

Neodecortech S.p.A.

Independent Auditors' Report on
the "Sustainability Report 2024"

Fiscal Year ended on December 31st, 2024

This report has been translated into English from the original, which was prepared in Italian and represents the only authentic copy, solely for the convenience of international readers.

Independent Auditors' Report on the "Sustainability Report 2024"

To the Board of Directors of
Neodecortech S.p.A.

We have been engaged to perform a limited assurance engagement on the Sustainability Report of Neodecortech Group for the year ended on December 31st, 2024.

The limited assurance engagement performed by us does not extend to the information contained in paragraph "Disclosure pursuant to Article 8, RE 2020/852" of the Sustainability Report, published by the Group on a voluntary basis.

Responsibilities of the Directors for the Sustainability Report

The Directors of Neodecortech S.p.A. are responsible for the preparation of the Sustainability Report in accordance with the "GRI Sustainability Reporting Standards (GRI Standards)" issued by the GRI - Global Reporting Initiative, as described in the paragraph "Methodological note" of the Sustainability Report identified by them as reporting standards.

The Directors are also responsible for such internal control as they determine is necessary to enable the preparation of a Sustainability Report that is free from material misstatements, whether due to frauds or errors.

The Directors are also responsible for the definition of the objectives regarding the sustainability performance and the reporting of the achieved results, as well as for the identification of the stakeholders and the significant matters to report.

Auditors' independence and quality control

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

Our audit firm applies the *International Standard on Quality Management 1 (ISQM 1)*, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Auditors' responsibility

Our responsibility is to express, based on the procedures performed, our conclusion about the compliance of the Sustainability Report with the requirements of the GRI Standards. We carried out our work in accordance with the criteria established in the *International Standard on Assurance Engagements 3000 (Revised) ~ Assurance Engagements Other than Audits or Reviews of Historical Financial Information ("ISAE 3000 Revised")*, issued by the International Auditing and Assurance Standards Board (IAASB) for limited assurance engagements. This standard requires that we plan and perform the engagement to obtain limited assurance whether the Sustainability Report is free from material misstatement. A limited assurance engagement is less in scope than a reasonable assurance engagement carried out in accordance with *ISAE 3000 Revised*, and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters and events that might be identified in a reasonable assurance engagement.

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

Specifically, we carried out the following procedures:

- analysis of the process relating to the definition of material aspects included in the Sustainability Report, with reference to the criteria applied to identify priorities for the different stakeholder categories and to the internal validation of the process results;
- comparison of economic and financial data included in the specific paragraph "Economic and financial performance" of the Sustainability Report with those included in the Financial Statements of Neodecortech Group;
- analysis of processes that support the generation, collection, and management of data and information to the department responsible for the preparation of the Sustainability Report.

In particular, we have performed interviews and discussions with the management of Neodecortech S.p.A. and performed limited checks of documents to gather information on the processes and procedures that support the collection, aggregation, processing and transmission of non-financial data and information to the department responsible for the preparation of the Sustainability Report.

Furthermore, for significant information, taken into consideration the activities and the characteristics of the Group:

- a) with reference to the qualitative information contained in the Sustainability Report, we carried out interviews and we have acquired supporting documentation to verify their consistency with the available evidence;
- b) with reference to quantitative information, we carried out both analytical procedures and limited checks to ascertain, on a sample basis, the correct aggregation of data.

Conclusion

Based on the work performed, nothing has come to our attention that causes us to believe that the Sustainability Report of Neodecortech Group for the period ended on December 31st, 2024 is not prepared, in all material aspects, in accordance with the "GRI Sustainability Reporting Standards (GRI Standards)" issued by the GRI - Global Reporting Initiative, as stated in the paragraph "Methodology note" of the Sustainability Report.

Our conclusions above do not extended to the information contained in paragraph "Disclosure pursuant to Article 8, RE 2020/852" of the Sustainability Report, published by the Group on a voluntary basis.

Milan, March 31th, 2025

BDO Italia S.p.A.
Signed in the original by
Lelio Bigogno
Partner

This report has been translated into English language from the original, which was prepared in Italian and represents the only authentic copy, solely for the convenience of international readers.

NEO DECOR TECH

Decors and surfaces
for sustainable living.



SUSTAINABILITY REPORT 2024

in accordance with GRI 2021

Letter to stakeholders	4
Methodological note	6
Highlights	7
1. Identity and strategy	10
1.1 The Group	11
1.2 Locations	12
1.3 Brands	14
1.4 History	15
1.5 Sustainability strategy	16
1.6 Business model	24
2. Materiality analysis	29
2.1 Stakeholder engagement	30
2.2 Value chain and material topics	31
3. Environmental capital	38
3.1 Disclosure pursuant to Article 8 under RE 2020/852	39
3.2 Environmental responsibility	44
3.3 Mitigation of environmental impacts	49
3.4 Energy consumption	50
3.5 Emissions	51
3.6 Water resource	53
3.7 Waste production and management	56
4. Human capital	58
4.1 Staff recruitment policy	59
4.2 Diversity, equal opportunity and welfare	59
4.3 Employees	62
4.4 Training and skills	66
4.5 Remuneration policies	71
4.6 Health and safety in the workplace	75
5. Relational capital	78
5.1 Customer relations	79
5.2 Customer priorities	81

5.3 Product quality, safety and reliability	81
5.4 Sustainable marketing	82
5.5 Product labeling	87
5.6 Suppliers: supply chain management	88
5.7 Relations with the local area	94
6. Infrastructure capital	95
6.1 Production process	96
6.2 Manufacturing plants	99
6.3 Innovation and digitization	101
6.4 Research and development	102
7. Economic and financial capital	103
7.1 Performance of operations	104
7.2 Economic performance	104
7.3 Economic value generated and distributed	105
8. Governance	109
8.1 Responsible business management	110
8.2 Sustainable governance	111
8.3 Code of Ethics	114
8.4 Management systems	117
8.5 Risk management	120
8.6 Engagement in external initiatives and membership	120
8.7 Cybersecurity and Data Protection	122
8.8 Regulatory compliance	122
9. Topical ESRS	123
10. GRI Content Index	134
11. Annexes	146
ANNEX I: KPI TURNOVER	149
ANNEX II: KPI CAPEX	152
ANNEX III: KPI OPEX	155
TEMPLATES PURS. ANNEX XII DELEGATED REGULATION (EU) 2021/2178	157
PERFORMANCE INDICATORS	158

Letter to stakeholders



Luigi Cologni
Neodecortech Group CEO

The year 2024, as the prior year, was marked by significant uncertainty and macroeconomic challenges, shaped by the global geopolitical climate and the direct and indirect effects of international conflicts.

Throughout the year, we witnessed worsening market conditions, increased pressure on prices, and a notable decline in demand across the entire industry. It was a complex year, and at Neodecortech, we focused our efforts on improving our competitiveness, optimizing internal processes, and preparing for increasingly unpredictable future scenarios.

With the same approach, we have addressed the growing demands for sustainability, particularly from various extreme environmental events, which we cannot ignore, despite recent political shifts in some countries attempting to downplay their severity. Naturally, our contribution occurs within our sphere of influence, but we are confident that the sum of individual actions can have a significant global impact.

Despite the challenges, we remain steadfastly committed to creating long-term value, value that, in addition to meeting the current needs of our stakeholders, ensures resources are used responsibly so that future generations can benefit from the same opportunities.

Our commitment to responsible action has been unwavering, whether in energy supply or production processes. We strive to exceed mere compliance with social and environmental standards.

This document, which we have been publishing voluntarily since 2016 and has been audited by Independent Auditors since 2021, also reflects our ongoing commitment in this direction, aiming to enhance transparency and, hopefully, improve usability.

In this year's edition, we have revised the structure of the document, organizing it by projects and activities according to the five interconnected and complementary areas of intervention, which, in our view, represent the various forms of capital: human, relational, environmental, economic and financial, and infrastructure.

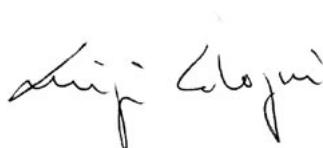
We have also highlighted the innovative capacity of the Neodecortech Group. Innovation permeates all our work and has led us to achieve important goals this year. In this context, artificial intelligence is playing an increasingly prominent role in our innovation strategies. We have established an AI team that has begun integrating AI into our production and decision-making processes, aiming to improve efficiency, optimize resource usage, and accelerate the development of sustainable solutions, while fully complying with GDPR and privacy regulations. We, too, believe that digital transformation and the adoption of AI-based tools/solutions will enable us to respond more quickly to market challenges and develop products that are better aligned with our customers' needs.

We also ensure that our approach to sustainability involves people, so they can make meaningful changes. At Neodecortech, this means operating with honesty, integrity, and openness, respecting human rights and the interests of our community.

In today's ever-changing economic and environmental environment, a high level of resilience is essential as a key characteristic of our actions to overcome the difficulties that everyday life presents.

To conclude, I would like to express my gratitude to our shareholders, employees, customers, and suppliers for their trust and support during this challenging period. Together, we will persist in the ongoing development of Neodecortech, striving to strengthen our Group further and consistently generate value for the betterment of both the environment and society.

Filago, 19 March 2025



Methodological Note

The Sustainability Report (hereinafter also referred to as the "Report") of the Neodecortech Group aims to transparently communicate the Group's sustainability approach and its performance in the areas of environmental, social, and economic sustainability.

The Report was prepared voluntarily in accordance with "Sustainability Reporting Standards 2021" defined by the Global Reporting Initiative (GRI).

Neodecortech S.p.A. has prepared this report in accordance with the GRI 2021 Standards for the period from 1 January to 31 December 2024, and data from prior years are shown where available for comparative purposes.

This document includes the information required by Article 8 of Regulation (EU) 2020/852 of 18 June 2020 (so-called "Taxonomy Regulation") and Delegated Regulations (EU) 2021/2178, (EU) 2021/2139, (EU) 2023/2485 and (EU) 2023/2486 related to it.

The preparation of the Report follows the general principles outlined by the GRI Standard, which include relevance, inclusiveness, sustainability context, completeness, balance between positive and negative aspects, comparability, accuracy, timeliness, reliability, and clarity.

The reporting scope includes Neodecortech S.p.A. and all fully consolidated companies within the scope of the Consolidated Financial Statements i.e. Cartiere di Guarcino S.p.A., Bio Energia Guarcino S.r.l., NDT energy S.r.l. and NDT Changzhou.

Any limitations regarding the scope of individual data are promptly disclosed and justified based on materiality criteria. To maintain data reliability, the use of estimates has been minimized and, where present, are appropriately indicated in the document.

The Report comprehensively reports to ensure an understanding of the business activity, its performance, results, and impact. This includes addressing topics identified as material through a materiality analysis process. The analysis involves comparing material topics with industry best practices, as outlined in the "Material Topics" section (prepared based on GRI 3 - Material Topics).

The information was reported with careful consideration of the requirements outlined in the GRI 2021 standard. This was essential to provide a comprehensive and consistent portrayal of the economic, environmental, and social impact of the Group's activities. Additionally.

The document concludes with a summary table illustrating the identified areas as per Decree, the material topics, and their respective GRI Standards. Additionally, a correlation table is provided, detailing the reported indicators.

Group plants carry out monitoring based on requirements in the environmental permits issued, and the information will be shown from the next reporting year.

This document was submitted for approval by the Board of Directors of Neodecortech S.p.A. on 19 March 2025.

The independent audit of the reporting was entrusted to BDO Italia S.p.A. and concluded with the issuance of the "Independent Auditor's Report on the Consolidated Non-Financial Report", in line with "Sustainability Reporting Standards 2021" defined by the Global Reporting Initiative (GRI).

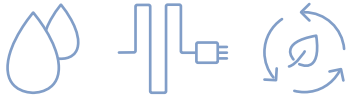
The limited audit conducted by the auditors on the Report does not extend to the information, provided under the Taxonomy Regulations, contained in the "Taxonomy" section under the "Environmental Capital" chapter.

The Report and related limited audit report is available on the corporate website, sustainability section (I nostri risultati - Neodecortech).

For further information, clarifications or suggestions: info@neodecortech.it

Highlights

Environmental



20,955 tonnes CO₂
Scope 1 + Scope 2
emissions
Location based
(-35.7% versus 2023)

1,120,882 GJ
Energy consumption
(-0.5% versus 2023)

100%
electricity
from renewable
sources since 2017

100%
FSC® certified
purchased pulp
(Mix Credit and Controlled Wood)
or PEFC

1,643 Million litres
Water withdrawals
(+2% versus 2023)

1,000 m³
of water recovered for
impregnation
(+233% versus 2023)

6,151 tonnes
Waste generated
(-23% versus 2023)

Confirmation of
carbon neutrality
Scope 1 + Scope 2

Highlights

Social



398
employees at
31.12.2024
(in line with 2023)

96%
of employees with
full-time contracts at
31.12.2024
(in line with 2023)

15,571 hours
of training delivered
(+9% versus 2023)

11 scholarships
granted in 2024

33,600 Euro in
projects supporting
local communities

1 manufacturing
department awarded
at the local Chamber
of Commerce

1 employee awarded
the Star of Merit
"Master of Labour" by
the President of the
Republic

Highlights

Governance & Compliance



Balance between genders in corporate bodies

(for the least represented gender
44% participation in the Board of
Directors)

0% cybersecurity incidents in 2024

Introduction of the Security
Operation Center (SOC)

0% reports of wrongdoings in 2024

through Whistleblowing channels

Economic



172 Mn Euro of directly generated economic value

(in line with 2023)

168.6 Mn Euro of revenue at 31.12.2024

(+4.3% versus 2023)

59% of Spending on local suppliers

(in line with 2023)

10.2 Mn Euro of investments

7.2 Mn Euro reduction in net financial position

1. Identity and strategy

1.1 The Group

1.2 Locations

1.3 Brands

1.4 History

1.5 Sustainable strategy

1.6 Business model

1.1 The Group





In 2024, Neodecortech S.p.A. further solidifies its position as a leader among the top European players in the furniture and interior design sector, thanks to a fully integrated and 100% Made in Italy supply chain. The Group, composed of four manufacturing companies and one representative company, continues to evolve with a clear strategic vision: to offer innovative, sustainable, and distinctly Italian-designed solutions for the global decorative surfaces market.

Throughout the year, Neodecortech expanded its product portfolio, introducing new categories featuring environmentally sustainable materials and advanced technologies. Among the major innovations, the Group enhanced its range of decorative anti-fingerprint surfaces made from recycled PET and launched pilot projects to integrate renewable and circular materials into its production processes. Neodecortech remains a leader in producing decorative papers for laminated panels and flooring, with an increased focus on customization and process efficiency. By covering every stage of the production cycle - from raw material processing to logistics of the finished product - the Group continues to stand out for its operational excellence and craftsmanship, promoting Italian style as a signature in international markets.

The Group's strategy for 2024 emphasizes the integration of excellence, innovation, and sustainability, with continuous improvement goals in all areas: process, product, and environmental impact. The policies and management models implemented demonstrate the Group's commitment to a responsible and forward-thinking approach, enhancing its competitiveness in both the European and global markets.

The Group's structure at 31 December 2024 is shown below:

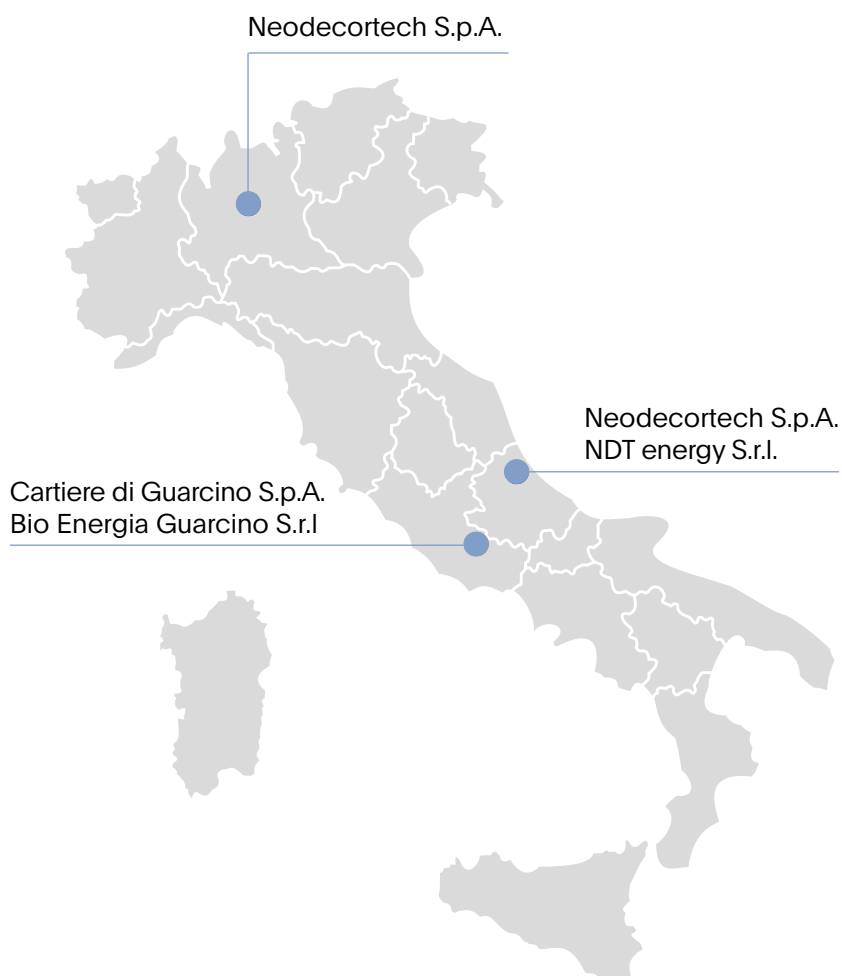
Neodecortech S.p.A.

 100%	 100%	 70%
NDT energy S.r.l.	Cartiere di Guarcino S.p.A.	Changzhou NDT new material technology company Ltd
	 100%	
	Bio Energia Guarcino S.r.l.	

1.2 Locations

Neodecortech S.p.A. (NDT)

Neodecortech S.p.A., established on 17/3/1947 with registered and operating offices in Filago (BG) and other operating offices in Casoli d'Atri (TE), established on 1/9/2018, heads up the core business of the Group and is active in the printing and impregnation of paper, in the printing and finishing of thermoplastic film, and in "laminates" produced mainly at the Casoli location. NDT is positioned as a highly proactive decoration partner for its customers in the interior design and flooring industry, through constant monitoring and interpretation of new stylistic trends. The Parent Company performs, for its subsidiaries, the functions of legal and corporate affairs, administration and equity investments, strategic planning and business development, ESG Reporting, Internal Auditing, Compliance & Risk Management.



Cartiere di Guarcino S.p.A. (CDG)

Cartiere di Guarcino S.p.A., established on 12/6/1991 and based in Guarcino (FR), specializes in the production of decorative papers that subsequently undergo other stages of processing: printing or directly impregnation with thermosetting resins and hot pressing. The company operates on the national and international markets through a network of agents.

It produces print base and Unicolour papers, Underlay and Backing papers for the flooring industry. These products are then sold to printers, impregnators, and finishers.

Bio Energia Guarcino S.r.l. (BEG)

Bio Energia Guarcino S.r.l., established on 2/8/2006 and based in Guarcino (FR), owns the cogeneration plant in operation since May 2010 for the self-production of electrical and thermal energy that satisfies a large part of the energy needs of CDG. BEG generates electricity using a sustainable bioliquid-fueled generation plant comprising three endothermic generators, collectively capable of producing 20 MW. Additionally, in cogeneration, it yields a thermal production capacity of 9 tonnes of steam and 2 MWt of hot water per hour of production.

NDT energy S.r.l. (NDTe)

NDT Energy S.r.l. established on 19 October 2022 with registered office in Filago (BG) and operating offices in Casoli di Atri (TE), currently dormant and awaiting authorization to operate a cogeneration plant, capable of reusing process waste and meeting almost all the thermal needs of the adjacent NDT "laminates" division, TEXTE.

Changzhou NDT new material technology company Ltd (NDT China)

Founded in 2023 with registered office in Changzhou-China and 70% acquired on 15 May 2024.

It markets printed decorative paper sold in local and Far East markets.

1.3 Brands

The brands owned by the Neodecortech Group are as follows



The Cartiere di Guarcino products are:

- Print base
- Unicolour papers
- Backer
- Underlay

CONFALONIERI

The Confalonieri division mainly produces:

- Printed decorative papers (DEC)
- Melamine impregnated papers (MEL)
- primarily intended for the interior design, laminate flooring and camper caravan industry (FINISH)

TEXTE

The Texte division produces paper-based laminates for coverings, doors and surfaces:

- Micro Top
- Thin Top
- EOS laminates

PLANA

The Plana division produces:

- EOS thermoplastic films (rPET)
- Printed polymer films (PPF) intended for Luxury Vinyl Tiles flooring (PVC)
- Printed and laminate polymer films (PPLF)

1.4 History

1947	1960	1991	2003
→ Set up of Confalonieri in Filago (BG), specialized in the production of printing inks.	→ Confalonieri focuses on decorative papers for plastic laminates and laminated panels, starting its printing and impregnation activities.	→ Set up of Cartiere di Guarcino, specialized in the production of decorative paper for lamination.	→ Finanziaria Valentini acquires Confalonieri and Cartiere di Guarcino.
2006	2015	2016	2017
→ Set up of Bio Energia Guarcino, a bio-mass powered cogeneration plant of electric and thermal energy for CDG.	→ Confalonieri starts printing PVC for vinyl flooring LVT and inaugurates its internal studio for décor implementation.	→ Publication of first NFS - 2015 of Neodecortech S.p.A.	→ Group reorganization, change of name from Confalonieri S.p.A. to Neodecortech S.p.A. and admission to the Italian stock exchange on the AIM Italia market.
2018	2020	2021	2022
→ Acquisition of the business unit of Corbetta FIA S.r.l., a manufacturer of laminates: establishment of TEXTE. Publication of first NFS of the Neodecortech Group.	→ Admission to trading on the Electronic Stock Market of ordinary shares and warrants of Neodecortech S.p.A.	→ Transition to the STAR segment of the MTA of Borsa Italiana.	→ Establishment of NDT energy S.r.l., to operate a boiler for the recovery of processing waste for the generation of thermal energy at the Casoli plant.
2023	2024		
→ Achievement of Group Carbon Neutrality Scope 1 and Scope 2.	→ 70% acquisition of Changzhou NDT new material technology company Ltd (NDT China).		

1.5 Sustainability strategy

The Group not only meets regulatory requirements and mitigates negative externalities, but also prioritizes fostering a corporate culture dedicated to creating sustainable, long-term value for all its stakeholders. Production activities are grounded in the principles of the circular economy, emphasizing the responsible use of resources, the incorporation of secondary raw materials, and a continuous commitment to sustainable socioeconomic development in the communities where it operates.

At the same time, the Group invests in enhancing its human capital and adopting voluntary certifications for systems (ISO 9001, ISO 14001, ISO 45001, ISO 50001) and products (FSC®), reaffirming its commitment to operational excellence and sustainable development.

Neodecortech's sustainability guidelines

The Group believes in the value of sustainability and responsible business management and, in addition to complying with legal requirements and containing its own negative externalities, promotes a corporate culture oriented towards the creation of lasting value for its stakeholders.

Neodecortech operates responsibly, adopting a business model in which sustainability is one of the main drivers of a strategy oriented to the medium and long term and focused on excellence, efficiency in resource management and ongoing improvement of all forms of performance, both process and product. The integration of business sustainability principles into corporate strategy and the management of environmental, social, and governance (ESG) aspects fall under the direct responsibility of the Issuer's CEO, who collaborates with the support of the Group's HSE (Health, Safety, and Environment) function in this endeavour.

The cornerstone of the company's business model is characterized by a holistic, practical approach that prioritizes stakeholders' legitimate expectations. This model is grounded in the values and principles of behaviour outlined in the Code of Ethics, which serves as the foundation of the company's culture and governs the Group's interactions with all stakeholders. The Group, in defining its approach to sustainability, is also inspired by the most authoritative international initiatives, such as the Global Compact and the Sustainable Development Goals (SDGs) of the United Nations.

Neodecortech believes that the utmost respect for human dignity in all its forms, the care and the protection of the physical and moral health of workers, the protection of the environment in which it operates and the promotion of ethics and transparency in all relationships are fundamental features. The policies, management models and internal codes the Group has adopted are a tangible sign of this approach.

Consistent with the above, the Group strives to:

conduct business with fairness and transparency towards all its stakeholders, through rules of conduct, audit tools and internal procedures capable of ensuring compliance with national and international laws and regulations applicable thereto, adopting specifically, Model 231. Legality and fairness in business dealings, in fact, have always been considered by Neodecortech the cornerstones to develop and maintain long-lasting relationships with its stakeholders, based on respect and mutual trust;

ensure the wellbeing and enhance the skills of its human resources through training programs and professional growth paths, encouraging their active involvement in the process of ongoing improvement within the Group. Neodecortech believes that quality training is a prerequisite for enabling people to update their professional skills, develop soft skills, and operate safely, effectively and efficiently in compliance with relevant regulations;

guarantee equal opportunities, rejecting any form of discrimination. Neodecortech considers diversity an element of corporate wealth and is committed to ensuring that it never represents a discriminatory element in personnel selection or in the professional growth of its employees;

protect the safety and health of human resources and local stakeholders, in full compliance with current regulations. Neodecortech promotes responsible and informed behaviour among its employees so that they pay the utmost attention to their own health and safety. Additionally, thanks to effective implementation of its OHSAS 18001:2007/ISO 45001:2018 certified Management Systems, it identifies and monitors possible risks related to normal and extraordinary activities in the workplace, with the aim of preventing accidents and injuries;

protect the environment, promoting virtuous behaviour and the informed and responsible use of the natural resources available, in order to gradually improve its environmental performance. The Group is committed to minimizing its direct and indirect environmental impacts, encouraging the use of alternative energy sources with reduced environmental impact and through the adoption and maintenance of ISO 14001:2015 Environmental Management Systems and ISO 50001:2018 Energy Management Systems;

implement sustainable procurement policies, adjusting its activities in the gradual pursuit of circular economy principles (circularity degree of 45%, figure calculated by Deloitte on 02 April 2023). Neodecortech is well aware of the importance of biodiversity and has set itself the goal of limiting the impacts generated by its supply chain as much as possible. In this regard, the Group confirms its commitment to using 100% FSC® Chain Of Custody certified pulp and paper from responsibly managed forests. Neodecortech promotes the careful and conscientious use of PVC by fully recycling the waste generated. As for PET, the company utilizes 70% recycled raw material, and the end-of-production waste is also fully recycled;

maintain an open, transparent and trust-based dialogue with the local communities in which it operates and with all its stakeholders. Neodecortech considers itself a resource and source of opportunity for the territory, and collaborates to achieve shared objectives with local authorities and institutions, offering the utmost willingness to engage in dialogue and discussion with the communities and territories where the Group companies are located.

Innovation as a driver of group sustainability

For Neodecortech, innovation is the driving force around which ideas, projects, products, and development processes are brought to life. Driven by research, it fosters growth and knowledge sharing, supporting various market sectors. Innovation is not only a catalyst for technological advancement but also a key enabler of sustainable and inclusive development, benefiting people, businesses, communities, and local areas, all while respecting the environment.

Building on innovation, Neodecortech has embarked on a sustainability journey focused on achieving specific corporate objectives. These objectives form the foundation of policies and management systems, steering processes and operations in alignment with the principles of sustainable development.



The photovoltaic plant at the Casoli di Atri (TE) location.

Sustainable Development Goals

Neodecortech has consistently pursued an industrial development model grounded in sustainability, transparency, and quality. This commitment is reflected in specific management and organizational structures aimed at creating shared value for all its stakeholders, people, communities and territory, while respecting the environment.

Neodecortech strategically aligns its approach with the sustainability path it has followed since 2007, marked by the acquisition of 14001 certification. Since 2016, the company has formalized its commitment further through its first voluntary sustainability report, which progressively integrates the Sustainable Development Goals (SDGs), a component of the United Nations' 2030 Agenda.

Implementing a sustainable development policy within companies, integral to the Group's core business, serves as a lever for achieving the SDGs. This endeavor is further complemented by specific projects and initiatives.

In this context, Neodecortech has conducted an initial analysis of the alignment between its business model and strategic goals with the SDGs. This analysis has enabled the company to identify several SDGs considered priorities, in which its business activities can make a significant contribution.

The Sustainability Plan's drivers and Neodecortech's commitment to the Sustainable Development Goals are integrated into the group's activities, projects, and actions, as shown in the chart below.

