial Information*" (di seguito anche "*ISAE 3000 Revised*"), emanato dall'*International Auditing and Assurance Standards Board* (IAASB) per gli incarichi di *limited assurance*. Tale principio richiede la pianificazione e lo svolgimento di procedure al fine di acquisire un livello di sicurezza limitato che il bilancio di sostenibilità non contenga errori significativi.

Pertanto, il nostro esame ha comportato un'estensione di lavoro inferiore a quella necessaria per lo svolgimento di un esame completo secondo l'*ISAE 3000 Revised* ("*reasonable assurance engagement*") e, conseguentemente, non ci consente di avere la sicurezza di essere venuti a conoscenza di tutti i fatti e le circostanze significativi che potrebbero essere identificati con lo svolgimento di tale esame.

Le procedure svolte sul bilancio di sostenibilità si sono basate sul nostro giudizio professionale e hanno compreso colloqui, prevalentemente con il personale della Società responsabile per la predisposizione delle informazioni presentate nel bilancio di sostenibilità, nonché analisi di documenti, ricalcoli e altre procedure volte all'acquisizione di evidenze ritenute utili.

In particolare, abbiamo svolto le seguenti procedure:

- 1 analisi del processo di definizione dei temi rilevanti rendicontati nel bilancio di sostenibilità, con riferimento alle modalità di analisi e comprensione del contesto di riferimento, identificazione, valutazione e prioritizzazione degli impatti effettivi e potenziali e alla validazione interna delle risultanze del processo;
- 2 comprensione dei processi che sottendono alla generazione, rilevazione e gestione delle informazioni qualitative e quantitative significative incluse nel bilancio di sostenibilità.

In particolare, abbiamo svolto interviste e discussioni con il personale della Direzione di Saviola Holding S.r.l. e abbiamo svolto limitate verifiche documentali, al fine di raccogliere informazioni circa i processi e le procedure che supportano la raccolta, l'aggregazione, l'elaborazione e la trasmissione dei dati e delle informazioni di carattere non finanziario alla funzione responsabile della predisposizione del bilancio di sostenibilità.

Inoltre, per le informazioni significative, tenuto conto delle attività e delle caratteristiche del Gruppo:

- a) con riferimento alle informazioni qualitative, abbiamo effettuato interviste e acquisito documentazione di supporto per verificarne la coerenza con le evidenze disponibili;
- b) con riferimento alle informazioni quantitative, abbiamo svolto sia procedure analitiche che limitate verifiche per accertare su base campionaria la corretta aggregazione dei dati.



Saviola Holding S.r.l.

Relazione della società di revisione

31 dicembre 2023

Conclusioni

Sulla base del lavoro svolto, non sono pervenuti alla nostra attenzione elementi che ci facciano ritenere che il bilancio di sostenibilità del Gruppo Saviola relativo all'esercizio chiuso al 31 dicembre 2023 non sia stato redatto, in tutti gli aspetti significativi, in conformità a quanto richiesto dai GRI *Standards*.

Parma, 22 luglio 2024

KPMG S.p.A.

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