Drivers	SDG	SDG Targets	Actions
---------	-----	-------------	---------

Products



Foster lasting, inclusive and sustainable economic growth, full and productive employment and decent work for all

8.2 Achieve higher levels of economic productivity through diversification, technological upgrading and innovation, including through focus on high value-added and labour-intensive sectors

Develop innovative products and patents that help increase the economic development and local employment of the productive territory

Drivers	SDG	SDG Targets	Actions
---------	-----	-------------	---------

Products



Build resilient infrastructure and promote innovation and a fair, responsible and sustainable industrialization

9.5 Strengthen scientific research, promote the technological capabilities of industrial sectors in all countries, especially in developing countries, including by encouraging, by 2030, innovation and substantially increasing the number of R&D workers per million people and public and private spending on research and development

Conduct research and innovation programs both internally and in collaboration with leading universities. developing competence centres to expand and enhance the study of innovative products and technologies.

Quality





Ensure quality, equitable and inclusive education and promote lifelong learning opportunities for all

4.3 By 2030, ensure equal access for all women and men to affordable, quality technical, vocational and third-level education, including university



Develop initiatives to increase knowledge of innovative technologies to increase product quality, also enhancing the skills of the female population

4.4 By 2030, substantially increase the number of youth and adults who have the necessary skills, including technical and vocational skills, for employment, decent jobs, and entrepreneurial skills

Develop initiatives to promote knowledge sharing of innovative technologies through specialized courses and on-the-job training

Drivers	SDG	SDG Targets	Actions
Energy & water		Ensure access to affordable, reliable, sustainable and modern energy systems for all	
		<p>7.1 By 2030, strengthen international cooperation to facilitate access to clean energy technology and research, including renewable energy, energy efficiency and advanced technology, and cleaner technology derived from fossil fuels, and promote investment in energy infrastructure and clean energy technology</p>	<p>Implement solutions and technologies for the use of clean energy</p> <p>Develop initiatives to use clean energy for production and company sites</p>
Process		Foster lasting, inclusive and sustainable economic growth, full and productive employment and decent work for all	
		<p>8.2 Achieve higher levels of economic productivity through diversification, technological upgrading and innovation, including through focus on high value-added and labour-intensive sectors</p> <p>8.8 Protect labour rights and promote a safe and secure work environment for all workers, including migrant workers, particularly migrant women, and those in precarious employment</p>	<p>Innovate production processes to boost economic growth and increase product development productivity</p> <p>Ensure workplace safety especially in employees' production processes</p>

Drivers	SDG	SDG Targets	Actions
Process		Build resilient infrastructure and promote innovation and a fair, responsible and sustainable industrialization 9.4 By 2030, upgrade infrastructure and modernize industries to make them sustainable, with greater efficiency of resources to be used and greater adoption of clean and environmentally friendly technologies and industrial processes, so that all countries take actions in accordance with their respective capabilities	Innovate and upgrade infrastructure to boost economic growth and increase product development productivity
		Ensure sustainable models of production and consumption 12.1 Implement the ten-year framework of programs on sustainable consumption and production, with the collaboration of all countries and the initiative of developed countries, taking into account the degree of development and capacity of developing countries	Develop technological and innovative industrial processes to create sustainable production models with low environmental impact
		Promote peaceful and more inclusive societies for sustainable development; provide access to justice for all; and create efficient, accountable, and inclusive bodies at all levels 16.6 Develop effective, accountable and transparent institutions at all levels	Develop a supply chain policy to increase responsible governance and fight against corruption

Drivers	SDG	SDG Targets	Actions
Design		<p>Foster lasting, inclusive and sustainable economic growth, full and productive employment and decent work for all</p> <p>8.3 Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and foster the formalization and growth of micro, small and medium-sized enterprises, including through access to financial services</p>	<p>Promote economic growth through creativity in designing environments and developing new, innovative, and functional forms</p>
Materials		<p>Ensure sustainable models of production and consumption</p> <p>12.5 By 2030, significantly reduce waste generation through prevention, reduction, recycling and reuse</p>	<p>Promote waste reduction and reuse through circular economy initiatives</p>

1.6 Business model

Neodecortech leads a Group that provides decorative surfaces for the furniture and laminate and vinyl flooring industries, both domestically and internationally. The Group offers comprehensive interior design solutions, overseeing all production stages: from raw materials to surface finishing, impregnation, finished products, and logistics. For plastic films, the process includes printing, embossing, lacquering, and lamination.

Decorative papers

Semi-finished products used for high and low-pressure laminates and flooring



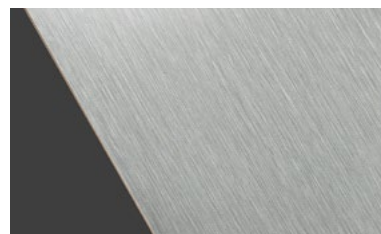
Printed decorative papers

Printed sheets of paper intended for the laminated panels and flooring industries



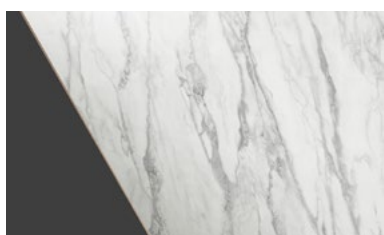
Finish Foils

Impregnated decorative papers or pre-impregnated papers subsequently coated with finishing varnishes



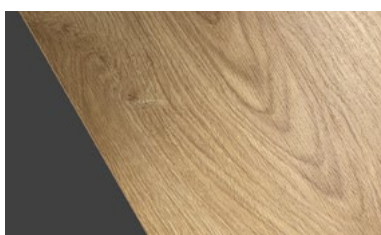
Melamine Film

Decorative papers impregnated with melamine or melamine-urea resins for the furniture industry



PPF and PPLF for LVT

Printed plastic film with high resemblance to the natural materials of decorative papers but produced on a plastic substrate



Laminates

Decorative papers impregnated and then laminated with continuous high-pressure equipment (CPL)



EOS TP

Plastic rPET film with EOS lacquer for 2D or 3D application. Silky feel, anti-fingerprint and super matte



EOS LAMINATE

Silky-touch, anti-fingerprint, super-matte laminate with good scratch resistance



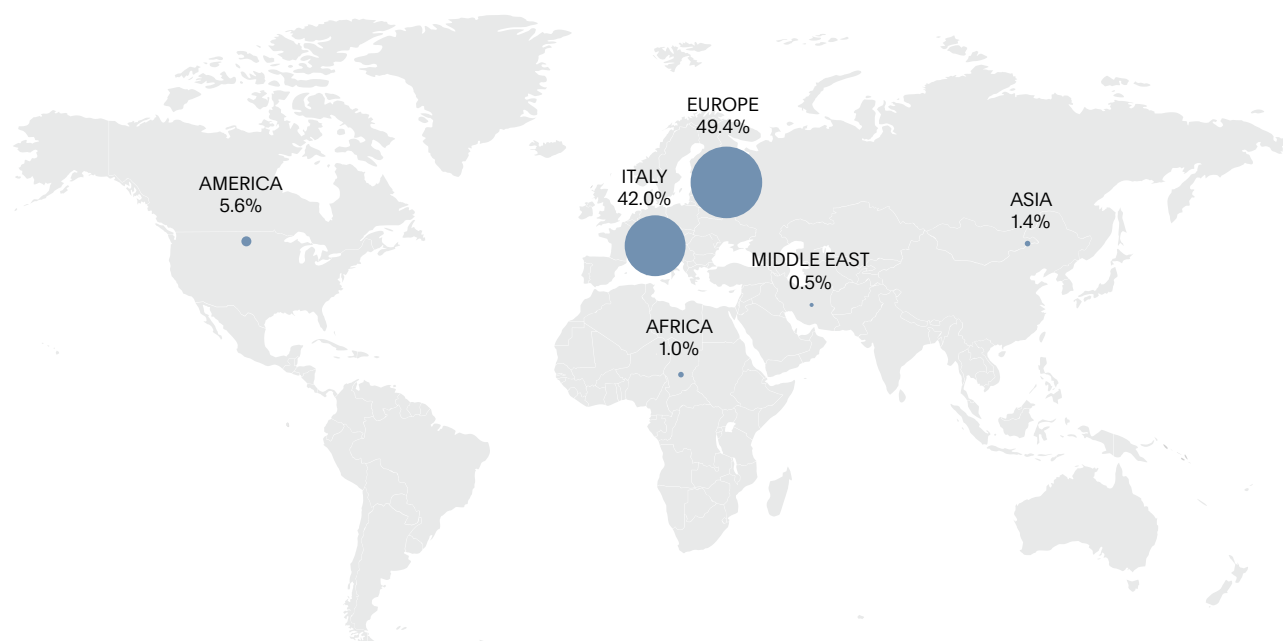
The Group operates on markets based on every continent, but its clients are mainly from Europe and include large domestic groups and multinational corporations that work in the interior design, laminates and flooring sectors, cooperating in the development and supply of new products, and becoming a trusted supplier in a niche market. The strong international bent that characterizes its business allows the Group to better manage possible risks deriving from local incidents, and accounted for approximately 60% of consolidated sales in 2024 excluding the Energy Division.

Table by geographical area

(Euro thousands)	31 DECEMBER 2024	%	31 DECEMBER 2023	%	Chg.	% chg.
Italy	49,804	29.5%	55,420	34.3%	(5,616)	(10.1%)
Europe	58,596	34.8%	65,981	40.8%	(7,384)	(11.2%)
Asia	1,680	1.0%	1,300	0.8%	381	29.3%
Middle East	635	0.4%	589	0.4%	46	7.8%
America	6,690	4.0%	7,335	4.5%	(646)	(8.8%)
Africa	1,224	0.7%	1,122	0.7%	102	9.1%
Energy Division	49,945	29.6%	29,857	18.5%	20,088	67.3%
Total	168,575	100.0%	161,604	100.0%	6,971	4.3%

Percentage of revenue by geographical area

(Amounts do not include the Energy Division)



Product lines

Neodecortech provides the domestic and international markets with a wide and coordinated range of products in the field of paper-based decorative surfaces and plastic films. Thanks to ongoing creative and stylistic research, the Group is well-positioned to offer approximately 900 decorations capable of imitating different natural materials such as wood and stone, surfaces such as cement and metal, and textures inspired by fabrics and by abstract geometries. A 100% Made in Italy company that operates in the market with different brands all targeted to the furnishing industry supply chain:

Cartiere di Guarcino: decorative paper;
Confalonieri: printed and impregnated decorative paper;
Texte: paper-based laminates;
Plana: printed and laminated plastic film.

Additionally, the Neodecortech Group operates in power generation through Bio Energia Guarcino.

Cartiere di Guarcino

Established in 1991, Cartiere di Guarcino has specialized since its onset in the production of decorative paper for high (laminates) and low (melamine panels) pressure and for the flooring industry. The offices in Latium employ approximately 170 people and stretch over an area of 144,000 m², of which 21,000 covered, producing approximately 40,000 tonnes of paper per year. A firm commitment towards innovation and sustainability underlies the synergy with BEG, the cogeneration plant that produces electricity and thermal energy of the Group, or the virtuous management of water, which represents 99% of water used by the Group: drawn from the River Cosa, close to the Guarcino location, the spring water is used several times for different production processes, purified, filtered and put back into the same waterway. Additionally, the preparation of ad-hoc processes allows the waste that is not retained by the forming fabric to be put back into the production cycles of, for instance, backer papers.

Cartiere di Guarcino offers four product categories to the furniture industry market:

Print base paper

Smoothed papers that allow the best runnability in the rotogravure and digital system. Wood, fabric and marble surfaces are reproduced on top of them to replace their use. Print base papers are produced using **mat on line** technologies. The papers are then impregnated through thermosetting resins and transformed in laminates or applied to laminated panels.

Unicolour papers

Papers intended for impregnation, and the colour chosen during the impregnation process represents the decoration only. The distinctive feature of these papers is their colour uniformity. These papers too are later transformed in laminated or veneered panels.

Underlay papers

Papers created as a support to be placed on particle board. As for Unicolour papers, they are intended for impregnation, and the colour chosen during the impregnation process represents the decoration only.

Backer papers

Created to meet the needs of the flooring market, backer papers serve as a layer for the underside of laminate flooring, to avoid possible warping.

Confalonieri

Confalonieri is a brand that offers printed decorative papers or printed and melamine-impregnated papers or finish-foils mainly for the interior design, laminate flooring and camper/caravan segments.

DEC

Printed decorative paper for the production of low pressure laminated panels, finish foils, and high-pressure laminates, as well as decors for flooring. These decorative papers, through the rotogravure printing process, reproduce imitations of wood, marble, granite, fancy and plain colours.

MEL

Melamine papers for high and low-pressure laminates produced for the furniture industry. The range includes products suitable for finishing presses for chipboard or MDF panels, or for the production of HPL and CPL laminates. The use of these papers lends the coated surfaces high resistance to abrasion, scratch and chemical agents.

Finish Foils

Finished and paintable papers ranging from pre to post-impregnate. This category includes impregnated or pre-impregnated decorative papers. The papers are then lacquered or prepared for painting (paintable variants). This category includes finish papers with different degrees of flexibility, edge-bandings and pre-impregnated papers.

Texte

This family of products includes paper-based laminates for the covering, doors and surfaces segments.

EOS

Anti-fingerprint EOS laminate, made by laminating a special acrylic film onto several layers of impregnated kraft paper. EOS laminate is a phenol-free product, a chemical component that is highly harmful to workers' health, confirming Neodecortech's commitment to "green" chemistry.

Micro Top

The Micro Top family is obtained by laminating a layer of decorative paper, impregnated with special plastic resins combined with a support layer.

Thin Top

Thin Top is obtained by laminating a decorative paper with several layers of non-phenolic support based on the desired thickness; the decorative paper is impregnated with melamine resins. The antibacterial Thin Top is obtained by using special substances that have a true antibacterial action.

Laminex

Laminex is obtained by laminating decorative papers with various layers of support papers, applying vegetable parchments in between. Both the decoration and the base papers are impregnated with melamine resins.

Cover Lac

Cover Lac is obtained by laminating decorative paper with a support of 130-155 g/sqm. Both the decoration and the support papers are impregnated with special amino-plastic resins that lend the product excellent flexibility. This product will later be lacquered by the user.

Plana

The Plana division offers thermoplastic films in PVC and rPET i.e., obtained 70% from recycled material. PVC can also be either printed or laminated. The division produces a wide range of solutions with endless aesthetic potential, intended for LVT flooring and the world of surfaces for interior decoration.

PPF

The product consists of a thin printed film that can be coupled with various types of supports (chipboard, MDF, regenerated PVC). The high coupling resistance is guaranteed by a special working process that avoids alterations of the physical characteristics of the film. PVC (polyvinyl chloride) combined with pulp, stabilizers, inert fillers, coloured pigments and flame retardants improves its physical features (heat resistance, solidity and flexibility) and aesthetic characteristics (colour and lightfastness). PVC, once coated with UV resins, is a material with good mechanical properties and resistance to abrasion, wear, aging, chemicals and the attack of fungi and bacteria. It is water repellent and is particularly fire resistant, with high ignition temperatures, low flame spread and self-extinguishing.

PPF +

This product is made from a thin printed film that can be coupled with different types of substrates (chipboard, MDF, regenerated PVC, WPC, SPC). The high coupling resistance is guaranteed by a special machining process to avoid any alteration of the physical characteristics of the film. It can be glued to a wooden substrate, with hot melt adhesives for PVC. Plasticizers, stabilizers, inert fillers, colouring pigments and flame retardants combined with PVC (polyvinyl chloride) improve its physical (heat resistance, strength and flexibility) and aesthetic (colour and lightfastness) characteristics. PVC, protected with UV coatings, achieves good mechanical properties and resistance to abrasion, wear, aging, chemicals, and fungal and bacterial attack. It is water repellent and fire resistant due to higher ignition temperature, low flame spread and self-extinguishing.

PPLF

The product consists of a thin printed film coupled on top to a transparent vinyl layer (wear layer), then embossed and lacquered. The high coupling resistance is guaranteed by a special working process that avoids alterations of the physical characteristics of the layers. It is a material with good mechanical properties and resistance to abrasion, wear, aging, chemicals and the attack of fungi and bacteria. It is water repellent and is particularly fire resistant, with high ignition temperatures and low flame spread.

EOS TP

The product consists of a thin unicolour plastic film of rPET that is subsequently lacquered. It is a material with remarkable mechanical properties and resistance to abrasion, aging, chemicals, fungi and bacteria. The most notable feature is its anti-fingerprint properties, besides being waterproof and with good resistance to fire thanks to the high ignition temperature and low spread rate. The special lacquering gives the surface a special soft touch and typical anti-fingerprint effect.

2. Materiality analysis

2.1 Stakeholder engagement

2.2 Value chain and material topics

2.1 Stakeholder engagement

Stakeholders are individuals, groups, or organizations with varying interests, expectations, and assessments of the company, with whom Neodecortech maintains ongoing relationships in the course of its business operations.

Engagement and dialogue with stakeholders (stakeholder engagement) not only help to understand their needs and expectations but also allow for the definition of more effective strategies and objectives, identifying potential changes, risks, and opportunities.

Neodecortech is committed to maintaining a transparent and constructive dialogue, which is crucial for building trust and achieving the Group's mission. By listening to and considering stakeholders' needs, sustainable value creation is enabled. Over time, the Group has carefully mapped the relevant stakeholder categories, employing various communication tools and channels in line with the level of mutual interdependence and influence.

Stakeholder Category	Engagement Activities (Projects - Initiatives - Relationships)
Shareholders	Shareholders' Meeting - Board of Directors - participation in investor conferences dedicated to meeting with Investors
Financial institutions and banks	Periodic meetings and events - Press releases Regulatory and supervisory bodies: meetings/sending and sharing communications for compliance or specific requests
Employees and associates	Human Resources Department conducts an ongoing dialogue through informal individual/institutional meetings with single union representatives and provincial trade unions - Training meetings - Corporate welfare initiatives - Corporate intranet - Performance evaluation process - Dissemination of the Code of Conduct
Suppliers	Setting and sharing standards - Business meetings and company visits/meetings at suppliers or laboratories - Direct or third-party audits at suppliers and laboratories.
Direct customers (retail partners, distributors)	Sales meetings and company visits - Interaction through customer service - Organization of dedicated meetings for sales agents - Social media - Other dedicated communication channels - Informational newsletters
End customers	Interaction with sales staff at stores and digital stores - Customer care - Social media - Corporate website - Other dedicated communication channels - Informational newsletters
Public Administration	Direct meetings with national and local public bodies/ National/local authorities
Local community and territory	Meetings with local community representatives - Company visits
Media	Periodic meetings with industry press and those related to financial communication - Dissemination of press releases - Social media

2.2 Value chain and material topics

Value chain

BEG

UPSTREAM	INTERNAL PROCESS			DOWNSTREAM					
	Energy								
Animal by-product									
Palm Oil									
Transport									

CDG

UPSTREAM	INTERNAL PROCESS				DOWNSTREAM					
	Print base	Unicolour	Backer							
Pulp										
Titanium dioxide										
Electricity										
Gas										
Transport										
Water										

NDT

UPSTREAM	INTERNAL PROCESS						DOWNSTREAM					
	Printed paper	Finish Foils	Melamine Film	PPF and PPLF* for LVT	EOS TP	Laminates + EOS laminate						
Decorative paper												
Unicolour decorative paper												
Inks												
Cylinders												
Engravers												
Paints / Lacquers												
Resins												
Additives												
Plastic film												
Laminating machine* (Embossing cylinders)												
Lacquerer												
Overlay paper												
Kraft paper												
Nitrogen												
Electricity												
Natural Gas												
Transport												

Materiality analysis

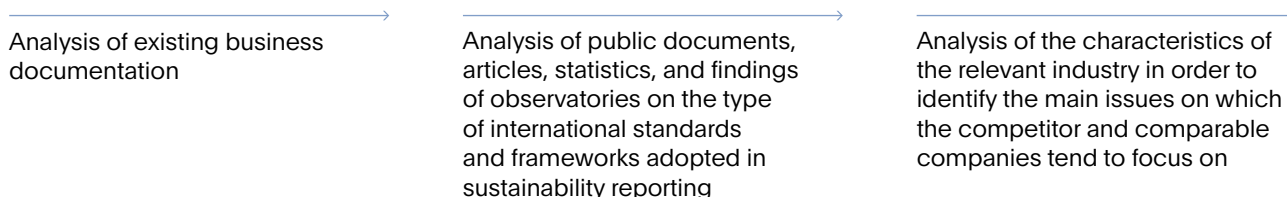
In compliance with the GRI Sustainability Reporting Standards 2021, companies are required to identify material topics based on the primary impacts generated by Neodecortech's activities on the ESG sphere. These topics significantly influence stakeholder assessments and decisions. The first step in the Non-financial Report is to identify, through so-called "materiality analysis", sustainability topics of priority interest to the Group.

These topics are deemed "material" because they are linked to the most significant impacts, whether positive or negative, actual or potential, short- or long-term, that business activities are (or could be) likely to generate on the economy, the environment, and people. This includes impacts on their human rights. According to the European Union's approach outlined in the European Commission's Communication published in June 2019 regarding guidelines on climate change reporting under the NFRD (Non-Financial Reporting Directive) - Directive 2014/95/EU, material topics refer to areas of sustainability that can significantly impact a company's development, performance, and value. Concurrently, a material topic is defined concerning the social and environmental areas and issues where the company, through its activities, can exert a significant impact.

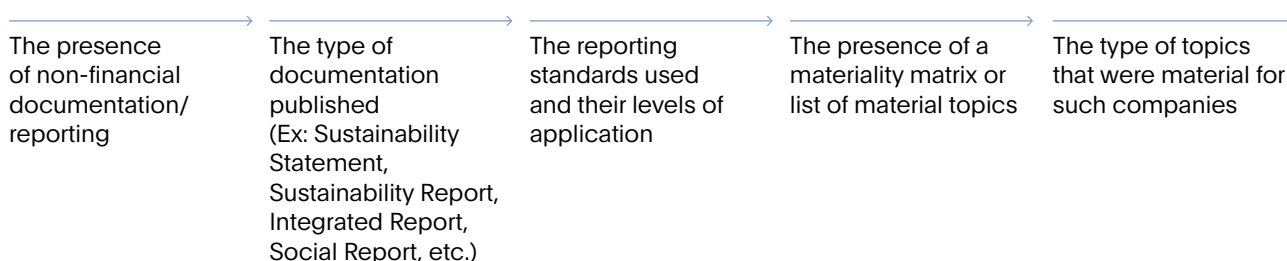
The two "directions" of materiality are interconnected with each other.

In 2024, Neodecortech initiated the process of double materiality analysis, despite not being required to do so, which mandates companies to report ESG topics in line with the principle of double materiality. This approach involves analyzing and communicating both the impact of the company's activities on the environment and society (impact materiality) and how sustainability issues affect the company itself (financial materiality).

Material ESG aspects for the Group were identified through a structured survey, which consisted of the following steps:



In the absence of a GRI Sector Standard for Neodecortech's target sector, the benchmark analysis was updated by reviewing the websites and public documents of "best-in-class" or "comparables" in the Non-financial Report. The analysis assessed elements such as:



The identified impacts were grouped based on their level of affinity to obtain a condensed list of 22 ESG issues for quantitative evaluation by top management and a representative sample of the company's main stakeholder categories: employees, suppliers, and customers.

A questionnaire was used to assess the topics, with participants asked to prioritize each topic based on its level of relevance.

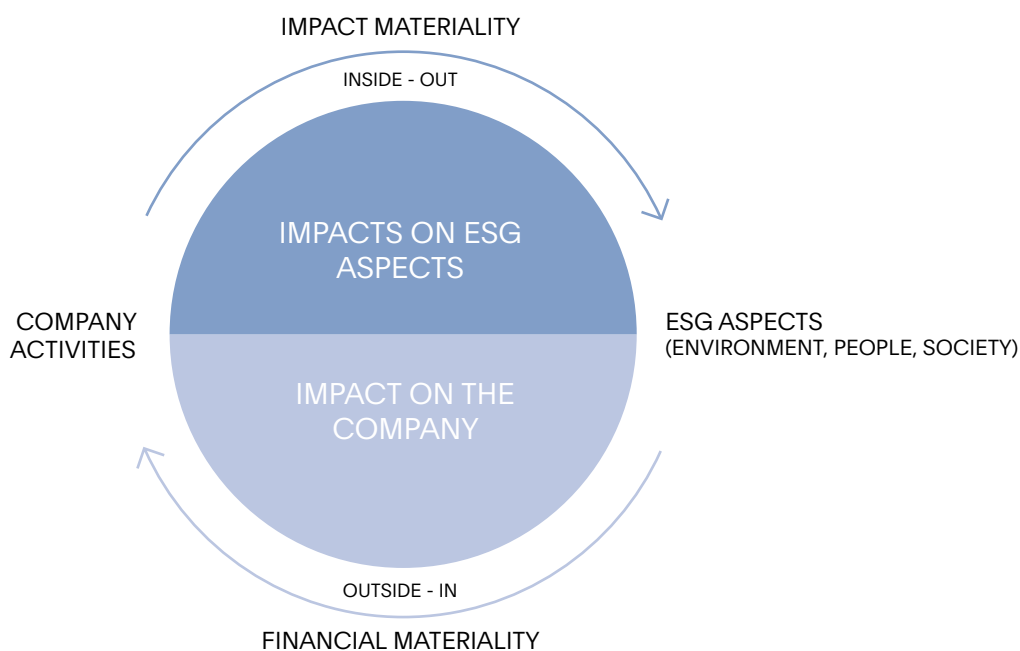
Specifically, the assessment on the level of "materiality" of ESG impacts related to each topic took into account the following elements:

Scale	Size (in a positive or negative sense, as appropriate) of the impact generated directly or indirectly by business activities
Scope	Geographical spread of the impact (e.g., local level, national level, etc.), considering the number of stakeholders involved, etc.
Remediability	Extent to which the impact can be mitigated or remediated once it has occurred (to be considered only for negative impacts)
Likelihood	Likelihood with which this impact could occur in the short, medium, and long term (to be considered only for potential impacts)

To pinpoint ESG topics and impacts that are truly "material" to the Group, a "materiality threshold" was established. This threshold considered approximately 80% of the topics that received higher prioritization within each macro area. Upon completion of the entire process, the results achieved were submitted for validation by the Control, Risk and Sustainability Committee and the Board of Directors of Neodecortech S.p.A. on 22 February 2024.

In the table below, for each material topic identified, the reasons for its relevance (impact on the economy, environment, and people) and the corresponding KPIs that were reported are explained.

Double materiality: voluntary exercise



In 2024, the Group conducted its first voluntary double materiality exercise for the Sustainability Report¹. The Group considered both the inside-out scenario, focusing on the main impacts generated by value chain activities on the environment, people, and the economy, and the outside-in scenario, through an initial qualitative assessment of external impacts in terms of risks and opportunities that could affect performance.

The scoring scale ranges from 1 (low) to 5 (high), with each topic receiving 2 values: one for economic relevance and one for environmental/social relevance.

The multiplication of the two attributed values defines the relevance of the topic to the Group.

A threshold of 6 was established as the minimum limit, above which a topic is considered "material", meaning it is sufficiently relevant to be reported.

Topics with a score below 6, while still interesting, were not considered impactful enough to warrant further analysis and transparency. However, these topics are still managed and monitored on a daily basis to ensure continuous oversight.

By applying this methodology, the Neodecortech Group identified 17 relevant topics.

¹ It is specified that the analysis exercise from the outside-in scenario is not mandatory for us at this stage, as per the regulatory framework under the CSRD and the respective ESRS, which will come into effect starting with the 2026 Report on the data referring to 2025.

The impact-based double materiality matrix updated based on relevance is shown below:



Material topics, impacts, ESRS, SDGs, and GRIs

	MATERIAL TOPICS	ESRS IMPACT	GLOBAL GOALS	GRI
ENVIRONMENTAL CAPITAL	Energy and emissions, combating climate change [Biodiversity]	E1/E4	11-12-15	302-1 302-3 305-1 305-2 305-4
	Possibility of positively or negatively affecting the protection of ecosystems and preservation of biodiversity and the protection of local communities and land from exposure to extreme weather events (e.g., floods, flooding, hurricanes, desertification, etc.).			
	Circular economy and use of sustainable raw materials	E5 - E2	13-15	301-1 301-2
	Possibility of positively or negatively affecting the protection of the environment and preservation of natural resources and the safeguarding of the health and well-being of local communities through focus on the use of raw materials from recycling or renewable sources.			
	Use of water resource	E3	13-14-15	303-1 303-2 303-3
	Possibility of positively or negatively affecting the health of water bodies in the local area and protection of the environment and preservation of natural resources.			
	Waste	E5 - E2	13-15	306-1 306-2 306-3
	Possibility of positively or negatively affecting the protection of the environment and preservation of natural resources, the preservation of the health and well-being of local communities through proper and responsible waste management, and sensitivity and awareness of staff and consumers on proper waste management and disposal, reuse, and recycling practices.			
HUMAN CAPITAL	Support to the local area	S3	3-4-11	3-3
	Responsible commitment to society and local communities through sponsorship and promotion of high social impact initiatives for the development of people and the area where the company operates.			
	Health and safety	S1	3	403-1 403-2 403-3 403-4 403-5 403-6 403-7 403-9
	Possibility of positively or negatively affecting the assurance of staff health and safety by reducing accident rates within the Company and the levels of work-related stress experienced by company staff.			
	Human rights	S4	8-12	401-1 401-3 406-1
	Possibility of positively or negatively affecting the protection of the fundamental rights of members of company staff and all associates with whom the Company engages.			
	Diversity and equal opportunities	S2	5-16	2-7 2-8 405-1 405-2
	Possibility of positively or negatively affecting the protection of the fundamental rights of members of company staff and all subjects with whom the Company engages, on employment stability for corporate staff and opportunities for each employee to achieve their full potential, and on retention and attraction and employment stability of human resources.			

	MATERIAL TOPICS	ESRS IMPACT	GLOBAL GOALS	GRI
HUMAN CAPITAL	Employee management and training	S1	4-8	404-1 404-3
	Possibility of positively or negatively affecting each employee's opportunities to engage in professional growth and achieve their full potential, on the availability of paths for strengthening and developing professional skills and competencies, and on the retention and attraction capacity and employment stability of human resources.			
RELATIONAL AND INFRASTRUCTURE CAPITAL	Product quality, safety and reliability	S4	9-12	416-1 416-2 417-1
	Possibility of positively or negatively affecting economic and financial performance for the benefit of the company and the economic ecosystem in which it operates, the performance and safety of products and services offered to customers, and the reputation and degree of trust and maintenance of relationships with key stakeholders with whom Neodecortech engages.			
	Research and development	S4	12	3-3
	Possibility of positively or negatively affecting economic and financial performance for the benefit of the company and the economic ecosystem in which it operates and the availability in markets of products that meet customer needs.			
	Customer satisfaction and relationship management	S4	12	418-1
	Possibility of contributing positively or negatively to the realization and fulfillment of customer needs in terms of product offerings and quality, reputation, and degree of trust and maintenance of relationships with key stakeholders with whom Neodecortech engages, and on economic and financial performance for the benefit of the company and the economic ecosystem in which it operates.			
	Responsible supply chain management	S4	8-12	2-6 204-1 308-1 414-1
	Possibility of positively or negatively affecting the management of environmental and social impacts throughout the supply chain, the availability of products/services with sustainability characteristics, and the quality of labour and respect for human rights along the supply chain.			
GOVERNANCE AND ECONOMIC CAPITAL	Business ethics and corporate responsibility	G1	8-16	2-27 206-1
	Possibility of positively or negatively affecting the management of financial resources for the benefit of the company and the economic ecosystem in which it operates and the reputation and degree of trust and maintenance of relationships with key stakeholders with whom Neodecortech engages.			
	Economic performance and direct impacts	G1	4-8	201-1 207-1
	Possibility of positively or negatively affecting economic and financial performance for the benefit of the company and the economic ecosystem in which it operates, the reputation and degree of trust and maintenance of relationships with key stakeholders with whom Neodecortech interacts, and the retention and attraction capacity and employment stability of human resources.			
	Anti-corruption and compliance	G1	8-16	205-3
	Possibility of positively or negatively affecting the protection of legality in areas such as the reuse of profits from illegal activities, incidents of corruption and bribery, the adoption of anti-competitive behaviour, etc. and the reputation and degree of trust and maintenance of relationships with key stakeholders with whom Neodecortech interacts.			
	ESG risk management	G1	8-13-16	3-3 2-22
	Possibility of positively or negatively affecting business processes and corporate response to emergencies involving situations generated by environmental, social, and governance risks.			

3. Environmental capital

3.1 Disclosure pursuant to Article 8, RE 2020/852

3.2 Environmental responsibility

3.3 Mitigation of environmental impacts

3.4 Energy consumption

3.5 Emissions

3.6 Water resource

3.7 Waste generation and management

3.1 Disclosure pursuant to Article 8, RE 2020/852

The Taxonomy Regulation establishes consistent EU-wide criteria for defining environmentally sustainable economic activities across six environmental objectives:

- . Climate change mitigation (CCM);
- . Climate change adaptation (CCA);
- . Sustainable use and protection of water and marine resources (WTR);
- . Transition to a circular economy (CE);
- . Pollution Prevention and Control (PPC);
- . Protection and restoration of biodiversity and ecosystems (BIO).

For 2024, the plan includes reporting on KPIs such as Turnover, CapEx, and OpEx, as defined by Delegated Regulation (EU) 2021/2178 and subsequent amendments outlined in Regulation (EU) 2023/2486, associated with **eligible and aligned** activities regarding **mitigation and adaptation** of climate objectives. Moreover, this year marks the first instance of reporting solely on eligibility for the additional **four environmental objectives**.

Eligible activities related to the mitigation and adaptation objectives correspond to any activity explicitly included in the list of economic activities in Annexes I and II of Delegated Regulation (EU) 2021/2139 and subsequent amendments provided for in Delegated Regulation (EU) 2023/2485 regardless of whether such economic activity meets any or all of the technical screening criteria set out in the document. Regarding the additional four environmental objectives, eligible activities are listed within Annexes I to IV of Delegated Regulation (EU) 2023/2486, which allow the determination of activities associated with sustainable use and protection of water, transition to a circular economy, pollution prevention and reduction, and prevention and restoration of biodiversity and ecosystems, respectively.

Aligned activities correspond to environmentally sustainable activities under Article 3 of Regulation (EU) 2020/852 that jointly meet the following criteria:

Substantial contribution to the achievement of one or more of the environmental objectives

Absence of significant damage to any of the other environmental objectives ("**DNSH**"² principle)

Compliance with the **minimum safeguards**³

To comply with the Regulations, the Neodecortech Group has initiated the procedure to review its activities conducted in 2024, organizing the process into three primary stages:

Identification of eligible activities

Identification of aligned activities

Calculation of KPIs Turnover, CapEx and OpEx

² "Do No Significant Harm"

³ The following guidelines can be referred to when assessing compliance with minimum safeguards: OECD Guidelines for Multinational Enterprises, UN Guiding Principles on Business and Human Rights, International Labour Organization's ("ILO") declaration on Fundamental Rights and Principles at Work, the eight ILO core conventions, International Bill of Human Rights.

The Neodecortech Group conducted an analysis of its economic activities, assessing consistency with the descriptions given in Reg. (EU) 2021/2139, Reg. (EU) 2023/2485 and Reg. (EU) 2023/2486 regarding its business activities and activities related to corporate operations.

Following this preliminary screening, the Taxonomy-eligible economic activities were defined. The activities mapped in the table below refer to the Neodecortech Group.

#	ACTIVITIES PURS. REG. (EU) 2021/2139 AND REG. (EU) 2023/2485
CCM 3.17	Manufacture of plastics in primary forms
CCM 4.1	Electricity generation using solar photovoltaic technology
CCM 4.8	Power generation from bioenergy
CCM 7.3	Installation, maintenance and repair of energy efficiency equipment

Concluding the analysis conducted in accordance with Regulation (EU) 2020/852, the verification of alignment of eligible activities involves assessing activities against criteria such as substantial contribution, "DNSH" criteria, and criteria related to Minimum Safeguards.

Regarding the **Minimum Safeguards criterion** as outlined in Article 18 of Regulation (EU) 2020/852, the assessment was conducted, considering adherence to prominent international guidelines concerning human rights (including workers' and consumers' rights), corruption, taxation, and fair competition. Opting for a conservative and prudent approach, despite the existence in the Group of a Code of Ethics and a Code of Conduct for suppliers, the current safeguard mechanisms within the supply chain are deemed insufficient to consider the activities classified as eligible aligned with the Minimum Safeguards. In the upcoming years, the Group will undertake measures to formalize its focus on and protection of human and workers' rights throughout the supply chain. This effort will complement the ongoing oversight conducted through existing tools.

The procedure included the analysis of the **criteria of substantial contribution and the "DNSH" criteria** (Do No Significant Harm). As previously mentioned, the former are intended to ensure that the company's activities contribute tangibly to the relevant environmental objectives, while the latter aim to confirm that none of the other targets outlined in the Taxonomy are adversely affected.

With regard to the objectives impacted by the identified activities, a number of substantial contribution criteria were met. Finally, it is clarified that the technical screening criteria outlined in Delegated Regulation (EU) 2021/2139, as amended by Regulation (EU) 2023/2485, and Regulation (EU) 2023/2486 concerning eligible activities identified by the Neodecortech Group, encompass a thorough climate risk assessment. This assessment aims to evaluate the significance of climate and physical risks to economic activity. For the purpose of the analysis, Neodecortech assessed the classification of climate-related hazards, shown in Appendix A of Annexes I and II of Reg. (EU) 2021/2139 and Annex III of Reg. (EU) 2023/2486. The Company does not deem these risks as significant concerning the scope of eligible activities. However, to date, no structured and quantitative analysis has been conducted in this regard.

As a result of these analyses and considerations, conducted with a conservative approach, none of the eligible activities appear to be aligned with the Taxonomy.

Information on the amounts considered to facilitate the calculation of KPIs

KPIs are calculated in accordance with the accounting criteria outlined in Annex I of Delegated Regulation (EU) 2021/2178 and subsequent amendments provided by Reg. (EU) 2023/2486. The table below summarizes the indicators for eligible activities for all six environmental objectives ⁴.

#	ELIGIBLE ACTIVITIES PURS. REG. (EU) 2020/852	2024		
		Revenue	CapEx	OpEx
CCM 3.17	Manufacture of plastics in primary forms	2.95%	-	0.02%
CCM 4.1	Power generation with solar photovoltaic technology	0.05%	-	0.01%
CCM 4.8	Power generation from bioenergy	28.92%	5.91%	2.67%
CCM 7.3	Installation, maintenance and repair of energy efficiency equipment	-	0.13%	-
Total		31.93%	6.04%	2.70%

Specifically, the denominator of the KPIs corresponds to the items shown below, while the numerator represents the portion of the denominator that aligns with the relevant criteria outlined in the Delegated Regulations.

With regard to turnover, net revenue within the meaning of Article 2(5) of Directive 2013/34/EU was considered for the denominator calculation. Turnover includes revenue recognized in accordance with International Accounting Standard (IAS) 1, point 82(a), adopted by Commission Regulation (EC) no. 1126/2008⁵. To prevent any potential double counting, intercompany transactions have been eliminated and do not factor into the determination of KPIs.

To establish the denominator of the CapEX KPI, increases to tangible and intangible assets during the year considered before amortization, depreciation, write-down, and any write-back, including those resulting from restatements and impairments, were included for the year under review, and changes in fair value were excluded.

To establish the denominator of the OpEx KPI, non-capitalized direct costs for research and development, maintenance and repair as well as any other direct expense related to the day-to-day maintenance of property, plant and equipment required to ensure the ongoing and effective operation of these assets were included⁶.

⁴ More details in the attached tables provided in the Regulations.

⁵ In accordance with 1.1.1. outlined in Delegated Regulation (EU) 2021/2178.

⁶ In accordance with 1.1.3. outlined in Delegated Regulation (EU) 2021/2178.

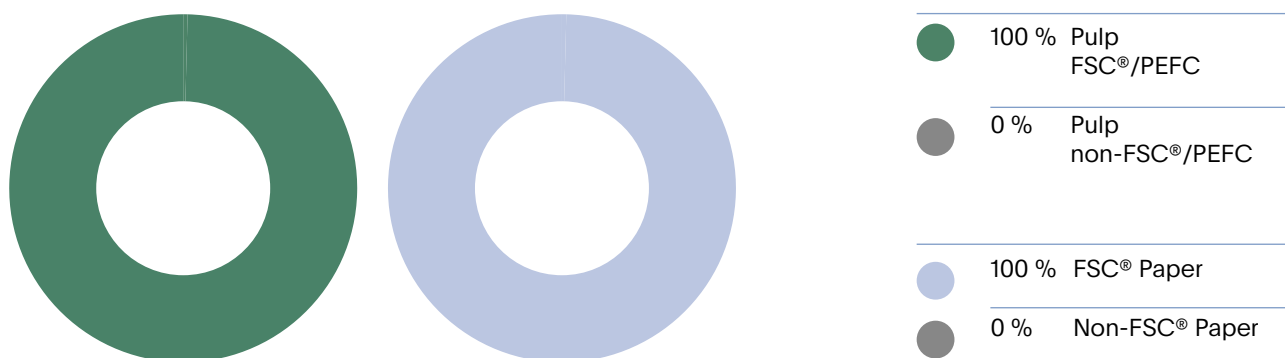
With regard to the individual activities considered, below is a summary of the cost items included in the **numerator** of the indicators:

3.17	Manufacture of plastics in primary forms: the Revenue value shown refers to the sale of plastics, while OpEx refers to maintenance activities implemented by Neodecortech S.p.A.
4.1	Power generation with solar photovoltaic technology: the Revenue value shown refers to the sale of electricity regarding the Casoli and Filago photovoltaic plants, while OpEx reflects the costs associated with the activity conducted by Neodecortech S.p.A.
4.8	Power generation from bioenergy: CapEx costs, OpEx and the Revenue value shown refer to the activity related to energy production from palm oil and animal fat conducted by Bio Energia Guarcino S.r.l.
7.3	Installation, maintenance and repair of energy efficiency equipment: OpEx shown refers to costs associated with high-efficiency components and LED headlights for Neodecortech S.p.A.

3.2 Environmental responsibility

In striving for sustainable development, the Neodecortech Group endeavors to strike a balance between economic progress and environmental preservation. This is achieved by minimizing environmental impact through the adoption of best practices and fostering practical collaboration with suppliers and partners.

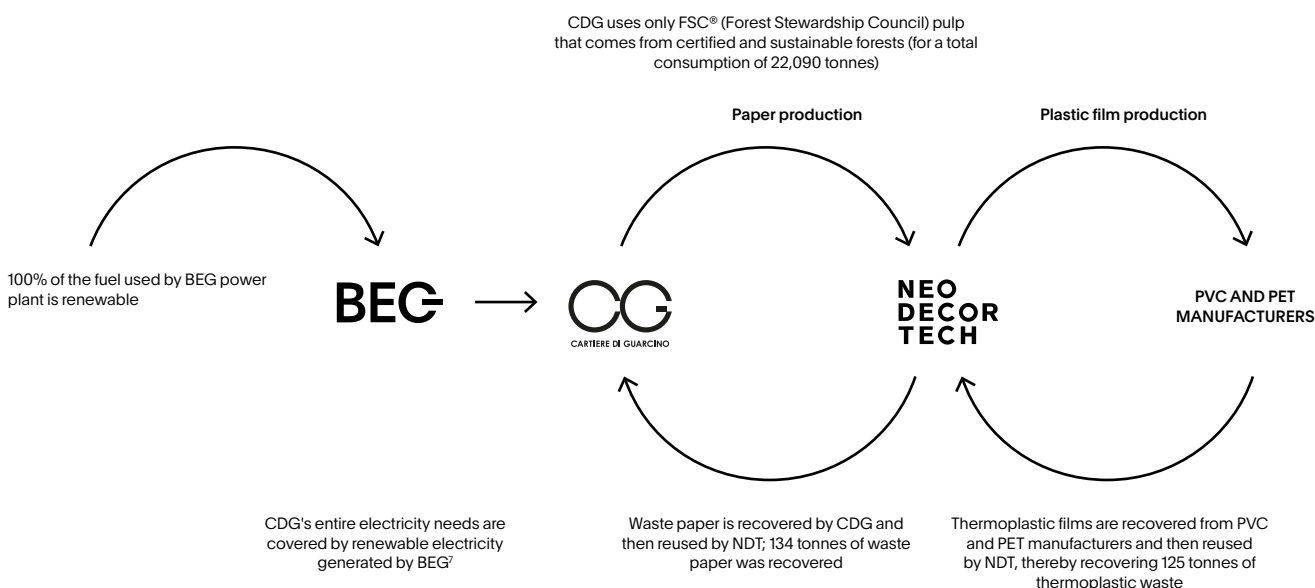
In 2024, Neodecortech also continued its commitment to the responsible and sustainable management of forests, reinforcing its approach to responsible sourcing for the purchase of pulp used in papermaking, the Group's main raw material. Group companies purchase, in fact, exclusively FSC® certified paper and pulp and check the supplier's certification directly on the FSC® website. The Group's commitment to the use of renewable raw materials is not restricted only to the materials used for production; all the cardboard used for packaging is also FSC® certified.



Neodecortech Group and the circular economy

CDG products include backer papers, a particular type of product, created to meet the needs of the flooring market. In this case, the main raw material consists of leaflets recovered from production waste (winders waste, breaks during paper sheet formation and non-conforming end products) and sub-products (first and second production waste made of cellulose fiber). The total amount of waste paper generated at the Neodecortech S.p.A. sites is carefully separated from possible pollutants and then reused in CDG's production processes. The Group relies on a supplier who operates in the waste paper recovery field for the recovery, transport, sorting and compacting of recyclable waste to be reintroduced into the distribution chain.

In 2024, approximately 134 tonnes of waste paper were collected from the Filago location and delivered for recovery to CDG. However, CDG recovered an additional 949 tonnes of paper from other printers that are its customers, in addition to purchasing 36 tonnes of waste paper. The share of the final backer product obtained by using recycled paper and waste paper, out of the total paper produced was 17.5%.



The circular economy logic is also applied to printing PVC and rPET. All PVC and rPET waste is in fact delivered to the same company from which Neodecortech purchases it for reuse. In 2024, 125 tonnes of material was recovered and reused out of a total of approximately 1,110 tonnes purchased.

Additionally, regarding rPET used for the EOS anti-fingerprint surfaces, mention should be made that it is purchased with a component obtained from recycled material (beverage bottles) in the amount of 70%. All these initiatives underscore the Neodecortech Group's steadfast belief in the significance of reviewing all its production processes through the principles of the circular economy, characterized as "an economy designed to regenerate itself" (Ellen MacArthur Foundation).

The principles of the circular economy are rooted in the recognition that raw materials are finite. It is imperative to establish new models of production and consumption aimed at minimizing waste and maximizing opportunities for reuse and recycling. This entails rethinking all stages of production and meticulously considering the entire supply chain involved in the material's production cycle.

Packaging recovery strategy

The principles of the circular economy are not solely confined to the raw materials used to produce products sold in the market. In 2024, the mapping of all packaging used in processes continued, with a focus on identifying packaging composed of recycled/certified material. Furthermore, starting in 2023, the Group initiated communication with customers regarding the composition of various packaging materials. This effort aims to facilitate and enhance recycling and/or recovery practices.

Thanks to the analysis carried out, packaging made of non-recycled material or coming from non-certified forests was identified in the case of wood-based products; research into the market was carried out, in collaboration with the suppliers, for similar packaging made of recycled/certified material.

Neodecortech Packaging

New packaging at the Filago (BG) plant was then incorporated into production processes, bringing the percentage of recycled/certified packaging to 94% of total packaging purchased in 2024. Specifically, 95% of paper and cardboard, and 67% of plastic used as packaging comes from recycled materials. Wooden packaging instead (pallets, crates, panels, etc..) is composed 100% of wood coming from certified forests. This activity will continue into 2025 with the target of phasing out all non-recycled/certified packaging materials.

Product	2024				2023			
	Total Kg	Virgin Kg	Recycled/ Certified Kg	%	Total Kg	Virgin Kg	Recycled/ Certified Kg	%
Cardboard	129,609	6,967	122,642	95%	155,723	2,981	152,742	98%
Plastic	42,208	13,894	28,314	67%	43,142	18,147	24,996	58%
Steel	0	0	0	0%	4,786	0	0	0%
Wood	197,399	0	197,399	100%	137,752	7,595	130,157	94%
Total	369,216	20,861	348,355	94%	341,402	28,722	307,894	90%

Packaging Cartiere di Guarcino and Bio Energia Guarcino

As mentioned in the previous section, the production of backer papers involves 80% recovered material. Specifically, 40% from printed leaf, 32% from the waste of CDG production, and 8% from residues of the in-house production process.

Offsetting and emission reduction projects

CDG and BEG plants are subject to the European Emissions Trading Scheme (EU-ETS1), a binding (mandatory) tool for companies and essential in European Union policy in combating climate change aimed at cost-effectively reducing greenhouse gas emissions. This legislation envisages a series of rigorous controls and analyses of emissions generated by stationary installations and their disclosure to the competent authorities, which ascertain the data disclosed.

Additionally, in line with the provisions of its **2024-2026 ESG Action**, the Group has deployed numerous voluntary initiatives.

Specifically, as early as 2023, the Neodecortech Group **achieved carbon neutrality for scope 1 and scope 2**. This significant milestone was made possible by the sustainable initiatives undertaken in recent years and the current Business Plan, which is aligned with the United Nations Sustainable Development Goals. The achievement is the result of actions that have led the Group, on the one hand, to reduce CO2 emissions through the production of electricity from bioliquids with Bio Energia Guarcino, the use of photovoltaic systems both in the Filago plant as well as in the Casoli plant and the procurement of electricity acquired from the grid accompanied by the certification of origin from renewable sources (Guarantees of Origin); on the other hand, to totally offset residual CO2 emissions by purchasing CO2 certificates according to voluntary schemes from the supplier Sendeco.

The group, with regard to the three-year period 2024-2026, selected the "Renewable Solar Energy of Adani Green Energy Limited" project by purchasing the relevant certificates for the group's offsetting actions (VCS).

Developed projects

The Group has implemented projects focused on energy efficiency and reducing CO2 emissions. Key initiatives include:

1. **Regulation Project with Alternating Current Inverter Systems:** this project involves the implementation of inverters for the machine 1 dryer, improving energy efficiency.
2. **Gas Condensing Boilers:** the replacement of traditional boilers with gas condensing boilers optimizes thermal energy consumption. These boilers offer efficiencies of up to 96%, an increase of 7-8% compared to previous models.

Projects to be launched in 2025

A number of new environmental activities were launched in 2024.

For Neodecortech, the project to convert production waste from the Casoli di Atri production site into waste-to-energy is under evaluation by the relevant authorities. In this regard, the new company NDT Energy S.r.l. has been established with the specific aim of achieving substantial self-sufficiency for thermal consumption. The project, currently in the permitting stage, will utilize 100% of the powder and laminate waste, nearly eliminating natural gas consumption (approximately -500,000 m³/year) and eliminating the need to transport waste to landfills (approximately 200 trucks/year).

CDG, with the goal of reducing its carbon footprint, has identified additional potential emission reduction actions.

These initiatives include innovative solutions and specific projects. Major projects include:

1. High-Efficiency Air Heater and Thermal Waste Recovery Project: a high-efficiency air heater will be installed to provide more efficient heating due to its high dew point, contributing to thermal waste recovery and improving ventilation system efficiency.
2. Vacuum Plant: the introduction of EcoFlow pumps to enhance the energy efficiency of electrical processes, contributing to more sustainable resource usage.
3. Monitoring System: a monitoring system will be implemented to analyze low- and medium-voltage energy consumption. This approach will enable more accurate energy diagnostics based on real data rather than estimates.
4. Installation of a solid biomass boiler at the Cartiere di Guarcino plant, aimed at reducing CO₂ emissions by approximately 11,700 tonnes.
5. Start of the Horizon project: installation of a heat pump to recover thermal waste from the BEG power plant, reducing CO₂ emissions by approximately 3,000 tonnes.
6. Installation of a photovoltaic system and charging stations for company electric cars.
7. Providing areas for installation of photovoltaic systems for an energy community.

Through targeted industrial process optimization actions, the Group is working to further reduce the amount of non-recoverable waste disposed of.

Furthermore, the Group's social commitment will be reaffirmed in 2025 through initiatives established in collaboration with local governments of the municipalities where the company's plants are located, as well as with nonprofit organizations operating in those areas.

3.3 Mitigation of environmental impacts

Due to the diverse manufacturing activities of the companies comprising Neodecortech, each activity within the Group generates specific externalities on the surrounding environment. Therefore, specific short-, medium-, or long-term targets and programs are necessary for each plant. These tailored initiatives enable the outlining of a structured and defined path to reduce the environmental impact of each plant. The Group Companies manage these impacts through the implementation and maintenance of certified environmental management systems and innovation paths.

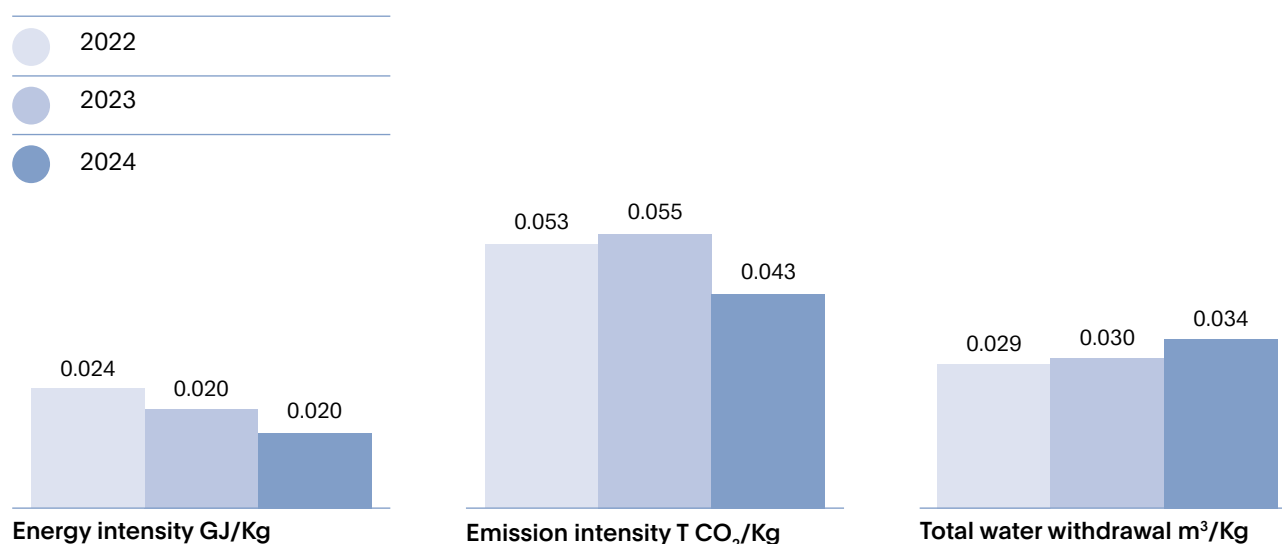
Climate risk

With regard to the risks related to climate change, the Neodecortech Group has embarked on a structured process of analysis of its environmental impacts and mitigation activities.

The Group has achieved a Carbon Neutrality target through an offsetting program spread over the period 2021-2023 and peaking in the offsetting of the remaining allowances of all Group companies.

The Group will continue in its offsetting program for 2024-2026 on all group companies. In this regard, a new project has been identified thanks to the contribution of Sendeco - Solar Renewable Energy of Adani Green Energy Limited - and for 2024, cancellations of purchased certificates (VCS) have already been made in favour of all Group sites.

Thanks to the near elimination of CDG's fossil fuel power consumption and more efficient use of BEG's thermal carrier, the group's emission intensity in 2024 decreased by 22% versus the prior year.



Energy intensity represents the ratio of total energy consumption, measured in GJ, to industrial output (kg of finished product of CDG and NDT). In 2024, the rate decreased by 25% versus the prior year.

Water intensity is calculated by considering the Group's water consumption, comparing it with the volume of industrial production (kg of end product of CDG and NDT). Taking absolute water consumption into consideration, the increase was 1.92%.

3.4 Energy consumption

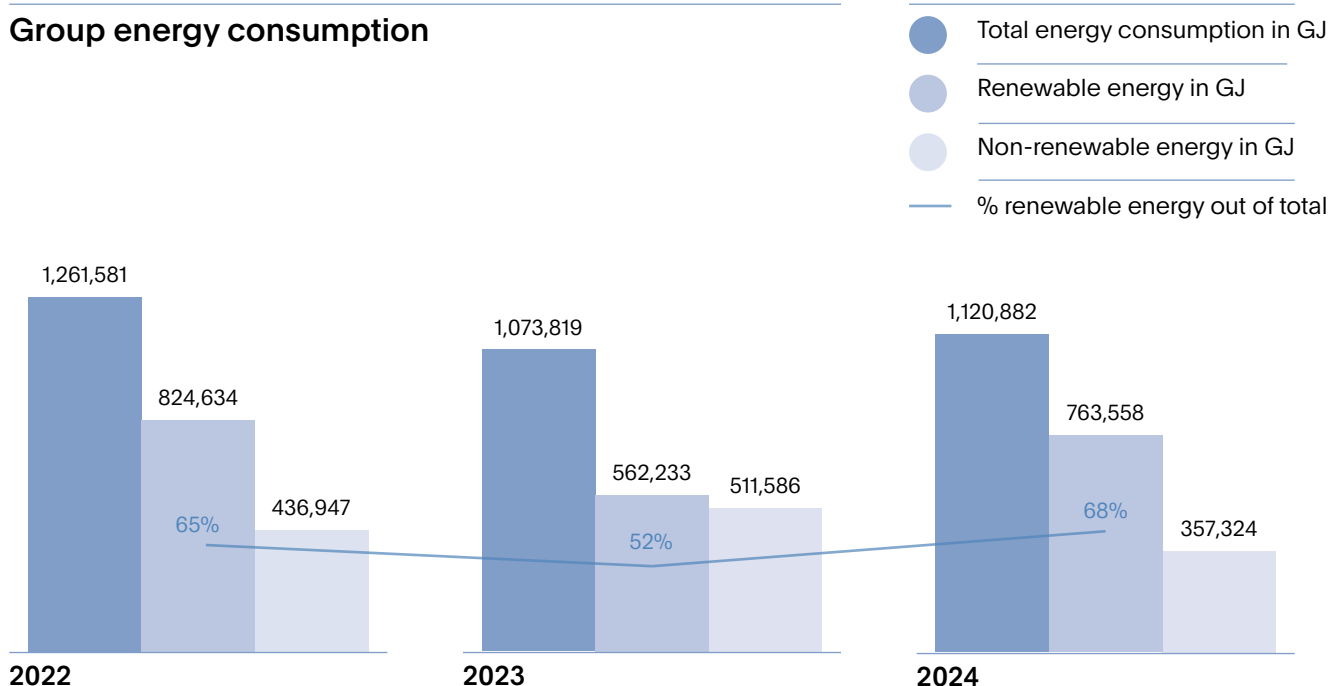
Neodecortech aims to reduce its negative impact on climate-changing emissions by increasing the use of renewable energy sources and adopting and maintaining ISO 14001:2015 Environmental Management Systems and ISO 50001:2018 Energy Management Systems.

In 2024, the Group offset 20,955.18 tonnes of CO₂ through the purchase of 2,076.76 Guarantees of Origin and 18,878.42 VCS \ VER certificates.

The Group's commitment to pursuing its environmental objectives is reflected in the Quality, Environment, Safety and Energy Policy adopted by the Group.

In 2024, the Group's energy consumption amounts to 1,120,882 GJ of which 68% from renewable sources generated at the sites.

Group energy consumption

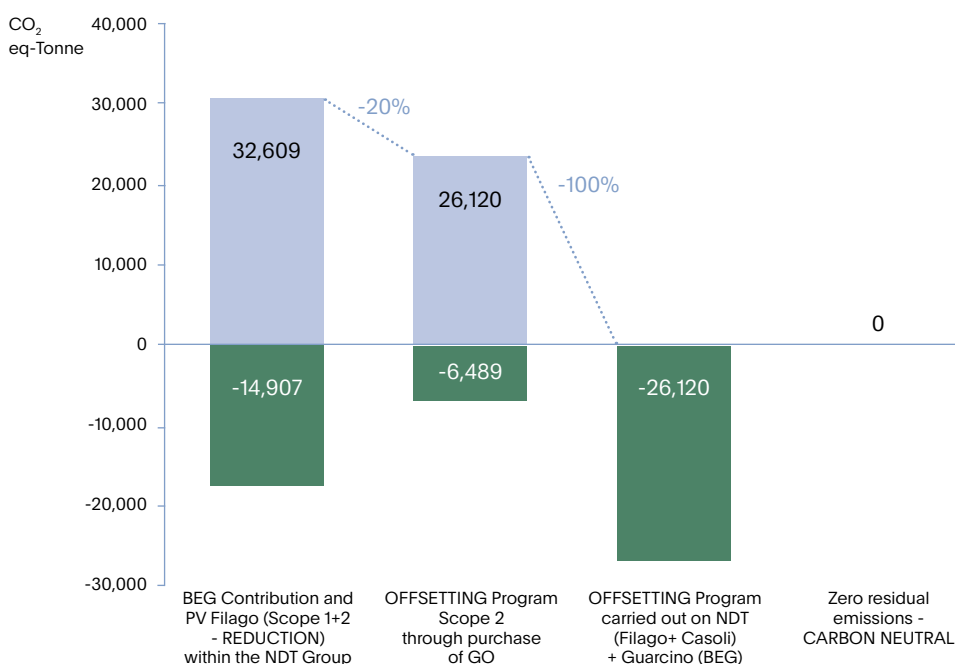


3.5 Emissions

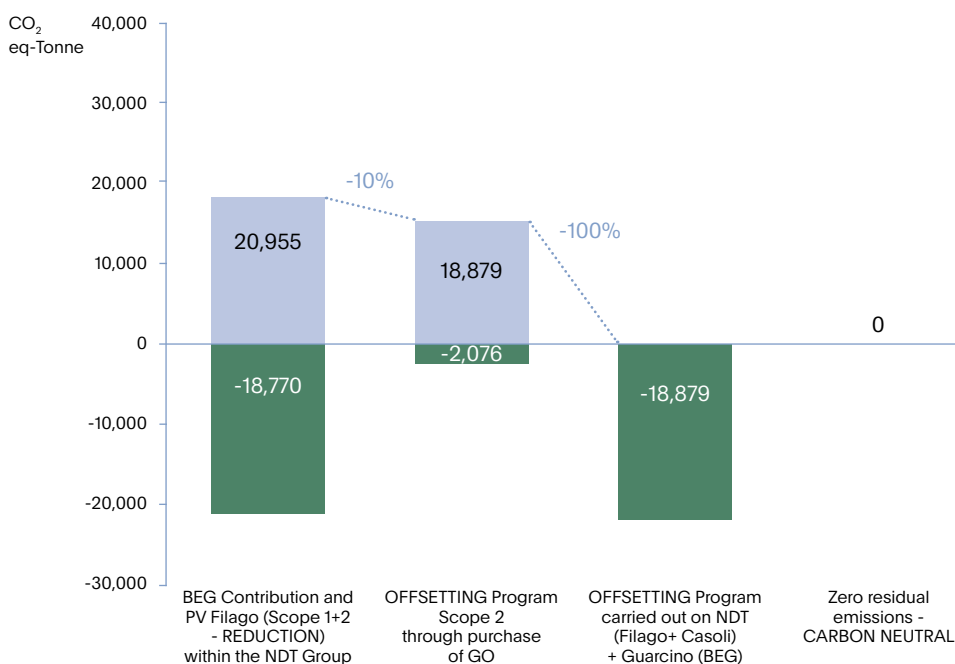
In 2024, the Group's direct emissions (Scope 1) amounted to 20,955 tonnes of CO₂ resulting from the consumption of methane gas and diesel fuel for manufacturing activities and company vehicles. The Group's targets include the gradual neutralization of Scope 1 emissions across all Group companies through actions to reduce energy consumption and mitigate and offset emissions.

2024 Neutralization and Offsetting of tonnes of CO₂ eq

2023

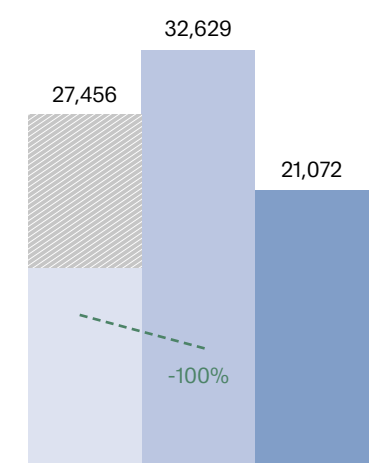


2024

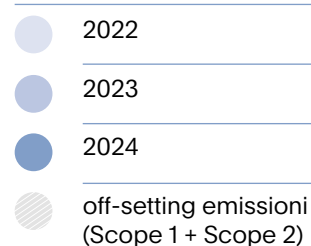


Indirect emissions from purchased electricity (Scope 2) were 2,076 tonnes of CO₂ according to the Location based calculation method -68% versus 2023). Total emissions (Scope 1 and Scope 2 Location based) were 21,072 tonnes of CO₂, down from the prior reporting period. As required by the GRI reporting standard, emissions from biomass are shown separately from direct GHG Scope 1 emissions.

Group energy consumption



Total emissions
(Scope 1 + Scope 2
Location based)



Transportation and Logistics

The issue of emissions intersects that of transportation and logistics. The Group places the highest priority on selecting services, considering multiple factors such as certifications, membership in professional registers, reliability, price, quality of service offered and delivered, and their commitment to ESG topics. Last but not least, Neodecortech also considers the carbon footprint of product and people transportation: where possible, goods and product transportation takes place at full-load and considering the destinations, to achieve increasingly high levels of efficiency. In 2024, research activities, which started in 2022, were continued to boost the use of intermodal transportation. This system will allow the group to select a transportation pool in order to reduce the carbon footprint of emissions from freight transportation.

3.6 Water resource

Water resources are of fundamental importance to Neodecortech; in the specific case of Cartiere, they are one of the key factors in the making of its products: In fact, CDG is responsible for 99% of the Group's water consumption.

The supply of water for industrial use is mainly by diversion of surface water and groundwater, and represents, therefore, a highly sensitive issue, while respecting the water balance of the territories in which the Group headquarters are located. All the plants, except the one in Filago, are located in water-stressed areas⁹, which, if poorly managed, could lead to a production stoppage. The water withdrawn is used mainly for industrial purposes, and is then purified and returned for the most part to the body of water from which it was taken. It should be noted, as in the prior year, that BEG's process water does not count towards the calculation of the total as it comes from consumption already considered in CDG. It partly derives from the CDG sewage treatment plant and partly from the ENEL sub bypass.

Neodecortech's effectiveness in minimizing water consumption is affected by the nature of its production activities: the introduction of new products and the testing of different materials imply an increase in consumption at same production levels.

In order to tackle this problem, the Group is committed, quality requirements permitting, to reusing as much water as possible in several production cycles, both in the pulp preparation and in certain washing activities. In 2024, there was a slight increase of 1.92% in total water withdrawal versus the prior year for a volume of 1,643 ML in 2024 (1,612 ML in 2023).

⁹ To evaluate its impact in sensitive areas concerning water withdrawals in water-stressed areas, the Neodecortech Group uses the Aqueduct Tool developed by the World Resources Institute to identify areas potentially at risk. Available at <https://www.wri.org/our-work/project/aqueduct>.

		2024		2023		2022	
Source of withdrawal	UoM	Water-stressed areas	All areas	Water-stressed areas	All areas	Water-stressed areas	All areas
Surface water (total) ¹⁰	MI	1,554.1	1,554.1	1,595.6	1,595.6	1,495.0	1,495.0
Ground water (total)	MI	–	12.22	–	10.63	–	13.02
Sea water (total)	MI	–	–	–	–	–	–
Process water (total)	MI	–	–	–	–	–	–
Third-party water (total)	MI	4.86	8.79	3.50	5.90	2.39	6.04
Third-party water by source of withdrawal (total)	MI	4.86	3.93	3.50	5.90	2.39	6.04
Surface water	MI	–	–	–	–	–	–
Ground water	MI	–	–	–	–	–	–
Sea water (total)	MI	–	–	–	–	–	–
Process water	MI	68.01	–	–	–	–	–
Total water withdrawal	MI	1,626.95	1,643.1	1,599.1	1,612.1	1,497.0	1,514.0

In first half 2025, following a series of tests conducted in 2024 and with the further implementation of a second ozone destroyer, the new Ozone Water Treatment Plant is scheduled to be fully operational at the Cartiere di Guarcino plant.

The plant will improve the quality of the water returned to the river Cosa by significantly reducing the concentration of critical parameters such as surfactants and COD in the discharge, thanks to an advanced oxidation process (AOP). Additionally, the enhanced quality of the treated water will allow for greater reuse in the production process, in line with the provisions of Cartiere's BAT 48. This will reduce the use of fresh water, which, at the same production volumes, is estimated to decrease by approximately 28%.

Water pollution and biodiversity

Water pollution - caused by industrial discharges in rivers, lakes and seas – is an extremely relevant issue also in light of other environmental aspects, as for example biodiversity and ecosystem preservation. In May 2021, the Group adopted a biodiversity policy to contribute to the goals of the United Nations Convention on Biological Diversity (CBD-1992), the National Biodiversity Strategy (September 2011), and the associated Aichi Biodiversity Targets.

By engaging with the local communities and analyzing the impacts of activities and investments, the Group is committed to ensuring the survival of animal and plant species with genetic diversity and natural ecosystems. Additionally, the Group has no facilities in the vicinity of protected areas or areas with high biodiversity value.

The proximity to surface watercourses (Dordo stream for Neodecortech S.p.A., River Cosa for CDG and BEG) is, in fact, a key aspect the Group pays close attention to in order to avoid water pollution incidents that may cause environmental damage and risks to people. To this end, the Group has implemented increasingly advanced tools over the years, such as wastewater filtering systems, tanks, detectors and alerts to avoid the potential pollution of watercourses and groundwater.

Additionally, the residues intercepted by the sedimentation system can be fed back into the production cycle as raw materials for less veneered papers, mainly backer papers. Almost all of the water used in the paper production process is returned to the river of origin without altering any of its chemical and physical characteristics. This was achieved through inspection and control interventions, with regular water discharges analysis.

Obviously, the Group Companies' actions on this issue are in compliance with regulations and use the best available technologies. Additionally, in first quarter 2023, the Filago site started to make changes to its production facilities, allowing it to change its water supply by diverting water use for industrial purposes using groundwater, while drinking water consumption remained unchanged for civilian purposes.

A new wastewater treatment plant was also installed at Filago, and went into operation in 2023, allowing wastewater to be reused in other production processes, significantly reducing its water discharge emissions by -80%.

3.7 Waste generation and management

The Group is well aware of the impact that proper waste management can have internally, in terms of production process efficiency, and externally, in the form of environmental impact. For this reason, the issue is handled with the utmost attention, monitoring the production process waste and carefully evaluating and selecting the waste transport and disposal firms.

As proof of this commitment, the Management Models of the Companies include procedures that govern the management of the issue (classification of service providers, classification and management of waste, ADR waste transport, etc.). The waste generated by the Group is 97% non-hazardous (5,977 tonnes, down 22.5% versus the prior year) and only 3% hazardous (174 tonnes, down 39.3% versus the prior year), including solvents, lacquers, and similar materials. These are carefully managed in accordance with the relevant legal provisions. Most of the waste generated by the Group is recoverable and only a small part is sent for destruction/incineration. The recoverable part of waste consists mainly of mixed packaging that is then delivered to authorized disposers, while waste intended for destruction consists of synthetic chemicals that are used in production processes.

Percentage composition of Neodecortech Group's waste



In 2023 BEG, started a virtuous path towards a circular economy of a NON-hazardous and sustainable waste that has fed the biogas and biomethane production chain since 2022.

Additionally, all waste generated is carefully sorted in order to separate recyclable/recoverable materials from those meant for disposal. In order to increase employee awareness on this topic, a target linked to the percentage of waste recovered out of the total waste generated was also included among the parameters of the company's performance bonus at all of the production sites.

Waste-to-energy of production waste from the Casoli di Atri production site

A cogeneration project through the waste-to-energy of production waste at the Casoli di Atri production site is currently being assessed by the relevant bodies, with the creation of a new company NDT energy S.r.l. for the main purpose of installing a biomass boiler powered by production waste in order to achieve almost total self-sufficiency for thermal consumption. The project, currently in the authorization phase, envisages the use of 100% of the powder and laminate waste as fuel for the biomass boiler: this initiative would lead to significant energy saving, thanks to the replacement of the current methane gas boiler (which would remain in operation only for the ignition and shutdown of the plant - phases that use traditional fuel) and economic saving, due to the reduction of the disposal of powder and laminate, currently treated as waste.

4. Human capital

- 4.1 Staff recruitment policy
- 4.2 Diversity, equal opportunity and welfare
- 4.3 Employees
- 4.4 Training and skills
- 4.5 Remuneration policies
- 4.6 Workplace health and safety

4.1 Staff recruitment policy

The Neodecortech Group considers human resources a vital asset: the skills and experience of its people are key factors that set the company apart and play a crucial role in enhancing its competitive edge, particularly in the international market in which it operates.

4.2 Diversity, equal opportunity and welfare

Neodecortech's commitment to the development of a workplace based on equity and the protection of diversity was made formal in the context of a dedicated Diversity and Inclusion Policy, published in 2021. This policy is in line with the principles enshrined in the Code of Ethics, as well as with the United Nations Universal Declaration of Human Rights. Neodecortech's diversity initiatives are applicable to, by way of example, but not limited to, practices and policies related to recruitment and selection; pay and benefits; professional development and training; career advancements; transfers; dismissals and terminations of employment relationships.

The composition of Neodecortech's human resources reveals a predominance of male workers, a trend typical of manufacturing companies in the sector. This trend is influenced by the nature of manufacturing activities, which still involve a substantial amount of manual labour and tasks that require specific physical strength. While technological advancements and automation are gradually reducing the reliance on these factors, the representation of women in production areas remains limited. The company recognizes this dynamic and is committed to fostering a more inclusive and accessible work environment, promoting skill development irrespective of gender, and adopting strategies to increase workforce diversity.

Although there is a clear male dominance in the production department (with approximately 91% of the Group's blue collars in 2024 being men), this disparity is significantly reduced among white collars, where 66% of the white collars in 2024 are men.

Number and percentage of employees by professional category and gender at 31 December

	2024			2023			2022		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Executives	9	2	11	8	2	10	8	1	9
Managers	12	3	15	11	2	13	10	3	13
White collars	68	35	103	62	29	91	68	29	97
of whom technical employees	35	8	43	36	5	41	43	4	47
Blue collars	246	23	269	252	24	276	258	23	281
Total	335	63	398	333	57	390	344	56	400
Percentage	84%	16%	100%	85%	15%	100%	86%	14%	100%

Number and percentage of employees by professional category and age group at 31 December

	2024				2023				2022			
	< 30 years	30-50 years	> 50 years	Total	< 30 years	30-50 years	> 50 years	Total	< 30 years	30-50 years	> 50 years	Total
Executives	–	2	9	11	–	2	8	10	–	2	7	9
Managers	–	8	7	15	–	8	5	13	–	8	5	13
White collars	8	51	44	103	7	42	42	91	6	53	38	97
of whom technical employees	2	16	25	43	2	15	24	41	2	23	22	47
Blue collars	25	113	131	269	20	133	123	276	28	127	126	281
Total	33	174	191	398	27	185	178	390	34	190	176	400
Percentage	8%	44%	48%	100%	7%	47%	46%	100%	9%	48%	44%	100%

As envisaged in the Code of Ethics, the Group avoids any form of discrimination against its employees and associates, ensuring that everyone is treated fairly and equally, regardless of gender, age, nationality, religion, ethnicity, when recruiting staff or, subsequently, in their professional growth within Neodecortech. As proof of this, no incidents of discrimination have been recorded. Access to roles and assignments is established by taking account of the expertise and skills that the Group undertakes to promote.

In this spirit, Group companies facilitate the inclusion of disabled persons in their activities in accordance with the provisions of Law 68/99 as subsequently amended. There are 20 people belonging to legally-protected categories, including 4 white collars and 16 blue collars, while the number of people with disabilities is 7 blue collars in 2024.

In relation to the composition of its administrative and management bodies, the current composition of the Board of Directors is adequately diversified in terms of age, gender and educational and professional background, as shown in the in the next chapter on Governance.

Employee wellbeing

To enhance internal Employer Branding, the Group has implemented several strategies to boost employee satisfaction, involvement, and engagement. These include providing support for those needing assistance with tax or social security matters, even for personal and family-related concerns outside the strict work context, offering interest-free loans, and analyzing pension positions for retirement planning.

A regulation was also prepared for the granting of scholarships to employees and their children, running for the three-year period 2024/2026, to support students in their education and training, which saw the granting in 2024 of a total of 11 scholarships.

For several years now, employees have been able to receive free flu shots.

In addition to the above, both CDG and NDT, as companies belonging to the papermaking and converting industry, have put in place the provisions of the National Collective Labour Agreement, i.e. insurance coverage with the *Salute Sempre* fund for employees and FASI for Executives.

With regard to performance, the Group has defined, as a second-level economic treatment, a company performance bonus based on the achievement of pre-established targets, with different brackets depending on the improvement achieved for each target, and standardized for men and women covering the same role.

Additionally, with a view to continually improving results, the Group invites employees to suggest proposals for improvements in the management of work processes, paying them a small token of recognition if the proposal is implemented.

As part of the initiatives to enhance employee wellbeing, individual smart working agreements were introduced in September 2022 for the Filago and Casoli locations, allowing employees to work remotely one day per week for tasks that can be done off-site. Starting in 2023, employees working at the offices can benefit from a half-hour flexibility in their start time, with the adjustment to be made at the end of the day.

The goal is to improve both employees' *work-life balance* and the overall business climate, with the belief that maintaining a good work-life balance is essential for fostering a positive internal environment at a high standard.

Parental leave

Parental leave (maternity)	2024			2023			2022		
	Women	Men	Total	Women	Men	Total	Women	Men	Total
Employees who were entitled to parental leave	10	36	46	8	40	48			
Number of employees who took parental leave	2	2	4	1	1	2	1	1	2
Number of employees who returned to work during the reporting period after taking parental leave	1	2	3	1	1	2	1	1	2
Number of employees who returned to work after taking parental leave and who are still employed in the 12 months following return	0	0	0	1	1	2	-	-	-

4.3 Employees

At 31 December 2024, the Neodecortech Group's employees totaled 398 resources, 96% of whom hired on open-ended contracts. The presence of 6 fixed-term staff is related to the induction process of staff being stabilized. The fixed-term period does not exceed 12 months, allowing the Company to assess the employee's performance before offering an open-ended contract. The level of employment over the years has declined slightly. Versus the prior reporting period, in fact, the Group's population has increased by approximately 1% (in 2023 there were 390 employees).

Workforce by professional category and gender at 31 December

	2024			2023			2022		
Total employees	Men	Women	Total	Men	Women	Total	Men	Women	Total
Employees	335	63	398	333	57	390	344	56	400
Executives	9	2	11	8	2	10	8	1	9
Managers	12	3	15	11	2	13	10	3	13
White collars	68	35	103	62	29	91	68	29	97
of whom technical employees	35	8	43	36	5	41	43	4	47
Blue collars	246	23	269	252	24	276	258	23	281
External associates	15	2	17	21	1	22	19	-	19
Agency-supplied or other types of contracts	15	2	17	21	1	22	18	-	18
Contractor cooperative staff	-	-	-	-	-	-	1	-	1
Interns	-	-	-	-	-	-	-	-	-
Total workforce	350	65	415	354	58	412	363	56	419

Employees by type of contract and gender at 31 December

	2024			2023			2022		
Contract type ¹¹	Men	Women	Total	Men	Women	Total	Men	Women	Total
Open-ended	322	61	383	329	55	384	343	55	398
Fixed-term	13	2	15	4	2	6	1	1	2
Total	335	63	398	333	57	390	344	56	400

Employees by type of employment and gender at 31 December

	2024			2023			2022		
Type of employment	Men	Women	Total	Men	Women	Total	Men	Women	Total
Full-time	334	57	391	332	51	383	343	51	394
Part-time	1	6	7	1	6	7	1	5	6
Part time percentuale	0.3%	9.5%	1.8%	0.3%	11.8%	1.8%	0.3%	9.8%	1.5%
Total	335	63	398	333	57	390	344	56	400

In 2024, Cartiere di Guarcino made use of 17 external associates, whose activities are governed by specific contracts. These associates perform non-specialized tasks within the organization, start as temps and are later hired.

In managing employees, Group Companies adhere to current regulations and relevant collective bargaining agreements. Additionally, they abide by the guidelines outlined in their Code of Ethics, while also referencing internal rules and regulations concerning worker safety and health protection. At 31 December 2024, the percentage of employees covered by collective bargaining agreements was 100% of the contracts managed.

The Group has long established a constructive relationship and dialogue with trade-union representatives, keeping a balance between the needs of its human resources and corporate targets.

The Group has implemented a personnel selection, recruitment, and management procedure that clearly defines the induction process for resources, including onboarding, induction training, technical training, and career development.

Hire rate by gender and age group

Percentage	2024				2023				2022			
	< 30 years	30-50 years	> 50 years	Total	< 30 years	30-50 years	> 50 years	Total	< 30 years	30-50 years	> 50 years	Total
Men	4.5%	3.9%	2.4%	10.8%	0.6%	2.4%	0.0%	3.6%	1.5%	5.5%	0.6%	7.6%
Women	1.7%	6.7%	0%	8.4%	1.8%	3.5%	0.0%	5.3%	5.4%	5.4%	0.0%	10.7%
Total	6.2%	10.6%	2.4%	19.2%¹²	0.8%	2.6%	0.5%	3.9%	2.0%	5.5%	0.5%	8.0%

The evaluation of staff to be hired is carried out with due regard to equal opportunities of all the persons involved. In 2024, there were 41 hires, of whom 16% under the age of 30.

At Casoli, a production facility with a total of 42 employees, only one new hire was made in 2024. The decline in orders, which began in 2023 and continued into 2024, reduced work activity, leading to plant shutdowns during some weeks of the year, which were managed with CIGO. As a result, the replacement of the 4 terminations in 2024 was not required.

For Cartiere, 14 new hires were made in 2024, 11 of whom were stabilized as they were previously employed by the company under a different contract. BEG, however, had no new hires.

Turnover rate by gender and age groups (outgoing turnover)

Percentage	2024				2023				2022			
	< 30 years	30-50 years	> 50 years	Total	< 30 years	30-50 years	> 50 years	Total	< 30 years	30-50 years	> 50 years	Total
Men	2.4%	3.0%	3.6%	9.0%	0.9%	1.8%	4.2%	6.9%	2.9%	4.1%	2.3%	9.3%
Women	0%	0%	1.7%	1.7%	0.0%	0.0%	1.8%	3.5%	1.8%	0.0%	3.6%	10.7%
Total¹³	2.0%	2.8%	3.0%	8.1%	0.7%	1.8%	3.9%	6.4%	2.8%	4.3%	2.5%	9.5%

Senior managers hired from local communities

All senior managers within the Group are recruited from the local community, specifically from the regions where the individual plants are located. They hold positions characterized by managerial functions and are hired as executives (top managers).

¹² In 2024, the Filago location saw an increase in hiring versus 2023, with 26 new hires, up from 18 the prior year, including 12 employees under the age of 30. However, turnover remained stable, as the increase in recruitment was offset by a higher number of exits (24 in 2024 compared to 18 in 2023) due to the need to replace departing staff.

¹³ The total is given by the number of terminations (male and female) divided by the number of staff in force at 31/12, divided by age group.



Our people.

4.4 Training and skills

People's know-how is our greatest resource. Enhancing it involves skill development, growth in specific expertise, and a continuous increase in awareness and alignment with corporate values.

The Group strives to enhance the skills of its human resources through training programs and professional growth paths, encouraging their active involvement, as a means of developing the soft skills and professional competencies of its resources so that its employees operate safely, effectively and efficiently.

At Neodecortech, training activities are performed from a strategic and compliance perspective, in any case aimed at the constant improvement and growth of staff. They are divided into two macro areas:

Technical and professional training and refreshing of individuals and/or groups of employees

targets are set by the Company according to different training projects, with customized paths based on the employee's profile and task. They can vary in duration and complexity.

Prevention and safety

targets are established by regulations as well as according to Neodecortech characteristics and companies.

By their nature, all training activities are aimed to achieve the consolidation and implementation of professional knowledge to improve company performances. The Companies allocate the necessary resources to initiate external collaborations and consultancies, including the purchase or leasing of required equipment, and also involve internal functions for potential teaching activities.

In 2024, training activities for employees included the delivery of legally required training, which remained consistent with the prior year. Additionally, technical training courses were introduced to offer employees the opportunity to enhance their skills in relation to projects focused on reorganizing and implementing production and technological processes.

Group-specific training in Sustainability

As part of the sustainability training initiatives, on **31 May in Bergamo**, at the innovative **Kilometro Rosso** location, and on **14 June in Guarcino**, in the picturesque setting of the **San Luca Monastery**, two days of workshops were held for the first and second lines of Neodecortech Group companies.

Both events, introduced by the parent company CEO, were actively attended by the heads of the various corporate functions, who provided a comprehensive overview of the ESG strategy, current activities, and achievements.

The aim of these meetings was to initiate a process of sharing and ambassadorship, equipping participants with the tools and information needed to effectively communicate key corporate sustainability messages to their stakeholders. This initiative aims to make sustainability a true competitive edge for the Group.

These content-rich and thought-provoking days marked the first step in a structured training program that will include additional meetings and dissemination materials for the entire corporate population over the next year. Indeed, the evolution toward an increasingly sustainable business model impacts all business processes, shaping a structural change that becomes an integral part of the Group's DNA and the foundation for a solid and responsible future.



PATH-S, magazine disseminated during training days

Hours of training by professional category and gender

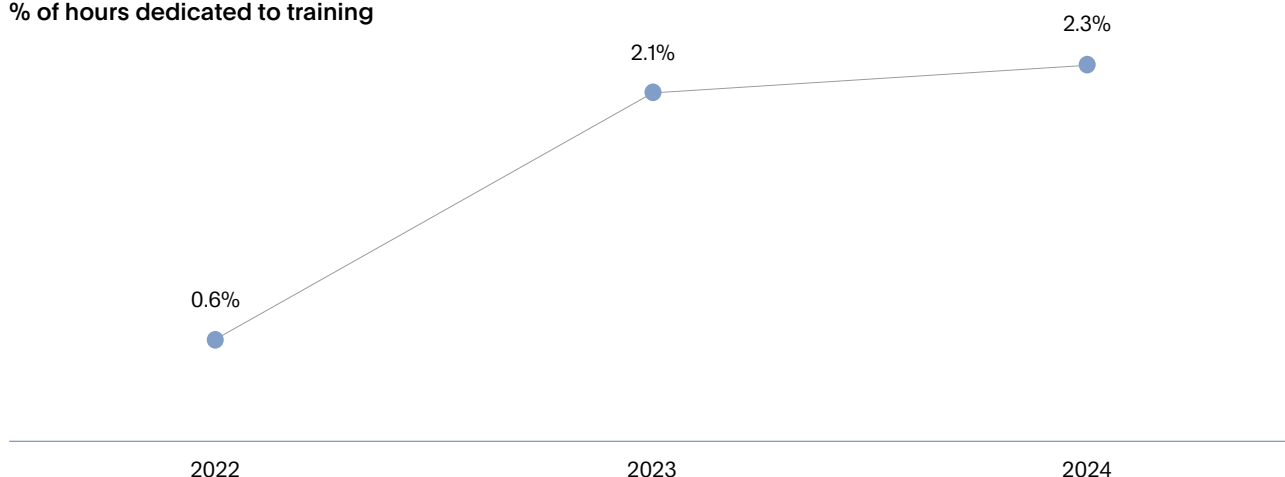
2024						
Professional category	Men	Average men	Women	Average women	Total	Total average
Executives	402	45	267	134	669	61
Managers	906	75	193	64	1,099	73
White collars	4,660	70	2,046	64	6,706	68
Blue collars	6,859	28	238	10	7,097	26
Total	12,827	38	2,744	46	15,571	40

Hours of training by professional category and gender

2023						
Professional category	Men	Average men	Women	Average women	Total	Total average
Executives	187	23	267	135	454	45
Managers	388	35	23	12	411	32
White collars	2,007	32	1,794	62	3,800	42
Blue collars	9,028	36	661	28	9,689	35
Total	11,609	35	2,745	48	14,354	37

Hours of training by professional category and gender

2022						
Professional category	Men	Average men	Women	Average women	Total	Total average
Executives	155	19	0	0	155	17
Managers	241	24	44	15	285	22
White collars	1,632	24	450	16	2,082	21
Blue collars	1,298	5	24	1	1,322	5
Total	3,326	10	518	9	3,844	10

% of hours dedicated to training

In 2024, Group Companies delivered 15,571 hours of training (14,354 in 2023). Hours of training in 2024 thus increased versus 2023. Whenever feasible, training is delivered online via a dedicated digital platform.

In 2024, the Filago location recorded 5,910 total hours of training, a strong increase from 3,513 hours in 2023. In 2024, the company prioritized intensive training for all personnel, with particular emphasis on operators in production departments (accounting for 70% of the total training hours).

Training is divided into two areas: safety-related training and technical training. Safety training includes planned refresher courses for staff, with a specific focus on supervisors, emergency teams, first aid responders, and forklift drivers. Short but effective training breaks were organized in departments to provide specific safety information to operational personnel.

Safety training accounted for 77% of the total, with courses on first aid, firefighting, and forklift use.

Technical training is a crucial pillar for business growth, confirmed by the significant increase in hours delivered in 2024 (4,600 hours versus 2,500 in 2023, up by 85%).

The main method for delivering technical training to new hires is through a tutoring program, which pairs the new resource with an experienced colleague. The mentor supports the new hire from their induction into the company through completion of the training process, with periodic evaluations of the skills and professionalism acquired. The mentor is actively involved in this process through an incentive plan that includes bonuses upon the successful completion of various training milestones by the junior resource under their guidance.

This path is part of the comprehensive training program for new hires and was introduced starting in 2020. The goal is to bring the junior resources to an advanced level more effectively and quickly. The training progress is documented with periodic reports, compiled by both the mentor and the Head of the Function, which highlight the skills acquired and levels reached, including feedback from key figures involved in the process. This training program for junior resources deployed in production departments typically spans over 2 years, concluding at the end of which the associate is equipped to effectively manage the plant and its assigned workforce with a high degree of autonomy. On-the-job training of newly-hired junior staff at staff units is scheduled in the same manner. Training initiatives are tracked by Neodecortech using dedicated software.

In 2024, the installation of a new, more complex impregnation plant and the implementation of the new corporate ERP system required intensive on-the-job training, which accounted for 70% of the technical training delivered in 2024.

As for the **Casoli** location, a total of 746 hours were delivered in 2024, which more than tripled versus the prior year (211 hours in 2023). Staff training for the creation of multipurpose figures in the various plants and the implementation of the new corporate ERP required engaging staff in on-the-job training, resulting in a significant increase in training hours versus 2023.

At the **Cartiere di Guarcino** location, the company delivered a total of 8,915 hours of training during the year, down from 10,630 hours in the prior year. The reduction was due to participation in a "tender for new skills" in 2023, which had led to more intensive training activities. This year, however, training continued to focus on key areas such as occupational health and safety, quality, environmental management, and the use of SAP systems. This commitment reflects a desire to enhance employee skills, improve business processes, and ensure compliance with current regulations.

The population targeted by the project involves cross-sectional professionals, to be supported in building new skills (ecological transition) and developing additional specialized skills (digital transformation), to streamline internal organizational processes, allowing resources to optimize their time efficiency and enhance the effectiveness of their work. The training project allowed the company's workforce to enhance the skills they already possessed in the areas of environment and sustainability, issues to which the Group has always been committed. The Group has achieved several industry certifications, including ISO 14001, FSC®, and PEFC, and aimed to provide all employees with an upgrade by taking advantage of the Anpal Tender.

The Group also focuses on the development of young resources working on the production lines and in other areas.

4.5 Remuneration policies

The Remuneration Plan launched in 2020 includes, in addition to performance objectives specific to each function, non-financial objectives aligned with the ESG strategy adopted by the individual Company and/or the Group.

The development of the Remuneration Policy is overseen by the Remuneration and Appointments Committee and, subsequently, the Board of Directors.

The remuneration policy specifies the proportion between the fixed component and the short-term, and for key management personnel only, the long-term variable component. In relation to the variable component, objectives are defined along with their % weight, as well as the manner of their achievement and payment. Both short-term and long-term objectives always include at least one ESG objective. The STI (short-term) incentive plan is defined annually, while the LTI (long-term) plan is set for the three-year period 2024-2026. In the latter case, the final assessment of the achievement of the relevant targets and their subsequent accrual will take place at the end of the last reporting year of the Plan (2026).

For more details, see the appropriate section on the website: <https://www.neodecortech.it/investors/corporate-governance/assemblee-azionisti/>

For Middle Managers, the remuneration policy is divided into a fixed pay component and an annual variable component (MBO). Variable pay generally involves two quantitative targets and one qualitative target (assessment from the department head in terms of their ability to teambuilding, involvement of their resources, leadership). Targets are set on an annual basis by March, with payment in April of the following year.

Where possible (i.e., technical managers), even the targets set for middle managers include ESG targets. As an alternative to target-based incentive plans (MBOs), some specific professionals are recipients of a three-year Retention plan.

At times, the presence of resources is also accompanied by a non-compete covenant, particularly in cases where the high level of professionalism required for the role is closely tied to the company's know-how, and where there is a limited number of competing companies that could exploit such situations.

The rest of the company's workforce (direct and/or operational staff) receives a fixed pay that aligns with the salary levels outlined in the papermaking collective bargaining agreement, taking into account the seniority accrued, their professionalism and other specific characteristics inferable from the mapping of skills (skills matrices). Additionally, a Results Bonus is provided as a second-level variable component.

The fixed pay of staff is defined at the recruitment stage taking account of the professional qualities of the resource, the context of origin, and the pay benchmark of company staff in the same level range. A career plan is simultaneously defined to outline the employee's growth, including assigned tasks, required training, and potential future pay increases.

The performance bonus is also granted to new hires, provided they have at least six months of seniority in the relevant year.

A Resource Assessment is conducted throughout the year to monitor and assess the development of staff skills, with the aim of supporting the company's management or organizational decisions. During these evaluation moments, the HR function involves department heads and considers potential level upgrades and/or other awards, taking into account their requests, the employees' growth path (skills matrices), agreed career plans, and any other relevant factors for analysis. Generally speaking, account is taken of the worker's professional specialization, any organizational role held and responsibilities/activities assigned, benefits granted and/or provided by the National Collective Labour Agreement, in line with the principle of implementing measures to promote equal treatment and opportunities within the company organization.

Starting 2022, the Group began reporting the ratio of the annual total pay of the person receiving the highest pay, i.e., the CEO, to the median annual total pay of all employees (excluding the above person).

Ratio of the annual total pay of the person receiving the highest pay to the median of the annual total pay of all employees (excluding the above person)

16,2¹⁴

Ratio of the percentage increase in the annual total pay of the person receiving the highest pay to the percentage increase in the median of the annual total pay of all employees (excluding the above person)

N.A.

14 The ratio was calculated by identifying the median pay paid to group employees in 2024 in relation to the compensation received in 2024 by the highest paid employee. The median pay was calculated by eliminating yearly terminations, re-proportioning the yearly hires to 13 months; for INPS leave, the pay was adjusted to a 12-month basis.

Ratio of basic salary and pay of women to men

Since 2023, the Group has started to report the female-to-male ratio respectively with regard to the base salary and the salary paid to the corporate population.¹⁵

Women/Men Basic Salary Ratio For Each Professional Category	2024	2023
Executives	0.70	0.70
Managers	0.91	0.90
White collars	0.83	0.82
Blue collars	0.97	0.98

Women/Men Pay Ratio For Each Professional Category	2024	2023
Executives	0.75	0.71
Managers	0.88	0.87
White collars	0.78	0.78
Blue collars	0.86 ¹⁶	0.95

The calculation of remuneration shown in the GRI was calculated, for each title, as the average of the annual remuneration received and includes the base salary, while also adding the following elements: shift surcharges, overtime, bonuses and one-time payments, proxies and fringe benefits, on-call, non-compete agreement, retention, MBO.

¹⁵ With regard to the Filago location, the calculation was made excluding an Executive (CEO) and an extremely limited number of male figures (8 white collars and managerial staff), who receive a higher average pay than their colleagues. These individuals are employees with substantial seniority (over 30 years) or possess highly specialized skills in their roles, making them hard to find in the market where we operate. This led the Company to grant them special contractual conditions.

¹⁶ The year 2024 saw a slight increase in the male-female pay differential compared to 2023 for blue collars. This change is largely due to an increase in the use of CIGO in 2024 versus 2023 by CDG (14 weeks in 2024 versus 7 weeks in 2023). During such shutdown periods, personnel directly engaged on production lines, including workers, stop working. In this case, the female blue collars do not serve, resulting in a pay cut. Other blue collars with high technical expertise (such as maintenance and logistics operators) continue to work during CIGO days for tidying up and maintenance activities. As a result, the pay reduction under CIGO affects the entire female blue collars and a significant portion of the male workforce.

Additionally:

- at end 2023, as a result of a female worker's request, the full-time relationship was changed to part-time with an effect on pay;

- at end 2024, a female worker was hired on a vocational apprenticeship contract with a reduced hourly pay compared to the standard pay provided for the department of affiliation.

Performance evaluation

Group Companies annually implement a performance evaluation process aimed at measuring each employee's contribution in relation to the organization's expected standards.

Starting in 2023, the Group began reporting by job category on the percentage of employees undergoing periodic evaluations. In 2024, the recorded rate shows a change from the prior year, although it remains at a significant percentage (nearly 50% of the workforce), with the goal of monitoring and enhancing individual performance.

Employees who have received a periodic performance evaluation	2024			2023		
	Women	Men	Total	Women	Men	Total
Executives	2	7	9	2	8	10
Managers	2	8	10	1	9	10
White collars	10	38	48	18	51	69
Blue collars	10	109	119	13	157	170
Total	24	162	186	34	225	269

	Women	Men	Total	Women	Men	Total
Executives	100%	78%	82%	100%	100%	100%
Managers	67%	67%	67%	50%	82%	77%
White collars	31%	57%	48%	62%	82%	76%
Blue collars	43%	44%	44%	54%	62%	62%
Total	40%	49%	47%	60%	68%	66%

4.6 Workplace health and safety

Neodecortech considers issues related to workers' health and safety of utmost importance, encouraging its employees to prioritize their own health and safety. To this end, the Group promotes compliance with company provisions and legal guidelines on workplace health and safety, as well as with the provisions of the relevant national collective labour agreements.

The Group has implemented a Workplace Health and Safety Management System in all Group plants that complies with UNI ISO 18001 since 2011 and then UNI ISO 45001 since 2020. This system certification refers not only to all employees and internal associates, but also to all those who, while considered as external staff, work within the Group's workplaces. Furthermore, the Group has put an Quality, Environment, Safety and Energy Policy in place, committing itself to eliminating, minimizing or monitoring risks to health and safety in the workplace, taking action in all areas and aspects, and investing adequate financial, human and technological resources. Specifically, the Group constantly invests in training, equipment, personal protective equipment, plants, machinery, handbooks, etc.

The Group Companies carry out regular analysis of their work activities, in order to identify the presence of any hazards in the workplace and related risks, using the findings to constantly improve the workplace health and safety management system. The Group prepares and regularly updates the risk assessment document (RAD) to include new risks or new potentially dangerous situations (near misses). In none of the Group Companies are employees exposed to high risks or to occupational diseases.

Workers have the opportunity to report hazardous situations at work during periodic meetings of special safety committees, attended by the RSPP (Health and Safety Officer), the RLS (Workers' Safety Representatives) and company Management. Each Group Company regularly elects RLSs, pursuant to Legislative Decree 81/2008, tasked with receiving and reporting all employee complaints, participating in risk assessment and taking part in regular meetings on issues relating to worker health and safety. It is always ensured that the individual worker can contact the Health and Safety Officer directly or refer to their supervisor in order to make their own reports either anonymously or by email through special forms, or by telephone and in-person interviews.

The Group also has a specific procedure for the management of internal and external communications, consultation and participation, which aims to ensure that the integrated management system has a correct and effective flow of information inside the company at the various levels of the organization and towards external stakeholders, as well as a correct management of the consultation and participation of workers.

Continued consultation and participation processes are ensured through:

The representation systems established pursuant to Legislative Decree 81/08, through the RLS persons	The meetings envisaged by Legislative Decree 81/08, Article 35
Safety Committee meetings regulated by internal procedures	The collection of opinions and reports through internal communication channels, concerning workers at all levels
The organization of regular meetings between the RSPP and the RLS where the plan of improvement actions, planned changes and updates of risk assessments are discussed	Extraordinary meetings between the functions involved in the event of incidents

Workers are invited and encouraged, by task and responsibility, to suggest proposals for implementation and improvement related to the areas of quality, environment and safety, through appropriate forms or other written communications to be forwarded to the Department Manager (DM).

The Group guarantees constant and regular health surveillance in the workplace by the Medical Officer. The Human Resources Department is responsible for the constant and correct flow of information, to department managers, for the transmission of "fitness for duty" issued by the Medical Officer. Deadline management in health surveillance in NDT is fully monitored through a digital HR management platform.

As mentioned, the attention to employee health and safety has led the Group to actively commit to these topics also through training courses: the knowledge and understanding of these topics are the first and most effective form of prevention against accidents. Knowledge and understanding of these topics are the first and most effective form of prevention against accidents.

Staff participate in annual health and safety training and refresher courses in compliance with current regulations. In addition to mandatory training, the Group offers in-house courses aimed at reducing identified risks, with targeted training for workers exposed to specific risks based on their tasks. In 2024, the training included general and specific courses for high-risk workers, fire and first aid training, and forklift operation courses. Safety training is, of course, also extended to all new hires. Additionally, a safety culture is promoted through weekly training breaks: short sessions of approximately 15 minutes, during which staff receive practical training on the risks associated with daily operations.

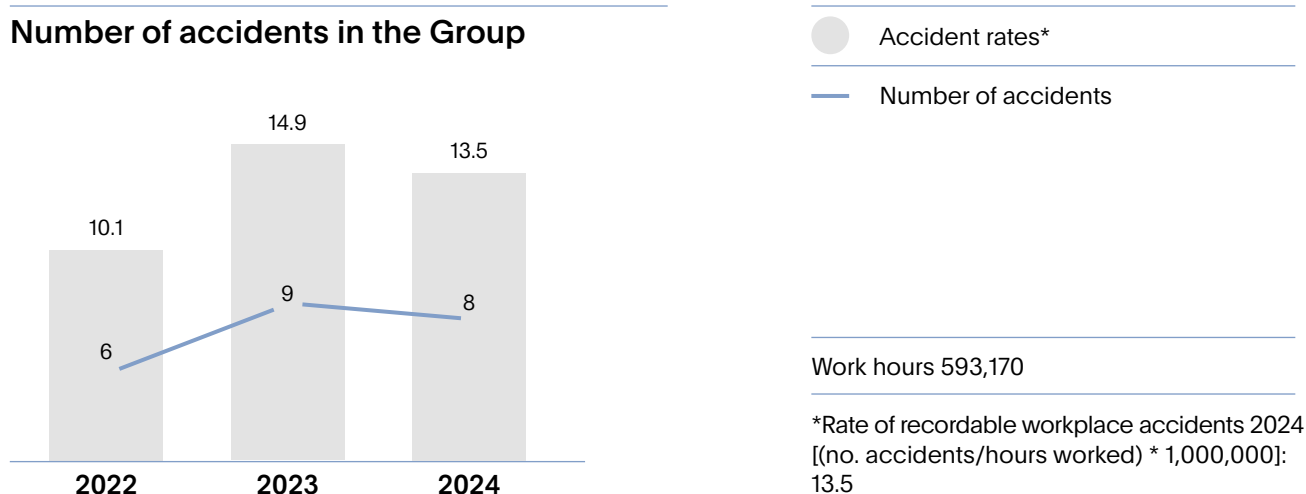
Number and rate of employee accidents in 2024

With regard to external workers, no accidents occurred at Group level during the year.

Regarding in-house workers, **8 workplace accidents** were recorded in 2024 (9 in 2023), with an improved **accident rate of 1.35 (1.49 in 2023)**. All accidents recorded in 2024 had an initial expected recovery time of less than 30 days. For each accident, a Safety Committee meeting was promptly convened, during which the causes of the accident were analyzed, and appropriate corrective and preventive actions were determined. No serious accidents were reported.

Lastly, in compliance with the annual asbestos disposal plan, it should be noted that, unless further renewed, a number of asbestos-containing artefacts are scheduled for removal by December 2024 at the Filago location and in buildings not used for production activities or the storage of raw materials or finished products.

Number of accidents in the Group



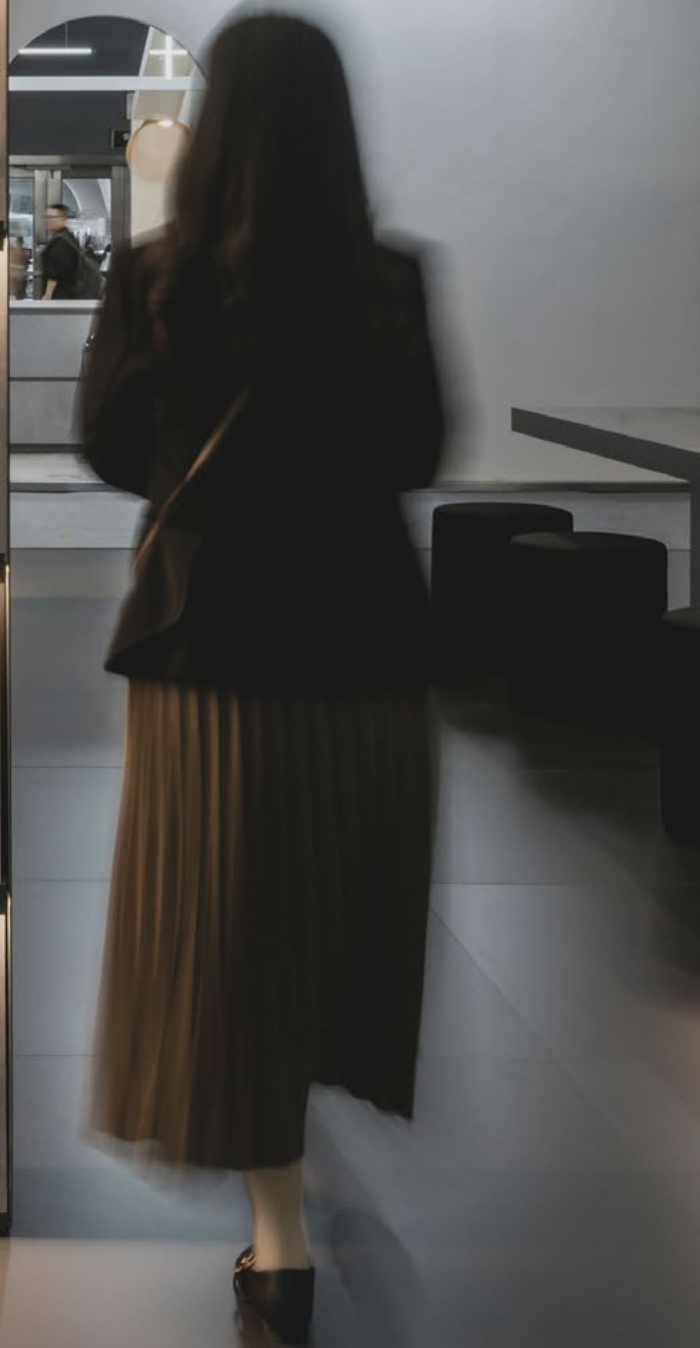
Pluto

Rovere Bala

Material

5. Relational capital

- 5.1 Customer relations
- 5.2 Customer priorities
- 5.3 Product quality, safety and reliability
- 5.4 Sustainable marketing
- 5.5 Product labeling
- 5.6 Suppliers: supply chain management
- 5.7 Relations with the local area



5.1 Customer relations

The Group's clients include prominent domestic and international groups, primarily engaged in the production of panels, flooring, or furniture components within the furnishing industry. The business relationship between the Group and its customers is characterized by a continuity in supply relations, typically lasting for long periods. Loyalty is a central element in customer management and serves as one of the main pillars of the Group's business model. Indeed, the Group aims to present itself to its customers as a partner rather than just a supplier. Therefore, customer satisfaction stands as a central component in the value creation process and the Group's success. This is achieved through the consolidation of long-term relationships with customers, tailoring products to their specific needs, and ultimately distinguishing the Group's offerings from those of competitors.

Customers and potential customers are actively engaged in the company's processes through direct contacts, during which sales personnel elucidate the advantages of the company's offerings. More specifically, the most significant customers (class A and B, accounting for 95% of sales) receive an annual satisfaction questionnaire. This questionnaire analyzes various aspects of the offerings, including:

The ability to understand customer needs	Value for money of our products
Response times	Quality and purposefulness of our solutions
Completeness and clarity of feedback	Effectiveness in handling complaints
Punctuality of deliveries	Completeness of documentation provided
Ability to respond to emergencies	Importance to the client of ESG topics

Specific codified company procedures and policies are adopted for handling complaints. Specifically, complaint handling is governed by procedure PG-09_13 (Noncompliance Management and Control) and any compliance complaints are instead handled through the dedicated email address compliance@neodecortech.it.

Lastly, in an indirect manner, the Group pursues customer satisfaction through all the activities aimed at improving performance, including by obtaining specific certifications (see paragraph 2.2 Certifications) and implementing management tools (Code of Ethics, Organizational Model pursuant to Legislative Decree 231/2001, whistleblowing-compliant reporting system under Legislative Decree 24/2023, Integrated Quality, Environment, Safety and Energy Policy).

To enhance customer loyalty, the Group also creates bespoke printing decors, offering tailor-made solutions to target increasingly high-end customer segments. Normally, the company does not enter into framework supply contracts with its customers but instead proceeds through individual purchase orders.

The area of customer relations identifies two steps:

First Step: the terms and conditions of sale are defined, specifically (i) the price list applied; (ii) the length of time the goods are in stock; (iii) the method of returning the goods; (iv) the type of packaging; (v) the method and deferment of payment; and (vi) the period of validity of the terms and conditions of sale;

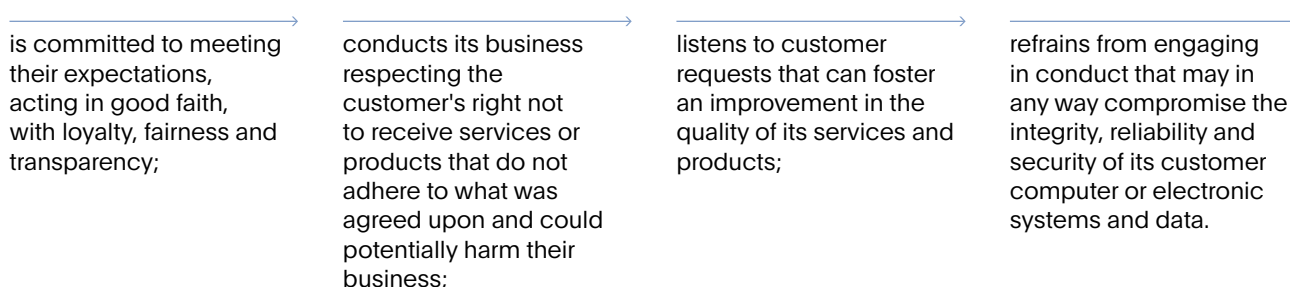
Second Step: an annual target is (eventually) set. Turnover or volume targets to be achieved by December 31 of the current year are determined (by February of the reporting year). Once this target is reached, an additional discount is applied to supplies compared to the previously defined prices.

It should be noted that the contractual forms used by the Group do not include customer purchase commitments.

5.2 Customer priorities

The ability to meet customer needs and anticipate their expectations is pivotal in Neodecortech's development and is crucial for maintaining and securing trust in the relationship. The Group has embarked on a plan to improve all corporate structures in order to pay greater attention to customer needs, develop innovation and strive for excellence in its products as a response to customer needs.

Based on these assumptions, the Group in customer relations:



5.3 Product quality, safety and reliability

Neodecortech positions itself in the market as a reliable and proactive partner for high-end decorative surfaces. Such positioning requires care and control of quality aspects that exceed industry standards. The internal TQS (Technical Quality Service) works closely with the sales department to ensure that requirements are consistently maintained.

All incoming raw materials, such as cellulose, titanium dioxide, paper, plastic films, resins, and inks are subject to controls to ensure compliance with the specifications required for their use. These controls are conducted in accordance with international ISO standards relevant to their respective industries and are carried out using specially certified instruments that undergo annual adjustment.

Neodecortech has set a goal to monitor the trend of nonconformities quarterly to assess the effectiveness of corrective actions and reduce the number of nonconformities for the current year. This demonstrates a tangible commitment to ongoing improvement and customer satisfaction. Through data analysis, the main causes of noncompliance are identified, highlighting a proactive approach to problem solving (continuous improvement).

The Group also pays special attention to the safety of the end consumer of its products, adopting specific certifications, ensuring that legal requirements are complied with and making constant updates with regard to any new regulations. Specifically, the Group closely monitors the enforcement of regulations related to formaldehyde emission from panels. This is of particular importance for one of the most crucial product families for the group's business: papers impregnated with urea-melamine resins, falling under category E1 classification. This classification legitimizes the use of the panels, as the concentration of formaldehyde released into the environment is below the limit set by the World Health Organization.

There were no cases in the reporting period of non-compliance with the relevant legislation on marketing communications or consumer health and safety.

5.4 Sustainable marketing

The Group's sales department hinges on a direct sales model through its area managers, nineteen agents (11 from NDT and 7 from CDG, including two joint agents). Foreign sales activities are carried out mainly by internal area managers, together with sales agents in a number of areas requiring a direct presence on site (Belgium, Turkey, Iran, India, North America).

Neodecortech's marketing and communication activities comprise direct communication initiatives to the market and its stakeholders, including participation in trade shows, issuing releases through social channels (LinkedIn), newsletters, and regularly updating its website.

Marketing and communication activities are aimed at further increasing brand and product recognition in domestic and international markets.

Participation in trade fair events is the most effective way for the Neodecortech Group to meet its customers, potential customers, and domestic and international dealers, and to showcase the wide range of products and decors available in its collection.

Specifically, the Group participated in 2024 in:

Interzum Guangzhou, China, March 2024, annual fair held in Guangzhou. Neodecortech made its debut at the major industry event in China with the Confalonieri brand, showcased in numerous decors that generated significant interest.

Interzum Forum Italy, Bergamo (I), June 2024, first edition of the fair.

International Woodworking Fair (IWF), Atlanta (USA), August 2024, biennial fair. This is the most important international event for the woodworking industry in the United States.

SICAM, Pordenone (I), October 2024, the annual fair of semi-finished products and components of the Furniture Industry, whose importance has gradually increased over the years.

At the same time, the use of promotional materials such as catalogues, brochures, and interactive presentations aims to create an engaging atmosphere, promote the new decors in the collection, showcase the application of the decors in environments, and provide useful suggestions for their use, accompanied by relevant technical information.





Awards and recognitions

In 2024, Neodecortech was honoured with the Best Managed Companies Award, being recognized among the 67 top performers in the Italian manufacturing sector for its innovation, strategy, and business management.

This prestigious award, now in its seventh year, is sponsored by Deloitte Private, in collaboration with ELITE-Gruppo Euronext and Piccola Industria Confindustria, with methodological support from ALTIS Graduate School of Sustainable Management at Università Cattolica del Sacro Cuore. The award, received for the first time by the Group, is an important recognition of the company's stability and strategic vision. During the award ceremony on 9 October at Palazzo Mezzanotte in Milan, CEO Luigi Cologni highlighted how this recognition affirms Neodecortech's ability to identify market trends, innovate, and quickly adapt to new industry scenarios.

Excellence at Work Award 2024

In 2024, Neodecortech was once again honoured with Confindustria Bergamo's Excellence at Work Award, recognizing employees who stand out for their contributions to the company.

The Colour Kitchen team was honoured for its evolution into a state-of-the-art laboratory focused on colourimetry, colour theory, and the application of high-tech tools and software.

The award ceremony, held on 7 June at GRES ART 671 in Bergamo, saw the entire Colour Kitchen team receive collective recognition, emphasizing teamwork over individual awards. The company chose to celebrate the synergy and determination that define the team, which is capable of innovating and tackling professional challenges with a modern and dynamic approach.

Star of Labour Merit 2024

In 2024, a Neodecortech employee was honoured with the Star of Labour Merit, a prestigious award presented by the President of the Republic to workers who have excelled through skill, dedication, and contribution to the growth of their company.

The award ceremony took place on 1 May at the Giuseppe Verdi Conservatory in Milan, preceded by a meeting with Bergamo Prefect Giuseppe Forlenza on 29 April at Palazzo del Governo.

In congratulating the awardees, the Prefect emphasized that the Star of Labour Merit symbolizes essential values for the community, representing a vital contribution to the local economy and serving as an ethical role model for future generations.



Our acknowledgments.

5.5 Product labeling

FSC® and PEFC Certifications

One of the key raw materials for the manufacture of its products is pulp: it accounts for 24% of total raw material purchases. For this reason, 100% of the material used in paper production comes from properly controlled and managed forests or recycled material. To pursue this goal, the Group has implemented the FSC® Chain of Custody Policy, by which it is committed to implementing a multi-site chain of custody management system that ensures the traceability and proper management of this crucial raw material. PEFC certification performs a similar function.

The Group declares that it is not involved, through its procurement operations, in activities implying the illegal logging or trade of wood, which result in the violation of the rules established by the International Labour Organization (ILO) and which damage the environment in an irreversible way. Additionally, since the BEG cogeneration plant uses sustainable bioliquids according to the EU RED directive as acknowledged by Italy, new bioliquid suppliers must necessarily be certified according to one of the approved national or voluntary certification schemes.

There were no cases in the reporting period of non-compliance with the relevant legislation on labelling, customer and consumer health and safety.

The references for traceability of the materials used are shown on the freight and sales documents.

EUDR (European Deforestation-free Products Regulation)

Group companies are considering how to comply with Regulation (EU) 2023/1115, known as EUDR, published on 9 June 2023 in the Official Journal of the EU. This regulation introduces more stringent provisions than the previous EUTR (Reg. EU 995/2010), expanding the ban on the import and export of products associated with deforestation and forest degradation.

Initially scheduled for 2024, entry into force of the EUDR has been postponed to 30 December 2025. Until that date, EU Reg. 995/2010 (EUTR) will continue to apply.

5.6 Suppliers: supply chain management

Responsible management of the supply chain is particularly relevant in the case of Neodecortech, since the Group has established itself over time as an integrated supply chain: the selection of suppliers and the responsible management of potentially critical issues of each company are a key element that affects the performance of all Group companies.

Selection and evaluation of suppliers

The identification and selection of suppliers is carried out meticulously, balancing the different needs related to the supply of raw materials, technical assistance services on acquired machinery and materials, and disposal of production waste. While Neodecortech has been operating in this spirit for several years now, in 2021 this approach was further enhanced by adopting its Supplier **Code of Conduct**.

In 2024, this Code was administered to all Class A and B raw material suppliers (95% of raw material and packaging purchases). More specifically, Neodecortech is well aware that the selection of a supplier is a critical factor that greatly contributes to determining the quality of its product. Therefore, the Group Companies aim to establish with each supplier a relationship based on mutual cooperation, sharing quantitative and qualitative goals to constantly improve product quality, and the values and principles that inspire the Group.

The **purchase prices of raw materials** (mainly pulp, titanium dioxide, inks, urea and melamine resins, plastic films, and animal by-products) as well as their fluctuation, owing to the nature of the activities carried out, affect the Group's production costs to a great extent. For this reason, the Group constantly monitors the market prices of the raw materials it procures for its activities in order to promptly anticipate any significant price changes, generally having at least two suppliers that are able to supply the same quantity and quality of raw materials.

Furthermore, the specific nature of materials used in the production process (e.g. inks, pulp, titanium dioxide, etc.) implies the need to often look beyond national borders in order to identify the most suitable supplier. Nevertheless, **when possible, the Group Companies turn to local suppliers**, especially for maintenance activities, for transportation and for various types of services offered within the area, with 88% of total purchases in these categories coming from local suppliers (local meaning suppliers based in Italy).

Responsible Supply Chain Management and Vendor Rating

For Neodecortech, each supplier's compliance with relevant laws and regulations is a prerequisite for initiating and maintaining sound business relationships based on trust, transparency, and mutual cooperation. Procurement processes for goods and services, managed by the appropriate corporate functions, are based on principles of fairness and integrity, ensuring a fair and responsible approach throughout the entire supply chain.

All of the Group's suppliers must ensure working conditions that comply with basic human rights, international conventions, and current regulations. Additionally, full compliance with laws protecting industrial and intellectual property, free competition, the market, and the prevention of illegal activities is required, as outlined in the Group's Code of Ethics. Through the signing of the General Terms and Conditions for the Purchase of Goods and Services, Neodecortech mandates that its suppliers and subcontractors adhere to the principles outlined in its Code of Ethics, Model 231, and the Supplier Code of Conduct. The Supplier Code of Conduct includes Neodecortech's right to verify compliance with ethical principles and to conduct compliance audits, including unannounced audits, at its suppliers. Suppliers are also required to respond transparently to periodic questionnaires and surveys.

In 2024, the questionnaire for evaluating new suppliers was confirmed, applied both at the onboarding stage and during periodic performance reviews. This tool includes parameters related to:

- the competitiveness of the products and services offered;
- the quality of the products and services offered;
- social and environmental sustainability criteria, such as ethical-environmental certifications and compliance with the principles of the Supplier Code of Conduct.

By assigning each of these topical areas, which are further broken down into sub-areas, the Vendor Rating is developed as a synthetic tool for monitoring and enhancing supplier performance, with an approach based on multiple criteria that combine operational efficiency, quality, and sustainability. The assessment methodology, which has evolved to include ESG (Environmental, Social, Governance) aspects, helps solidify a more responsible and excellence-oriented procurement model.

Starting in 2025, expanding the implementation of Vendor Rating to all relevant suppliers will allow the collection of structured data on their performance. Based on these assessments, a procurement policy will be defined to ensure increasingly high standards in terms of quality, innovation, and sustainability. This approach reinforces Neodecortech's commitment to promoting a transparent, competitive, and sustainable supply chain in line with corporate social responsibility principles and best governance practices.

Traceability of raw materials: the FSC® Chain of Custody

Regarding the traceability of pulp used in paper production, see Chapter 5, the FSC® and PEFC Chain of Custody.

Additionally, in 2021 the Group put in place a management procedure for the coding and traceability of EOS rPET, i.e. recycled, envisaging the assignment of NEODECORTECH company codes to PET products purchased and subsequently processed at the Filago production site. This system provides proof that the amount of recycled material used in the making of the finished product is at least 70%.

Type of suppliers

The Group's suppliers are classified as follows:

Class A	Suppliers accounting for approximately 80% of purchases;
Class B	Suppliers accounting for approximately 15% of purchases;
Class C	Suppliers accounting for 5% of purchases.

With all major suppliers, i.e. Class A and B suppliers, the Group has long-standing relationships. Therefore, whether purchases are made on an as-needed or forecast basis, there are collaborative arrangements in place, even if not always formalized through a contract.

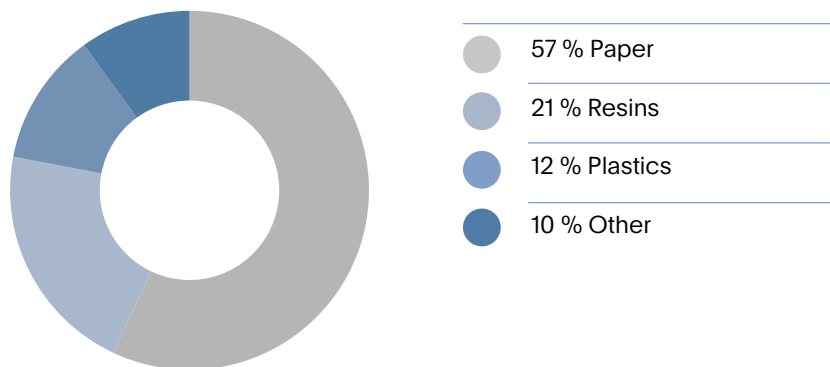
Percentage of spending on local suppliers

	2024	2023	2022
	Value	Value	Value
Local Spending	87,145,943	64,626,222	91,246,435
Total annual spending	148,795,633	126,769,968	153,939,721
Percentage of local spending	59%	51%	59%

During the reporting period, Group Companies spent a total of 59% of their total expenditure on purchases of goods and services by turning to local suppliers, i.e., located in Italy. This figure, up from 2023 (51%), demonstrates the ability to create value for the local area and the target community.

Neodecortech suppliers

With the purchase of materials acquired by Neodecortech S.p.A. set at 100, the breakdown is as follows:

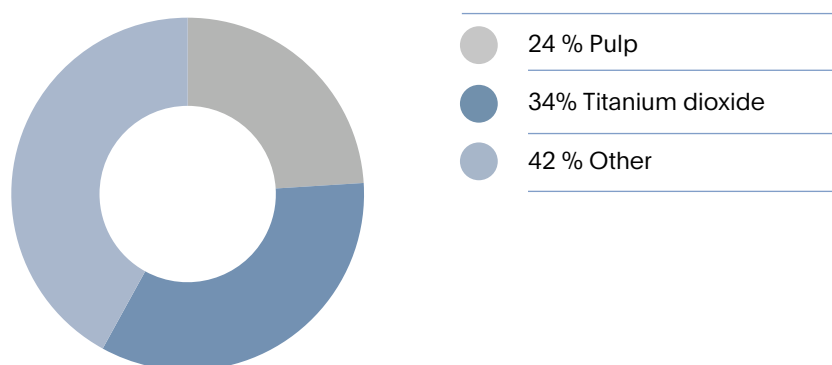


For several years now, all strategic suppliers have been monitored and assessed by means of a special check-list, which includes a series of requirements aimed at qualifying the supplier (e.g. product quality, certifications, timeliness of deliveries, reliability, etc.). There is a tacit agreement with these suppliers and a safety stock that allows them to cover any needs/peaks that transcend standard requirements. Suppliers added in 2024 mainly provide maintenance service and/or materials.

Cartiere di Guarcino suppliers

In 2024, CDG used 479 suppliers. 406 of these suppliers are local and account for 85% of suppliers and by value cover approximately 37% of purchases. Conversely, there are 73 foreign suppliers accounting for approximately 15% of suppliers, but in terms of value representing approximately 63% of spending. In order to comply with the FSC® chain of custody, all pulp suppliers must be FSC® certified.

CDG's supply chain aimed in 2024 at sourcing the following types of materials/services:



Pulp and titanium dioxide are the main raw materials in CDG's supply chain. Overall, they account for approximately 59% of CDG purchases, of which approximately 24% is pulp and 34% titanium dioxide. As far as pulp is concerned, the main suppliers are South American multinationals with trading offices in Europe. Pulp therefore comes mainly from South America. To a lesser but increasing extent, European suppliers are employed. Pulp volumes from Europe, Iberian Peninsula in particular, have grown since 2022. In 2024, the use of pulp of European origin rose to 10% of local supply spending.

The **pulp purchased is FSC®/PEFC** certified, a certification to which CDG adheres.

CDG also meets the requirements mandated by the **Timber Regulation** (for non-EU pulp).

As far as titanium dioxide is concerned, purchases mainly regard two types of product both specific for use in the production of decorative paper: chloride-based **titanium dioxide** and sulphate-based titanium dioxide.

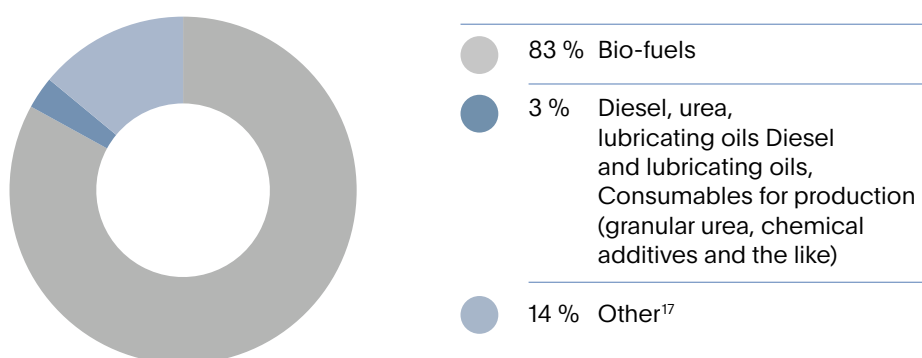
Suppliers of **chloride-based titanium dioxide** are mainly Western multinationals with plants located in Europe. The purchase of **sulphate-based titanium dioxide** instead takes place mainly in China, the world's main producer.

Pulp is used for the production of **Backer paper**, used in the production of flooring.

Bio Energia Guarcino suppliers

In 2024, BEG used the services of **147 suppliers** based mainly in the country. There are 2 foreign suppliers, the main being the **supplier of palm oil** worth approximately € 14 million, which accounts for almost all in value.

BEG's supply chain aims at sourcing the following types of materials/services:



The company operates in the field of power generation from renewable sources.

The company's target market is Italy. Approximately 1/3 of the energy produced is sold to Cartiere di Guarcino and 2/3 to the grid through a wholesaler, which in 2024 was AXPO Italia. The heat produced from thermal waste represented by steam and hot water is fully transferred to Cartiere di Guarcino.

Operating at full power, BEG is able to meet 100% of CDG's electricity needs through its renewable energy production and approximately 1/3 of the paper mill's steam needs.

The power plant operated by BEG, being powered by renewable sources, is incentivized through the GRIN system managed by the GSE, which disburses monthly incentives based on the production carried out and annual incentives based on the fuel used (sustainable bioliquids from the national supply chain). In this case, the disbursement is made only after an inspection and confirmation report from the Ministry of Agriculture about the actual use of sustainable bioliquids from the Italian supply chain.

Following the gas emergency caused by the Russia-Ukraine war, the government introduced a maximization scheme to secure power generation from sources other than gas. This mechanism was introduced in September 2022 with an expiration date of 31 March 2023, and then extended from 15 May 2023 to 30 September 2023. Subsequently, to ensure the continued operation of power plants fuelled by sustainable bioliquids, a new transitional scheme based on the Guaranteed Minimum Prices system was introduced in December 2023. This system, through the reinstatement of revenue, enables power plants to operate economically. This transitional system will remain in place until the introduction of a capacity market participation scheme dedicated to sustainable bioliquid-fuelled generation facilities, and in any case, until 31 December 2025. The GSE is the implementing party for the guaranteed minimum prices system.

¹⁷ Mechanical/electrical spare parts and consumables (Technical Spare Parts), provision of specialized maintenance and/or technical support services (including long-term technical support agreements), provision of ancillary services (waste disposal, professional services, transportation services), other types of purchases (IT, stationery, hardware, software, etc.).

5.7 Relations with the local area

Neodecortech considers it essential to maintain a constant and constructive dialogue with the communities and local areas in which the Group Companies operate. Over the years, it has strived to be a reliable, innovative, collaborative, and transparent enterprise. The correct and timely management of regulatory aspects related to the Group's activities, combined with the directives adopted over time, has enabled the establishment of a fruitful dialogue with institutions, associations (particularly the local branches of Confindustria), and relevant authorities. In 2024, the Group Companies received inspections by the relevant authorities related to legal compliance, finding no "non-compliance".

Local-based training

As mentioned above, beyond the opportunities for dialogue arising from compliance requirements, Neodecortech is firmly committed to establishing a relationship with the local communities in which it operates, promoting tangible training paths and opportunities for professional growth. In line with such principle, the Group Companies have been offering internships for over twenty years now, for both high-school and university students. Specifically, the Group, in order to share its experience as a manufacturing entity, is in contact with local schools, particularly in the fields of computer science, mechanics, electronics, and mechatronics. Throughout the year, the Group's technical managers engage with local schools to attract candidates for internships in various production departments, maintenance, and offices (IT, Administration, Italy and Foreign Sales Office, and the graphics department of decor creation).

In 2024, Neodecortech further strengthened its commitment to the development of young talent through close cooperation with technical and vocational colleges in the area. The goal is to foster a strong connection between school and the job world.

To this end, we implemented a dual apprenticeship pathway, welcoming a second-year ITS mechatronics student who had previously interned at our company. This initiative represents a successful model of on-the-job training, enabling young people to acquire advanced technical skills and gradually enter the job world with valuable experience.

We also participated in the Betty Ambiveri Institute's Open Days, an event aimed at families and students who are choosing their high school pathway. Our presence highlighted the growing connection between businesses and schools, emphasizing the importance of informed guidance that helps students make targeted choices aligned with labour market needs.

Confirming our focus on youth job placement, we participated in Career Days organized by several technical colleges in the area. These events offered valuable opportunities for fifth-year students to go through mock job interviews and engage directly with businesses.

These initiatives are part of our commitment to supporting the growth of younger generations, helping reduce the mismatch between the supply of skills and labour demand, and promoting a sustainable development model based on training and job inclusion.

In 2024, Neodecortech welcomed 9 students for internships at the Filago location, including 1 in Chemistry, 7 in Mechatronics, and 1 in graphic design.

At the Cartiere location, two students previously hosted for extracurricular internships were hired in 2024: one in the chemical field focusing on waste disposal, and one in the administrative field with a focus on human resources.

6. Infrastructure capital

6.1 Production process

6.2 Manufacturing plants

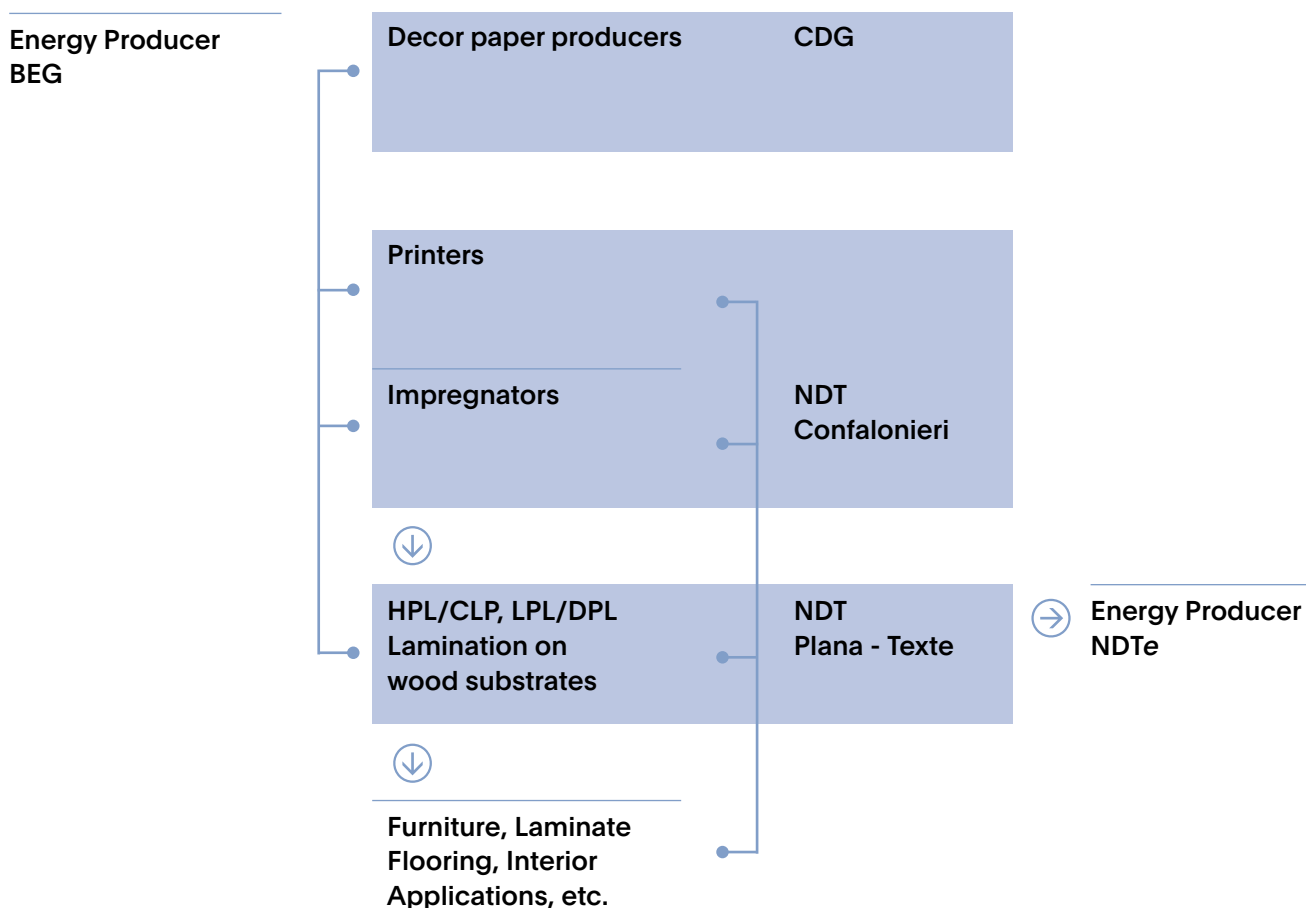
6.3 Innovation and digitization

6.4 Research, development and patents

6.1 Production process

The Group's operations are based on an integrated business model where various stages of product development, production, quality control, and finished product assembly are fully integrated. This integration maximizes resources and enables the Group to capitalize on various market opportunities.

The Group's value chain is briefly shown in the image below.



Paper production cycle

The Group's papermaking activities follow the following guidelines:

- the production of decorative base paper (CDG);
- the production of printed decorative paper (NDT);
- impregnation (NDT);
- lamination (NDT).

Thermoplastic film production cycle

The Group's thermoplastic film production follows the following guidelines:

- purchase from the outside of the thermoplastic film on which to print;
- production of printed thermoplastic film (PPF);
- possible lamination (PPLF);
- subsequent lacquering and embossing.

Or, in the case of unprinted rPET films:

- purchase from the outside of the thermoplastic film to be lacquered;
- possible priming;
- lacquering and protective filming.

Design and concept of the decorations

Integrated into both of the described flows is the activity of designing and developing decorative surfaces, which serves as the core function of Neodecortech's in-house laboratory. This facility, known as the "Lab", is responsible for creating the decors. This activity is conducted continuously by a team of industrial designers who are dedicated to interpreting emerging trends in the industry. They achieve this through interaction with clients and by conducting analysis and research activities in both domestic and international markets.

The result is original renditions and innovative designs that Neodecortech offers to its clients. Typically, the process of creating the decor begins with a sample of the original material, which is then scanned and refined using computer software (cleaning, retouching, contrasts, uniformity). Subsequently, multiple digital printing trials are conducted until the decor meets the stringent quality standards set by the company for all its products.

Paper production

CDG's production cycle entails operating the two paper machines at 80% of their theoretical production capacity. There is a tendency for specialization between the two plants, although both production lines are fully interchangeable.

The continuous cycle machine is the central stage where the actual processing of the product takes place. This is achieved through a series of consecutive processes that transform the initial liquid mixture into finished paper.

The pulp we use is FSC® and PEFC certified, sourced from eucalyptus and coniferous trees. The pigments consist of iron oxides.

Engraving of cylinders

In the case of a decoration to be printed, the files are processed, a phase that requires approximately a month of manpower. Next, the photoengraving of the cylinders takes place, which is outsourced to third-party partners necessary for production. Engraving is performed using Neodecortech's proprietary files.

The printing stage

The printing stage is crucial for the creation of decorative surfaces, whether on paper or plastics. This is achieved using previously engraved cylinders and is carried out by highly specialized machinery. During this stage, specific water-based inks are applied to the surface to achieve the desired decor or unicolour design. Production capacity is managed to promptly respond to customer needs, minimizing waste and optimizing production time. The quality of the end product is ensured through strict control during the printing process, involving highly skilled operators.

The impregnation stage

For paper-based decorative surfaces, the impregnation stage involves the use of unicolour or printed paper in stock. The level of these stocks is set according to the individual customer's consumption forecast. Paper impregnation too is conducted only to order, within weekly orders. Therefore, again, both decorative paper and impregnated decorative paper can always be traced back to a specific customer. Specifically, there is no stock policy for the impregnated paper produced, as the product is directly packed and shipped to the customer. For this activity, 4 industrial impregnating machines, operating at an average of 80% of their theoretical production capacity, are utilized, alongside 1 laboratory impregnating machine. In general, it is considered a lower value-added activity and is highly exposed to price competition, despite being a highly technical process.

The lamination stage

The product is made by laminating decorative paper with various backing layers to achieve the desired thickness. Substrates are impregnated with melamine and/or urea resins to meet the desired technical specifications. The production site has 3 laminating machines dedicated to production and 1 laminating machine dedicated to sampling.

Plastic films

In the case of plastic films, whether printed or unprinted, the finishing process resembles that of impregnated paper. At the customer's request, it can be laminated with another transparent plastic film, followed by lacquering and embossing, or it can be directly lacquered. There is no stock policy for this type of material too since, generally, the entire production is immediately shipped to the customer.

6.2 Manufacturing plants

The group's manufacturing operations are distributed across 4 plants.

Neodecortech

Filago plant (BG)

The Filago plant was established in 1974 (since its founding in 1947, previously located in the neighbouring town of Madone) and specializes in printing, paper impregnation, and the lacquering and embossing of plastic products.

Site activities are executed using dedicated technological machinery for each processing stage, as outlined below.

Machines for the printing stage

- 4 industrial paper printing presses
- 1 industrial plastic polymer printing machine
- 3 printing presses for sampling (experimentation, customer service and product development)
- 4 labo digital printing presses

Sample printing presses boast advanced technology, enabling the production of customized finished products tailored to specific customer requirements. This process generates prototypes that validate all the characteristics of the industrial product, eliminating the need to wait for final production.

This technology additionally permits adjustment of the prototype's features in case they fail to meet the customer's satisfaction before proceeding to production, resulting in significant savings in raw materials, energy, and time.

Impregnation

- 3 melamine machines up to 2700 mm wide, plus 1 for sampling
- 1 finish foil/melamine machine, width 2270 mm (machine for the production of finish foil)

Lacquering and embossing of plastic products

- 1 lacquering machine and 1 embossing machine

 **39,177 m²**
surface



175
employees



Activities
printing and
impregnation

Casoli di Atri plant (TE)

The Casoli di Atri (TE) plant became part of the Group in 2018, specializing in laminating unicolour or printed paper-based papers.

Site activities are facilitated by 3 CPL industrial machines, allowing for the production of continuous laminates with widths of up to 1420 mm.

 **6,200 m²**
surface



42
employees



Activities
paper-based
lamination

Cartiere di Guarcino

Guarcino plant (FR)

The Cartiere di Guarcino S.p.A. plant, based in Guarcino (FR), was established in 1991 and specializes in the production of decorative papers that subsequently undergo other stages of processing: printing or directly impregnation with thermosetting resins and hot pressing.

The plant provides 3 categories of products (for high-and low-pressure lamination and for flooring): base paper, unicolour paper, and backer paper (underlay and kraft). It operates 2 paper machines capable of producing these products with widths up to 2800 mm.



25,000 m²
covered area



173
employees



Activities
production of
decorative papers

Bio Energia di Guarcino

Guarcino plant (FR)

The Bio Energia Guarcino S.r.l. plant, located in Guarcino (FR), owns the cogeneration facility operational since May 2010. This facility enables self-production of electric and thermal energy, fulfilling all the electricity requirements and 30% of the thermal demands of Cartiere di Guarcino.

BEG generates electricity using a sustainable bioliquid-fuelled generation plant comprising three endothermic generators, collectively capable of producing 20 MWe. Additionally, in cogeneration, it yields a thermal production capacity of 9 tonnes of steam and 2 MWt of hot water per hour of production.

The 3 engines have a production capacity of 9 tonnes of steam and 20 MWh of electricity.



8,612 m²
surface



4
employees



Activities
Cogeneration and
production plant
of electrical and
thermal energy



9 tonnes steam
and
20 Mw per hour

NDT energy

Casoli di Atri (TE) location

The Casoli location is equipped with a cogeneration plant designed to incinerate process waste and fulfill nearly all the thermal requirements of the neighbouring Neodecortech "laminates" division, TEXTE. However, it is currently awaiting operational authorization.

6.3 6.3 Innovation and digitization

The Neodecortech Group develops highly innovative, customized and top quality products through its creative centre (Lab) and technical offices of the R&D department.

Neodecortech's creative projects focus on interpreting major market trends and selecting those considered most relevant.

Among them, the most important is the "Data Analysis for Production Efficiency" project and the implementation of the new ERP across the entire Group.

1. DATA ANALYSIS PROJECT FOR PRODUCTION EFFICIENCY

This project aims to optimize the impregnation process of decorative paper using data collected from machinery. Through advanced big data analytics and artificial intelligence technologies, the company can identify inefficiencies, reduce production waste, and optimize energy consumption, making production more efficient and sustainable.

The need to extract value from machine-generated data has driven Neodecortech to adopt advanced technologies to improve product quality and operational efficiency. Neodecortech collects and analyzes vast amounts of data from production machinery using integrated information gathering systems and process monitoring devices. The project reduces greenhouse gas emissions and air pollution by optimizing production processes, which require less energy and resources. Optimizing raw material and energy consumption reduces waste and improves waste management. Staff will be trained in the use of new technologies, increasing technical skills and improving career prospects.

Neodecortech measures the sustainability impacts of the project through KPIs, such as the reduction in energy consumption and CO₂ equivalent emissions. The primary goal of the project is to optimize production efficiency and reduce waste, with a positive impact on environmental sustainability. Major challenges include the complexity of the production process, cultural resistance to innovation, and the need for in-depth training for staff. Despite these difficulties, the project provides valuable insights for future technological implementations.

2. ERP PROJECT: DATABASE INNOVATION

The year 2024 saw the start of the migration process to the new ERP: SAP, an advanced management system that will enhance and streamline all business processes, involving both offices and production departments. This innovation will ensure greater integration between different business functions, streamline data management, simplify daily operations, and improve the traceability and accuracy of information. Adopting SAP will also reduce inefficiencies, speed up workflows, and support a more structured and sustainable growth of the company.

3. EU HORIZON PROJECT "PUSH 2 HEAT"

In 2021, Cartiere di Guarcino successfully participated in a call for **EU Horizon "Push 2 Heat"**. This initiative aims to implement high-temperature heat pumps on an industrial scale, with the objective of sustainably producing steam for industrial purposes. This initiative perfectly aligns with CDG's mission to significantly reduce carbon emissions in Scopes 1 and 2. It achieves this by leveraging additional heat from the nearby Bio Energia Guarcino cogeneration plant. Cartiere di Guarcino collaborated with other European companies to establish a consortium committed to implementing a heat pump and absorption exchanger. Using low-temperature thermal waste (hot water at 90°C) from the bioliquid-fuelled cogeneration plant, the consortium aims to reduce methane gas use by approximately 30% (equivalent to 2800 KWh) and concurrently decrease CO₂ emissions from fossil fuels by approximately 20% (equivalent to 3000 tonnes of CO₂ avoided).

The project aims to achieve certification of its results by 2026.

6.4 Research and development

For Neodecortech, quality means offering consistency, originality and technical perfection of its designs. Quality and customer satisfaction are closely intertwined, driven by both the continual development of new designs in collaboration with customers and research and development efforts focused on creating genuinely innovative products.

Since 2010, NDT's creative R&D creative has turned into the Neodecortech Lab, a technical and stylistic research laboratory dedicated to meeting customer needs and anticipating trends, reproducing woodgrains, marbles, metals, textures inspired by fabrics and abstracts, decors inspired by natural materials or simply envisioned. The creation of a new decor can be sparked by the wishes of a customer or by internal creativeness and the inspiration can come from any material or simply from an idea.

Neodecortech Lab works side by side with the sampling department: its digital printers and gravure machines provide meticulous sampling and matching to the sample, offering customers the highest reproduction quality plus fast work time.

The pivotal role of innovation in the Group's strategy is underscored in the new 2024-2026 Business Plan. This plan emphasizes the continuation of investments consistent with the previous three-year period. Specifically, investments will be dedicated to introducing new products and processes, enhancing productivity, and solidifying production and management capabilities.

7. Economic and financial capital

7.1 Performance of operations

7.2 Economic performance

7.3 Economic value generated and distributed

7.1 Performance of operations

Regarding credit risk, no critical issues were reported, and it remains well-contained.

The Group continued to analyze the main financial and operational risks to which it is exposed, taking into account the prevailing geopolitical landscape within which it operates. In light of the analyses conducted and based on available evidence, no critical issues and uncertainties were found regarding the Group's business continuity.

With regard to the CONSOB notice of 7 March 2022, aimed at compliance with the restrictive measures adopted by the EU in response to the Russian military aggression in Ukraine, it should be noted that the Company is complying with all the measures introduced by the European Union. Additionally, from an IT point of view, the Company has adopted stringent business continuity plans, guaranteeing the full operation of back-ups, including offline solutions, to protect company systems and data from possible cyber-attacks, which could intensify as a result of the Russian-Ukrainian conflict.

With regard to the further Warning Notice subsequently issued by CONSOB on 19 May 2022 related to the potential effects of the conflict in Ukraine on the business, operating and financial position and future prospects, it should be noted that the outbreak of the Russian-Ukrainian conflict has certainly affected the continued price increases of electricity and gas and the price of raw materials used.

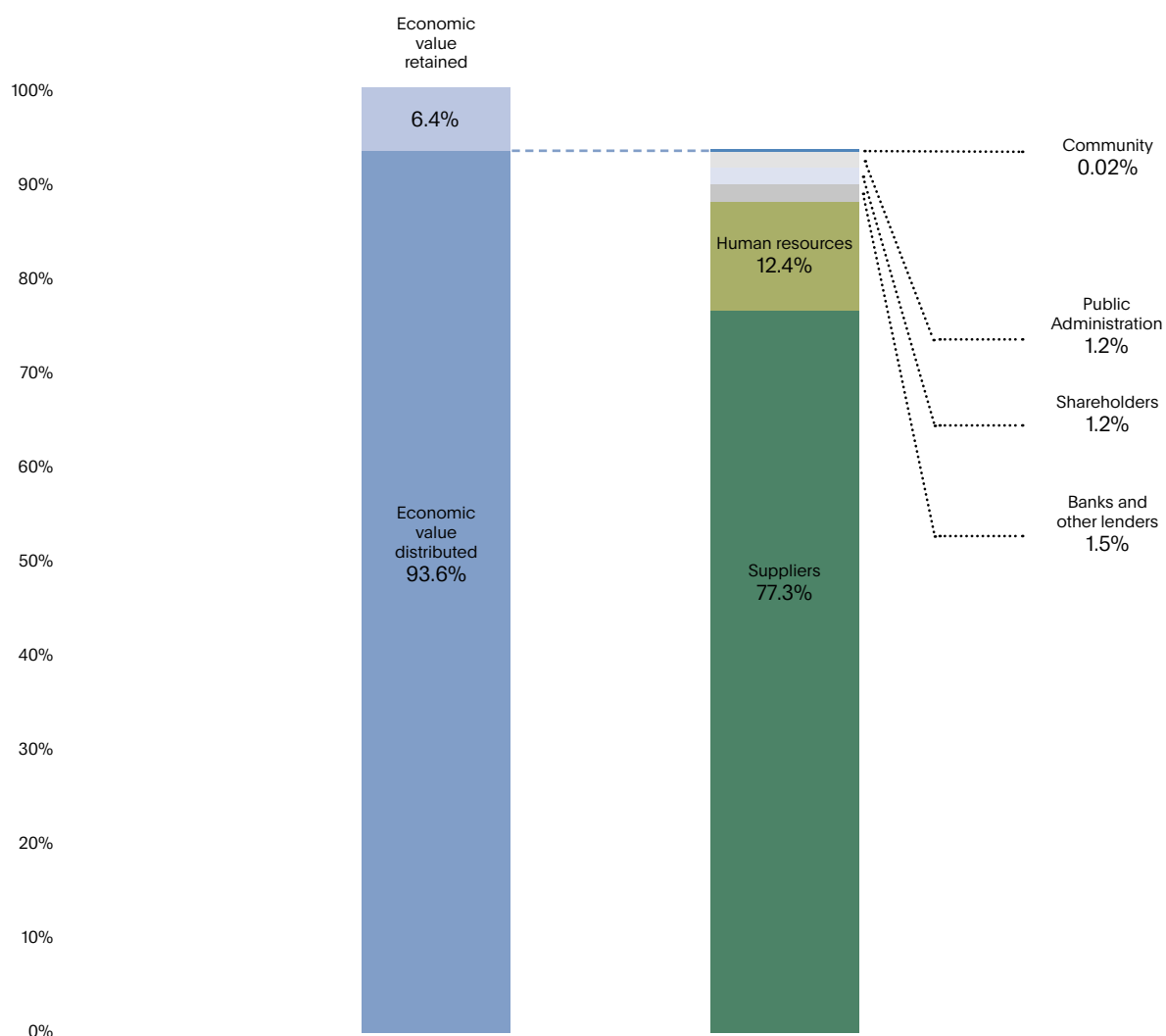
7.2 Economic performance

In 2024, total consolidated revenue amounted to € 168.6 million, up by 4.3% versus 31 December 2023. Consolidated EBITDA stood at € 16.6 million (9.9% of sales), up from € 13.9 million (8.6% of sales) in the prior year. Net profit for the year was € 4.0 million versus € 2.8 million at 31 December of the prior year. For a comprehensive overview of the Group's results and financial position, refer to the 2024 Annual Report.

Creating and distributing value for its stakeholders is an ongoing commitment of the Neodecortech Group.

The reclassification of the income statement, shown in the table below, highlights the determination and breakdown of the economic value directly generated and distributed by the entire Group. The economic value generated represents the overall wealth created by the Group and subsequently distributed among the various stakeholders. Conversely, the undistributed portion of economic value represents the retained amount designated to sustain future production operations.

7.3 Economic value generated and distributed



	2024	%	2023	%	2022	%
Economic value generated	171,977	100.0%	172,005	100.0%	212,059	100.0%
Economic value distributed	160,983	93.6%	159,908	93.0%	195,734	92.3%
Reclassified operating costs	132,963	77.3%	136,382	79.3%	170,043	80.2%
Of which raw material suppliers	107,227	62.3%	105,759	61.5%	136,540	64.4%
Of which other providers (services)	25,735	15.0%	30,623	17.8%	33,503	15.8%
Payments to personnel	21,327	12.4%	20,983	12.2%	20,996	9.9%
Payments to lenders	2,522	1.5%	2,101	1.2%	954	0.4%
Payments to shareholders ¹⁸	2,132	1.2%	-	-	2,000	0.9%
Payments to the Public Administration	2,006	1.2%	391	0.2%	1,683	0.8%
Payments to the Community	34	0.0%	51	0.0%	58	0.0%
Economic value retained	10,994	6.4%	12,097	7.0%	16,325	7.7%

The economic value directly generated by the Neodecortech Group in 2024 is € 172 million, in line with 2023. Most of this value is reclassified operating costs (raw materials, energy sources, purchase of services) accounting for 77.3%, followed by payments to personnel (12.4%). Payments to lenders amounted to € 2.5 million (1.2%) and to shareholders € 2.1 million (1.2%). Payments to the Public Administration (1.2%) are made up of tax payments. The Group contributed to social and economic development through donations and sponsorships in support of charitable and cultural associations, amounting to approximately € 34 thousand (0.02%).

Capital expenditure

The Neodecortech Group invests in projects aimed at technological innovation in both products and processes, with a commitment to sustainable development over the long term.

In 2024, Neodecortech made several investments in Industry 4.0 and 5.0, including:

Impregnation plant

Revamping work on printing press - Currently underway

Additionally, the following technology investment was made not included under Industry 4.0:

New ERP system entered into operation on 1 January 2025

At Cartiere di Guarcino, the following expenditure in Industry 4.0 related to paper machine 2 was made in 2024 to increase the quality, productivity and efficiency of the machine:

Revamping of the flat Table for optimization of structure and sheet stability

Revamping of the press section for technological advancement of the Moisture Profile

Tax approach

In line with the Group's principles and values, laid down by the Code of Ethics and the Organizational Model, the tax approach and compliance are inspired by transparency and legality.

The Chief Financial Officer (CFO) heading the Administration, Finance and Control Department and aided by external consultants, defines tax strategy and planning policies in order to comply with national and international tax regulations and take advantage of the opportunities granted by national tax authorities (tax credits, patent box, etc.).

The CFO also defines tax risk governance with support from Compliance & Risk Management, thereby minimizing the risks of non-compliance with current tax regulations and avoiding incurring administrative and criminal sanctions, as well as reputational risks. Employees or third parties with knowledge of the facts may report unethical or illegal conduct in tax matters, either directly to the CFO or through the whistleblowing system adopted by the Company.

The Group guarantees transparency and correctness in its dealings with the tax and customs authorities. Specifically, the company engages with the above authorities to obtain tax benefits (patent box), for VAT refund claims and for excise duties and statements of consumption. In managing these dealings, the Group guarantees the utmost transparency and availability in its dealings with the relevant authorities. The CFO is the contact person at Neodecortech to collect tax-related requests from third parties.

The tax part is also closely connected to the sustainable development of the Group. For example, monitoring all tax opportunities in terms of tax breaks and tax credits granted by the Italian government to support 4.0 investments that improve production processes and reduce environmental impacts.

8. Governance

8.1 Responsible business management

8.2 Sustainable governance

8.3 Code of Ethics

8.4 Management systems

8.5 Risk management

8.6 Engagement in external initiatives and membership

8.7 Cybersecurity and Data Protection

8.8 Regulatory compliance

8.1 Responsible business management

The core principles that inspire all Group Companies, as outlined in the Group Code of Ethics, include **integrity, fairness, transparency, attention to people, reliability, expertise, continuous research and improvement, efficiency, cost-effectiveness, respect for the environment, quality, timeliness, creativity, and originality.**

Neodecortech places the utmost importance on respecting human dignity in all its forms, safeguarding the health and physical and moral integrity of workers, maintaining fairness in business relations with suppliers and customers, and ensuring transparency in its dealings with the Public Administration and supervisory bodies.

Aligned with the values in the Code of Ethics and consistent with its policy guidelines, it considers legality and fairness in business to be vital for developing and maintaining strong, lasting relationships with stakeholders, based on mutual respect and trust. These principles are key to Neodecortech's long-term value, reliability, and transparency. The reputation that Neodecortech can proudly boast, starting from the Group Companies' area of operation, is the result of its steadfast integrity from an operational and management perspective.

Furthermore, as the Group operates internationally, it adopts a strict approach to compliance issues, proactively managing risks and ensuring the presence of adequate control systems to minimize the chances of unforeseen events affecting its future development and reputation.

8.2 Sustainable governance

Adherence to the Corporate Governance Code of Borsa Italiana

Neodecortech S.p.A. adopts a functional, streamlined, and flexible organizational model that fosters communication between different corporate functions, enhancing the effectiveness and efficiency of production processes.

Since December 2020, Neodecortech S.p.A. has adhered to the new Corporate Governance Code of Borsa Italiana, applicable to all companies with shares listed on the MTA managed by Borsa Italiana S.p.A..

The new Code establishes criteria that the Group must comply with, including: the role and composition of the Board of Directors (BoD), the presence of independent directors, the management of confidential information, procedures for the appointment of directors and remuneration criteria, rules of operation and disclosure for the Board, and the creation of internal board committees (Control, Risk and Sustainability Committee, Related Party Committee, Remuneration and Appointments Committee).

The number of members of the Board of Directors, the definition and submission of lists of candidates, the timing of the submission of such lists and the appointment process are governed by Article 20 of the Company's Bylaws.

The role of the Company's Investor Relator is entrusted to the Chief Executive Officer, who, due to the powers delegated to him by the Board and his expertise, is the sole responsible for receiving requests for dialogue. These requests, whether from shareholders and/or investors or initiated by the Company, are handled by the CEO in a unified manner and in continuous coordination with the Chairman of the Board of Directors. When appropriate, the Chief Financial Officer is involved in matters within his specific area of responsibility.

The opportunities for dialogue primarily focus on both financial and non-financial performance, the risk management system, the share capital structure, ESG (Environmental, Social, and Corporate Governance) issues, and, to the extent that the requests are deemed agreeable, the Group's strategy.

More generally, the Company has long established an active, transparent, and open dialogue with its stakeholders, both internal(e.g., Group employees) and external(e.g., customers, suppliers, government agencies, banking and other financing institutions, trade organizations, insurance companies) through multiple communication channels, including one-on-one meetings, and participation in events.

Board of Directors

The Company is governed by a Board of Directors whose members are appointed by the Shareholders' Meeting.

The directors are vested with the broadest powers for the ordinary and extraordinary management of the Company without any limits, with the power therefore to perform all acts they deem most appropriate for the implementation and achievement of the corporate object, excluding only those which the law and the Bylaws reserve for the Shareholders' Meeting.

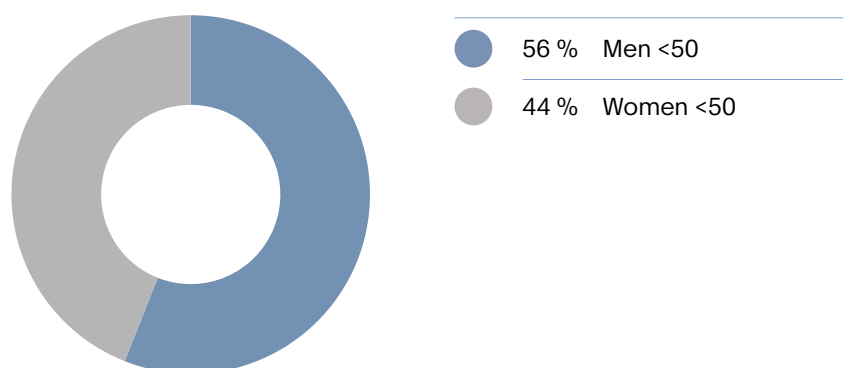
The current 9 members of the Board of Directors were appointed on 27 April 2022 and will serve until the approval of the 2024 Annual Report.

The following is a breakdown of Board members by gender and age group at 31 December 2024.

Board of Directors

Luca Peli	Chairman
Luigi Cologni	Chief Executive Officer
Massimo Giorgilli	Managing Director (CDG CEO and BEG CEO)
Gianluca Valentini	Non-Executive Director
Vittoria Giustiniani	Non-Executive Director
Ida Altimare	Independent Non-Executive Director
Cinzia Morelli	Independent Non-Executive Director
Sara Bertolini	Independent Non-Executive Director
Adriano Bianchi	Independent Non-Executive Director

Board of Directors - Diversity (gender - age groups)



As already mentioned, the Board of Directors has set up internal Committees that assist the Board in the respective remits as envisaged by the Corporate Governance Code suggested by Borsa Italiana.

Remuneration and Appointments Committee

The Remuneration and Appointments Committee submits proposals and provides advice to the Board of Directors on the policies of remuneration of directors and key management personnel. The members of the Committee will remain in office until expiry of the term of office of the Board of Directors.

The Committee includes two independent members, including the Chairman of the Committee, and a non-independent member. With regard to the professional requirements of the members of the Remuneration and Appointments Committee provided for in the Code, all members have knowledge and experience in the field of pay policies, which is deemed adequate by the Board of Directors at the time of appointment.

In 2024, 3 meetings of the Remuneration and Appointments Committee were held.

Control, Risk and Sustainability Committee

The Control, Risk and Sustainability Committee is tasked with assisting the assessments and decisions of the Board of Directors regarding the internal control and risk management system, as well as those regarding the approval of periodical financial reports.

It also submits proposals and provides advice to the Board of Directors on sustainability issues, meaning the processes, initiatives and activities aimed at overseeing the Group's commitment to sustainable development along the value chain.

The Control, Risk and Sustainability Committee includes 2 independent members, including the Chairman of the Committee, and a non-independent member.

The members of the Control, Risk and Sustainability Committee will remain in office until expiry of the term of office of the Board of Directors. On 28 April 2022, the Board of Directors determined that it would be beneficial to combine the Control and Risk Committee and the Sustainability Committee into a unified committee, given that, in a company of Neodecortech's size, this would enhance organizational efficiency.

This choice, moreover, appears consistent with the perspective of gradual integration of processes and objectives related to the environmental, social and governance sphere into the Company's current risk prevention, control and management structure, in accordance with both the most recent indications contained in the Corporate Governance Code and with market best practices.

In 2024, 5 meetings of the Control, Risk and Sustainability Committee were held.

Related Party Committee

The Related Party Committee submits proposals and provides advice to the Board of Directors on Related Party Transactions, therefore with potential parties in conflict of interest, in accordance with the provisions of the procedure governing Related Party Transactions, adopted in implementation of the provisions of Article 2391-bis of the Italian Civil Code and the RPT Regulation.

The Committee is appointed by the Board of Directors and consists of three members, all non-executive directors, the majority of whom are Independent Directors. The members of the Related Party Committee will remain in office until expiry of the term of office of the Board of Directors.

5 meetings of the Related Party Committee were held in 2024.

8.3 Code of Ethics

As mentioned earlier, the guiding principle of the company's business model, which is characterized by a holistic and practical approach that is attentive to the legitimate expectations of all stakeholders, is based on the Code of Ethics. It is the source of the corporate culture that embodies the commitments and ethical responsibilities of the Neodecortech Group in the conduct of business and corporate activities and defines the set of values and principles, as well as the lines of conduct, which must be adopted by the Company's directors, by all persons bound by working relationships with the Company and, more generally, by all those who work for the Company, regardless of the relationship that binds them to it.

Neodecortech adopted its Code of Ethics in 2009.

Neodecortech's Code of Ethics is aligned with the 17 Sustainable Development Goals (SDGs) of the UN 2030 Agenda, reaffirming the company's commitment, focus, and daily contribution to achieving the common goals of sustainable development, in light of today's complex economic, environmental, and social challenges. The Code also incorporates the provisions of the recent whistleblowing legislation, with its effects in terms of ethical and cultural change in the attitudes of various stakeholders. Specifically, the values on which the Group Code is based are:



These values form the basis for ensuring that our behaviour meets the high standards of ethics and integrity that we seek to ensure in all our activities, whether internal or external to the Group Companies.

Organizational Model under Legislative Decree 231/2001

Neodecortech and each Group Company has also adopted its own Organizational Model pursuant to Legislative Decree 231/2001 (hereinafter also "Model 231").

The first adoption of Model 231 dates back to 2010 and is tangible proof of Neodecortech's will to set its Governance according to the most advanced compliance standards. Transcending the specific purposes set out by Legislative Decree no. 231/2001, an Organizational Model of this kind encourages greater awareness on the part of human resources of their areas of action, also through the constant updating and adaptation of the controls put in place in order to prevent the commission of crimes.

In 2023, the Board of Directors, due partly to the entry into force of the new regulations introduced by Legislative Decree 24/2023, transposed Directive (EU) 2019/1937 of the European Parliament and of the Council of October 23, 2019 (so-called Whistleblowing Directive) into Italian law with the related need, as mentioned, to update the Group's code of ethics.

With regard to the internal reporting system (whistleblowing), it should be noted that, for the entire year 2024, no reports were received either through the dedicated platform or through other prescribed channels. This figure reflects the organization's ongoing commitment to maintaining a work environment that is transparent, compliant with current regulations, and focused on preventing unethical or irregular behaviour.

Nevertheless, regarding the corruption topic, the Group Companies' Codes of Ethics stress the need for every activity in their name and on their behalf to be carried out responsibly, legitimately and consistently with their targets and rules of conduct.

Relations with Public Administration fall solely within the remit of deputized functions, which are called upon to observe the principles of independence, impartiality, transparency and fairness reflected in the Organizational Models. In line with the above principles, corruption and bribery is strictly prohibited in the Companies' Codes of Conduct, both towards Public Administration representatives and private parties. Lastly, all Group staff participated in specialized training dedicated to Model 231 and the Code of Ethics, and also received detailed information regarding the company's policies on whistleblowing, in accordance with EU Directive 2019/1937. This training included specific insights into anti-corruption issues and the responsible handling of reports, further reinforcing the company's culture of compliance and integrity.

Pursuant to Legislative Decree 231/2001, each Group company has also set up a Supervisory Board tasked with supervising the operation, effectiveness and observance of the Model, as well as ensuring that it is constantly and promptly updated.

Over the reporting period, the Group did not receive any remarks about non-compliance with laws or regulations related to environmental or local community topics, nor any proven cases of corruption or anti-competitive behaviour.

Supervisory Board

In accordance with the provisions of Legislative Decree 231/2001, the Group Companies have also set up the Supervisory Board, which is tasked with supervising the adequacy and effective implementation of Model 231, and the Code of Ethics, seeing to any necessary updates. In accordance with the provisions of Legislative Decree 231/2001, the Supervisory Board carries out its functions in full autonomy, operating without any constraints of dependence on other company functions, on Top Management and on the Board of Directors. The Supervisory Board acts on the basis of the purposes assigned to it by law and steers its operations towards the pursuit of such purposes. This board was, pursuant to Neodecortech's Model 231, appointed on 5 March 2023 and will remain in office until the approval of the Company's draft financial statements at 31 December 2025. It is made up as follows:

Ettore Raspadori
(Chairman, external member)

Federica Menichetti
(External member also serving on
the Board of Statutory Auditors)

Laura Bellezza
(Internal member)

Si precisa che l'Avv. Menichetti è altresì Sindaco effettivo della Capogruppo e la sua nomina a membro dell'Organismo di Vigilanza è stata ritenuta opportuna al fine di assicurare il coordinamento tra i diversi soggetti coinvolti nel sistema di controllo interno e di gestione dei rischi in conformità alle Raccomandazioni del Codice di Corporate Governance.

L'Organismo di Vigilanza mantiene costanti rapporti con il Consiglio di amministrazione ed il Collegio Sindacale informandoli periodicamente in merito all'attuazione del Modello, alla necessità di interventi di modifica o aggiornamento dello stesso, nonché alle risultanze delle attività di verifica attuate e, tempestivamente, in merito alle violazioni accertate.

Independent Auditors

The Independent Auditors in charge of the statutory audit of the Issuer's accounts are BDO Italia S.p.A., with registered office in Viale Abruzzi 94, Milan. The Nine-Year assignment covers the statutory audit of the financial statements and the consolidated financial statements (including the ascertainment that the accounts are properly kept and that operations are correctly recorded in the accounting records) for the period 2020-2028, as well as the limited audit of both the quarterly and half-year financial reports of the Company at 31 March, 30 June, and 30 September of each year in the above period.

8.4 Management systems and certifications

The Neodecortech Group's strategic approach to ESG issues is reaffirmed by the daily action taken at all levels by every business role and function, in line with the path the Group Companies have embarked on since 2007, which has rewarded them with certifications that offer tangible proof to stakeholders of the commitment, transparency and fairness that mark the activities carried out. All the certifications adopted have been obtained on a voluntary basis and internationally recognized.

UNI EN ISO 9001

It is the certification related to Quality management systems; a guideline that defines the requirements for the implementation of a management system, to conduct company processes on a path of ongoing improvement and efficiency in product creation, as well as in increasing customer satisfaction.

UNI EN ISO 14001

It is the certification related to "Environmental Management Systems" that gather the requirements, principles and techniques to support the environmental management system in order to implement, maintain and improve the control system of environmental impacts produced by the Company. As it requires the Company to constantly improve its performance, it is a commitment to ongoing improvement on the environmental issue.

UNI ISO 45001 (formerly UNI ISO 18001)

It is the certification related to "Health and safety in the workplace management systems", a guideline that sets the criteria for implementing a management system to help organizations provide safe and healthy workplaces by preventing workplace accidents and health problems, while proactively improving OHS.

UNI CEI EN ISO 50001

It is a regulation related to "Energy Management Systems - Requirements and Guidelines for Use". It is the Italian official version of the international regulation ISO 50001. The regulation specifies the requirements for the creation, start, maintenance and improvement of an efficient and effective energy management system.

100% Made in Italy

Product certification system created by the Institute for the Protection of Italian Manufacturers, which guarantees the Italian original quality of products. To achieve this certification, products must be made entirely in Italy, produced with Italian semi-finished products, made of top-choice, high-quality natural materials, created with Company designs and exclusive projects and developed using typical traditional Italian workmanship.

MED

The EU Marine Equipment Directive 2014/90/EU provides for the product certification of certain marine equipment and defines basic requirements for manufacturers and products. This conformity assessment procedure applies to the design and production phases.

FSC® – Chain of Custody

FSC® is a forest product certification system that identifies products containing wood from sustainably managed forests. The pulp is obtained from wood to produce paper. Chain of Custody certification guarantees that FSC® certified paper is labelled and stored separately from the non-certified ones, so that end product sustainability can be traced. The Group uses only FSC®-certified pulp.

PEFC

PEFC, acronym of Programme for Endorsement of Forest Certification schemes, is a certification that guarantees the provenance of cellulose raw materials from certified and sustainably-managed forests. To obtain and use it, companies must certify its "Chain of Custody": if they wish to sell certified products labelled with PEFC tree, all players of a specific supply chain must not only have their own certified CoC, but also purchase certified material to be processed from a supplier with its own certified CoC.

Timber Regulation (EUTR 995/2010)

In October 2010, the European Union approved regulations to prevent the illegal trade of timber in Europe. Regulation (EU) 995/2010, better known as the EU Timber Regulation (EUTR), came into force in March 2013 and applies to timber and timber products, including paper. For companies introducing wood fiber products into Europe, the regulation prohibits the introduction and trade of products of illegal origin and requires the adoption of an internal "Due Diligence" system. Responsible management of social and environmental impacts along the supply chain is now one of the focus areas required of companies committed to sustainability. Our suppliers are requested to certify that timber products or derivatives supplied to the Neodecortech Group originate from non-controversial sources. Additionally, suppliers must confirm that they are not directly or indirectly engaged in the following ineligible activities:

- Illegal logging or trade in illegal timber or forest products;
- Violation of traditional and human rights in forestry operations;
- Destruction of high conservation values in forestry operations;
- Significant conversion of forests to plantations or non-forest use;
- Violation of any of the ILO Fundamental Conventions as outlined in the ILO Declaration on Fundamental Principles and Rights at Work.

EUDR (European Deforestation-free products Regulation)

Group companies are considering the terms under which to adhere to the new legislation, represented by Regulation (EU) 2023/1115 of the European Parliament and Council, published on 9 June 2023, in the Official Journal of the EU.

This regulation, known as the EUDR, introduces significant changes compared to the previous EUTR (EU Reg. 995/2010), extending the ban on the import and export of products associated with deforestation and forest degradation.

The new regulations will become effective on 30 December 2025. Until then, EU Reg. No. 995/2010 or EUTR will continue to apply.

**NEO
DECOR
TECH**

BEG

2007	UNI EN ISO 14001		
2009	UNI EN ISO 9001		
2010	FSC® CHAIN OF CUSTODY	FSC® CHAIN OF CUSTODY FSC® RECYCLED WOOD	
2011	OHSAS 18001		
2015	100% MADE IN ITALY	PEFC UNI EN ISO 14001	UNI EN ISO 14001
2016	SUSTAINABILITY REPORT		
2017	UNI CEI EN ISO 50001	UNI EN ISO 9001	UNI EN ISO 9001
2018		UNI CEI EN ISO 50001	UNI CEI EN ISO 50001
2019		UNI ISO 45001	UNI ISO 45001
2020	UNI ISO 45001		
2021	CDP (CARBON DISCLOSURE PROJECT) RATING		

8.5 Risk management

The Group's risk management is based on the principle of accountability that the risk is managed by the person in charge of the business process directly involved.

Major risks are carefully identified and discussed at the top management level, forming the basis for managing, hedging, insuring, and assessing residual risk.

A structured Enterprise Risk Management (ERM) system is deployed across all Group Companies, with quarterly reporting submitted to the Control, Risk and Sustainability Committee and subsequently to the Parent Company's Board of Directors. This ensures effective and transparent monitoring in accordance with the guidelines of UNI ISO 26000 (Social Responsibility Guide).

The most significant non-financial risks also include risks associated with compliance with environmental, health and safety regulations in the workplace, as well as the risk of climate change.

With regard to the risks related to climate change, the Neodecortech Group has embarked on a structured process of analysis of its environmental impacts and mitigation activities.

8.6 Engagement in external initiatives and membership

Neodecortech deems it essential to be ever-ready for responsible dialogue and discussion with the communities of the local areas where the Group Companies are based. Over the years, it has pursued the goal of being a reliable, proactive, collaborative and transparent manufacturer. The fair and regular management of all regulatory aspects regarding Group activities, together with the guidelines adopted over time, have helped establish a cooperative dialogue with local governments, associations (in particular Confindustria Bergamo, Teramo and Latium) and authorities. In 2024, the Group Companies received inspections by the relevant authorities related to legal compliance, finding no non-compliance.

Training and Local Area

As mentioned in Chapter 6. Human Capital, in addition to the opportunities for discussion arising from compliance requirements, Neodecortech firmly believes in the need to establish a dialogue with the local communities where it operates. In line with such principle, the Group Companies have been offering internships for over twenty years now, for both high-school and university students.

Donations

It is worth noting that Neodecortech S.p.A. has developed a tangible plan of ESG actions for 2024, with a particular emphasis on increasing resources for local communities.

Companies that integrate corporate social responsibility and ESG objectives showcase a dedication to sustainability and proactive engagement within the communities where they operate.

Open communication with affected communities and reporting on progress can foster a positive reputation and strengthen societal backing for the company's endeavors. Specifically, the actions undertaken regard the following areas: training and culture, community and territorial support, which have a significant impact on people's lives and local community development.

Below are the main Group-wide initiatives for 2024:

Membership in the foundation of the **Ambassadors of Teatro Gaetano Donizetti** in Bergamo;

"Mezzi ecologici per una Filago sostenibile" project: economic support to the Municipality of Filago (BG) for the citizens of Filago;

"Leo diventa grande" project: economic support for the association located in the province of Bergamo that aims to offer welcome and support to families of children subject to long and frequent hospitalization, mainly at Ospedale Papa Giovanni XXIII in Bergamo.

"Madrelingua spagnola e inglese e acquisto materiale informatico" project: support to Madone (BG) secondary school to enhance students' language skills and improve technological equipment for innovative and inclusive teaching.

"NutriAmo Bergamo" project: adherence to the campaign promoted by Confindustria Bergamo, which emphasizes as further evidence the company's commitment to promoting community welfare by donating food items.

"Regalo solidale Natalizio" project: purchase of food items from associations that assist the most vulnerable people in our community, with the goal of fostering inclusion and well-being.

"Rurabilandia 2024 un modello di inclusione, accoglienza e integrazione" project: financial support for the association in Atri (TE) which provides personal services through sustainable initiatives supported by local communities, promoting well-being and social inclusion;

"Insieme per la musica" project: financial support for the Trivigliano (FR) music association in order to promote social inclusion of fragile individuals and personal growth through music.

"Forum Energia" project: support for Legambiente Lazio to participate in the Forum;

"Laboratorio teatrale" project: financial support to Fiuggi (FR) elementary school to promote the theatre initiative.

"Inclusione persone con disabilità" project: bus transportation of people with disabilities.

8.7 Cybersecurity and Data Protection

In order to address the risks arising from the management and use of personal data, whether on paper or by means of electronic data processing tools, Neodecortech has put in place appropriate security measures to ensure the protection and safeguarding of personal data and the fundamental rights and freedoms of data subjects. All relevant information is processed in full compliance with the rules adopted by the Company on the protection of personal data and in accordance with the applicable legislation, specifically Articles 13 and 14 of Regulation (EU) 2016/679 on the Protection of Personal Data.

There were no substantiated complaints concerning privacy breaches and/or loss of customer data during the reporting period.

Additionally, Neodecortech has embarked on a strategic path in artificial intelligence, establishing a dedicated team to ensure a responsible, safe and innovative approach to managing new technologies.

8.8 Regulatory compliance

Compliance with the standard

To date, the Group has not received any objections or complaints from external parties or regulatory bodies regarding violations of regulations, data subjects' rights, or personal data for which the Company acts as Data Controller.

Compliance with environmental standards

In 2024, as well as in prior years, no events occurred that resulted in penalties or litigation due to non-compliance with environmental laws, rules, and regulations. Likewise, as of the date of preparation of this Sustainability Report, no environmental disputes are pending.

Non-compliance with laws and regulations in social, economic, and tax areas

No instances of non-compliance with laws and/or regulations pertaining to social, economic, and tax provisions occurred in 2024.

9. Topical ESRS

9. Topical ESRS: voluntary exercise

ESRS E1	CSRD Legislative Decree 125/2024 RA16	CLIMATE CHANGE
	GOVERNANCE	The Neodecortech Group addresses climate change through a certified environmental management system (ISO 14001:2015) and emission mitigation and offset strategies. The company participates in the European Union Emissions Trading System (EU-ETS), monitoring and reporting its emissions. Additionally, the Group has set ESG targets for 2024-2026 aimed at reducing its carbon footprint.
	STRATEGY	Key goals for combating climate change include: Carbon neutrality for Scope 1 and Scope 2, achieved in 2023 and maintained in 2024 through emission offset initiatives. Reduction of CO2 emissions through: Energy efficiency with condensing boilers and "EcoFlow" pumps. Recovery of thermal waste with dedicated plants. Electricity generation from renewable sources, including biomass and photovoltaic plants. Offsetting residual emissions by purchasing GO guarantee of origin certificates under voluntary schemes (e.g., Adani Green Energy Limited's Renewable Solar Energy project).
	IMPACTS	Positive: - Decreased carbon footprint through offsetting initiatives and reduced energy consumption. - Operational efficiency: lower energy costs through the use of renewable sources and reduced natural gas consumption. - Reputational benefits: strengthening corporate image among ESG investors and sustainability-sensitive stakeholders. Negative: - Still significant emissions: the group generated 18,996 tonnes of Scope 1 CO2 and 2,076 tonnes Scope 2 Location Based in 2024. - Impact on production: the transition to renewable sources and the adoption of new technologies can result in high upfront costs and the need to adapt industrial processes.
	RISKS AND ACTIONS TO MITIGATE THEM	Risks: More restrictions on emissions could increase compliance costs. Extreme climate events (heat waves, floods) could impact production. The energy transition may require additional investment to remain competitive. Mitigation strategies: Constant monitoring of emissions and investment in low-impact technologies. Increased energy production from renewable sources. Gradual reduction of Scope 3 emissions through actions on supply chain and transportation.
	OPPORTUNITIES	Financial saving through reduced dependence on fossil fuels. Access to ESG financing and incentives for companies committed to the green transition. Improved competitive edge in the market by meeting the growing demand for sustainable products. Innovation and development of new business models based on circular economy and renewable energy..
	METRICS	Scope 1 emissions (2024): 18,996 tonnes of CO2. Scope 2 Location Based Emissions (2024): 2,076 tonnes of CO2. Total emissions offset in 2024: 20,955 tonnes of CO2 through Guarantees of Origin and VCS/VER certificates. Share of renewable energy used: 68% of total energy needs. Reduction in natural gas consumption: -500,000 m³/year thanks to the waste-to-energy project.

ESRS E2	CSRD Legislative Decree 125/2024 RA16	POLLUTION
	GOVERNANCE	The company manages the issue of environmental pollution through company policies, committees and monitoring tools. It has implemented certified environmental management systems, such as ISO 14001:2015 and ISO 50001:2018, to control emissions, energy consumption and waste management. Additionally, it monitors CO2 emissions under the European Emissions Trading System (EU-ETS).
	STRATEGY	The Neodecortech Group pursues clear environmental goals, including: Reducing climate-changing emissions, with Scope 1 and 2 carbon neutrality initiatives. Improving energy efficiency by recovering thermal waste and installing biomass boilers. The adoption of circular economy policies, using recycled and certified materials (FSC® and PEFC) for production and packaging. Reducing water consumption by installing advanced treatment facilities such as the ozone system.
	IMPACTS	Positive: - Use of renewable energy for 68% of energy needs. - Recovery and reuse of materials (e.g., waste paper, PVC and PET waste). - Lower emissions through offsetting initiatives and the use of alternative energy. Negative: - High water consumption, especially for paper production. - CO2 emissions that, while reduced, remain significant. - Production of industrial waste, even if managed with a view to recovery and waste reduction.
	RISKS AND ACTIONS TO MITIGATE THEM	Risks: - Regulatory: Possible tighter regulatory restrictions on emissions - Climate: Extreme events that could impact production - Reputational: Increasing stakeholder expectations on sustainability - Operational: Risk of energy or water inefficiencies that increase production costs Mitigation strategies: - Investment in emission reduction and water treatment technologies - Programs for offsetting residual emissions - Use of renewable energy and certified materials
	OPPORTUNITIES	Competitive edge through sustainable market positioning. Reduced operating costs through energy efficiency. Improved access to ESG investments. Strengthening of relationships with stakeholders sensitive to environmental issues.
	METRICS	Scope 1 CO2 emissions: 18,996 tonnes (2024) Total emissions offset: 20,955 tonnes of CO2 (2024) Percentage of renewable energy used: 68% of total consumption Amount of recycled paper used: 134 tonnes in 2024 Reduction in water consumption: -1.35% versus 2023 Industrial waste recovery: 97% of waste generated is non-hazardous and almost totally recoverable

ESRS E3	CSRD Legislative Decree 125/2024 RA16	WATER
	GOVERNANCE	Water resources are of fundamental importance to Neodecortech; in the specific case of Cartiere, they are one of the key factors in the making of its products: In fact, CdG is responsible for 99% of the Group's water consumption.
	STRATEGY	Neodecortech's main water management objectives include: Reduction in water withdrawals, with a 1.35% decrease in 2024 versus the prior year. Increased water reuse in production processes to minimize fresh water consumption. Improved quality of water returned to natural ecosystems through advanced treatment facilities. Investments in water efficiency technologies, including: Ozone treatment plant (Cartiere di Guarcino, active from 2025), which will reduce the concentration of pollutants and improve water reuse. Adjustment of the production plants at the Filago plant to use groundwater instead of potable water for industrial purposes. New wastewater filtration and recycling systems (-80% water discharge emissions in Filago in 2023).
	IMPACTS	Positive: - Decreased use of fresh water, reducing pressure on local water resources - Improved water quality returned to the environment, thanks to advanced treatment facilities - Lower risk of water scarcity for plants located in water-stressed areas Negative: - High water requirements for paper production (Cartiera di Guarcino is responsible for 99% of the group's water consumption) - Increased water intensity in 2024 due to greater variability in production cycles. - Risk of extreme climate events (drought) that could affect water availability for plants
	RISKS AND ACTIONS TO MITIGATE THEM	Risks: - Limited availability of water resources in water-stressed areas where some plants operate - Tighter regulatory restrictions on industrial water use and water discharges - Increased operating costs for water and sewage plant management Mitigation strategies: - Optimization of water consumption through reuse and improved treatment processes - Reduction of industrial discharges with advanced filtration systems - Investment in infrastructure for wastewater recovery and reuse in production processes
	OPPORTUNITIES	Saved operating costs by optimizing water use. Reduction of environmental impact, improving corporate reputation and attractiveness to ESG investors. Improved water risk management, ensuring operational continuity even under water stress conditions. Technological innovation, with the possibility of developing new production processes with lower water impact.
	METRICS	Total water consumption (2024): 1,643.1 ML, down 2% from 2023. Sources of water supply: Surface water 1,554 ML Groundwater 12 ML Third-party water: 8,8 ML Projected reduction in fresh water consumption (2024-2026): -28%, thanks to the installation of the ozone plant at Cartiere di Guarcino. Improved water efficiency with a new filtration system in Filago (-80% water discharge emissions).

ESRS E4	CSRD Legislative Decree 125/2024 RA16	BIODIVERSITY
	GOVERNANCE	The Neodecortech Group adopted a biodiversity policy in May 2021 to align with the goals of the United Nations Convention on Biological Diversity (CBD-1992), the National Biodiversity Strategy (2011) and the Aichi Biodiversity Targets. The Group constantly monitors the impacts of its activities on ecosystems and implemented advanced systems to prevent water pollution.
	STRATEGY	To mitigate the environmental impact of industrial discharges, the Group has taken several initiatives, including: Installation of wastewater filtration systems and alarm systems to prevent pollution incidents. Continuous monitoring of water discharges through periodic analysis. Recovery of sediment residues for reuse in the production of backer papers. Dialogue with local communities to assess and minimize environmental impacts.
	IMPACTS	Positive: <ul style="list-style-type: none"> - Reduction in water pollution through filtration and monitoring systems - Recovery of processing residues to reduce waste - Protection of biodiversity through controls on discharges Negative: <ul style="list-style-type: none"> - Operating costs for maintaining sewage treatment plants - Operating costs for managing discharge controls
	RISKS AND ACTIONS TO MITIGATE THEM	Risks: <ul style="list-style-type: none"> - Impacts on biodiversity when aquatic ecosystems are altered - Penalties and reputational damage for noncompliance with environmental regulations Mitigation strategies: <ul style="list-style-type: none"> - Implementation of containment tanks and automatic contaminant detectors - Preventive maintenance programs to reduce the risk of equipment failure - Collaboration with local governments and institutions to ensure compliance with environmental standards - ISO 14001 Certification
	OPPORTUNITIES	Strengthening corporate reputation through sustainable practices and biodiversity protection. Reduction of raw material consumption through recovery of sediment residues.
	METRICS	Water discharge quality: periodic analysis to ensure compliance with regulatory limits Percentage of water returned to the environment without chemical/physical alterations: approximately 100% Amount of residues reused: intercepted sediments are used in the production of backer papers

ESRS E5	CSRD Legislative Decree 125/2024 RA16	CIRCULAR ECONOMY
	GOVERNANCE	The Neodecortech Group manages the circular economy topic through policies and procedures that ensure the recovery and reuse of raw materials, while also reducing waste. The Group relies on specialized suppliers to recover, transport and sort waste paper and other recyclable materials. It also implemented monitoring activities on packaging, mapping its composition and working with suppliers to increase its sustainability.
	STRATEGY	The company has set clear goals to improve the environmental impact of production, including: Increased use of recycled and FSC® certified paper Recovery and reuse of plastic materials such as PVC and rPET. Revising packaging to increase the percentage of recycled or certified materials. Communication with customers to encourage recycling and recovery of packaging.
	IMPACTS	Positive: - Reduction of waste through paper and plastic recovery - Increased sustainability of the production chain - Reduced CO2 emissions through the use of renewable energy Negative: - Possible additional costs associated with materials selection and certification - Need for coordination with suppliers and customers to ensure proper recycling
	RISKS AND ACTIONS TO MITIGATE THEM	The main risks are: - Increased costs associated with material recovery and sorting - Risk of non-compliance with environmental standards in case of inefficiencies in the recycling process Actions to mitigate them: - Collaboration with certified suppliers who specialize in materials recovery - Controls and monitoring to ensure compliance with regulations - Investment in research and development to improve production processes
	OPPORTUNITIES	Market differentiation through the adoption of circular economy practices Improved corporate reputation Reduction of costs in the long run by optimizing the use of resources
	METRICS	In 2024, approximately 134 tonnes of waste paper were collected from the Filago location and delivered for recovery to CDG. However, CDG recovered an additional 949 tonnes of paper from other printers that are its customers, in addition to purchasing 36 tonnes of waste paper. The share of the final backer product obtained by using recycled paper and waste paper, out of the total paper produced was 17.5%. FSC® certified paper: 252,006 tonnes used Recovered plastics: 133,125 tonnes of PVC and rPET Renewable energy: 100% of CDG's electricity comes from renewable sources Recycled/certified packaging: 93% Certified paper/recycled paperboard: 95% Recycled plastic: 67% Certified wood: 99%

ESRS S1	CSRD Legislative Decree 125/2024 RA16	OWN WORKFORCE
	GOVERNANCE	<p>The Neodecortech Group adopts a governance model that ensures employment stability and sustainability, with 96% open-ended contracts at 31 December 2024. Personnel management follows current regulations, National Collective Labour Agreements and the company's Code of Ethics, ensuring safety and health protection, including through ISO 45001 certification and ongoing training.</p> <p>Dialogue with union representatives is fundamental, with 100% of employees covered by collective bargaining. To improve work-life balance, smart working and inbound flexibility for specific categories of workers were introduced.</p> <p>The Group promotes diversity and inclusion, formalized in the 2021 Diversity and Inclusion Policy, and ensures equal opportunities, without discrimination. The company also supports the placement of people with disabilities, in accordance with Law 68/99.</p> <p>Lastly, Neodecortech ensures the protection of personal data in accordance with Regulation (EU) 2016/679 (GDPR).</p> <p>Regulations and Policy: https://www.neodecortech.it/investors/corporate-governance/documenti-e-procedure/</p>
	STRATEGY	<p>Neodecortech Group's strategy is based on a sustainable management model that combines employment stability, professional development and employee welfare. Through internal growth paths, merit-based incentives and social dialogue, the Group aims to retain talent and ensure a motivating work environment. Inclusion and diversity are integrated into recruitment and personnel management policies. Commitment to safety is solidified by ISO 45001 certification, with constant monitoring and training.</p> <p>The Group ensures respect for fundamental rights, prohibiting child and forced labour by protecting employee privacy in compliance with the GDPR.</p>
	IMPACTS	<p>The impacts of working condition policies enhance corporate image, improving stakeholder and investor confidence, and increasing the long-term sustainability of the company. Employment security and adequate wages have a direct impact on employees' economic stability, enabling them to meet personal and family needs and improving their standard of living. Compliance with labour rights regulations has positive impacts on corporate reputation by maintaining stakeholder trust and reducing conflict through constructive dialogue with trade unions.</p> <p>Investments in accident prevention and workplace health monitoring reduce negative impacts from occupational accidents and illnesses (8 injuries with expected recovery time of less than 30 days in 2024), improving overall well-being. Ethical policies and respect for workers' rights positively impact the ESG score, strengthening the company's competitiveness.</p>
	RISKS AND ACTIONS TO MITIGATE THEM	<p>The main risks related to human resource management for the Neodecortech Group include the possibility of discrimination in the workplace, workplace accidents, challenges in ensuring wage fairness and compliance with regulations for workers' rights, and the risk of labour conflicts.</p> <p>To mitigate these risks, the company adopts several preventive strategies. Firstly, it ensures that 96% of employees are hired on open-ended contracts, providing stability and reducing the risk of job dissatisfaction. The company applies the relevant collective bargaining agreements and ensures that fixed pay is in line with established wage levels, reducing the risk of wage issues or inequalities. Regular meetings with trade unions and involvement of employee representatives in company decisions strengthen communication and reduce the risk of conflict.</p> <p>Adopting a Code of Ethics and diversity and inclusion policies helps mitigate the risk of discrimination, while establishing anonymous reporting channels (Whistleblowing) allows for monitoring and preventing abuse. Clear disciplinary sanctions for those who violate company policies ensure a safe and respectful work environment. Lastly, the absence of serious accidents indicates that the company has adequate occupational safety prevention measures.</p>
	OPPORTUNITIES	<p>The policies adopted by the Neodecortech Group offer several opportunities:</p> <p>Employee retention is ensured through job stability and organizational well-being. Attracting talent is facilitated by inclusive culture and professional development opportunities. Improved corporate reputation is achieved through ethical and social responsibility policies. Reduction in compensation and illness costs is supported by safety and prevention policies. Improved consumer and investor confidence is fostered by transparency and the adoption of sustainable and ethical practices.</p>
	METRICS	<p>Neodecortech maintains ISO 45001 certification and monitors a variety of metrics to assess its human resources performance. These include monitoring the number of employees on open-ended contracts, the turnover rate, and the percentage of permanent versus temporary contracts. Additionally, the company measures the percentage of employees using flexible hours or remote work, and also monitors the ratio of the company's average wage to the legal minimum wage. The percentage of employees receiving annual salary increases is also recorded and the wage differential between similar roles, particularly by gender and ethnicity, is analyzed.</p> <p>The company keeps track of the number of meetings between employee representatives and management and reviews workplace accidents, both by frequency and severity, while also monitoring employee participation in safety training programs. Additionally, Neodecortech assesses employee participation in training and development programs, with a focus on gender equality, and tracks the rate of hiring in line with diversity policies. Lastly, promotions to historically disadvantaged groups, such as women and minorities, are recorded.</p>

ESRS S2	CSRD Legislative Decree 125/2024 RA16	WORKERS IN THE VALUE CHAIN
	GOVERNANCE	Neodecortech Group's supply chain governance is based on a responsible and integrated approach, with a strong focus on supplier selection and management. The choice of business partners and the management of critical issues are key aspects of the overall success of Group companies. Neodecortech adopts a Supplier Code of Conduct that clearly defines expectations in terms of ethics and social responsibility, including human rights and environmental sustainability. Additionally, the management of the purchasing process is governed by the supplier code of conduct, which ensures transparency and accountability at all stages of procurement. The Group is also committed to sustainable practices, as proven by voluntary FSC® certification, which includes practices that respect the rights of indigenous peoples and promote the responsible use of natural resources. Regulations and Policy: https://www.neodecortech.it/investors/corporate-governance/documenti-e-procedure/
	STRATEGY	To ensure, through the adoption and enforcement of the Code of Conduct and Code of Ethics, that the fundamental rights of all workers along the entire value chain are fully respected and protected.
	IMPACTS	Impacts arising from responsible supply chain management mainly concern respect for workers' rights, both for EU/national and non-EU suppliers. For EU and national suppliers, Neodecortech ensures compliance with applicable collective bargaining agreements, making sure that working conditions align with local regulations and that employee rights are protected through regulatory compliance documentation. For non-EU suppliers, the commitment extends to the verification and protection of human rights, with a particular focus on preventing child labour exploitation, ensuring safe working conditions, and respecting decent working hours and wages. This approach ensures an ethical and responsible supply chain, with positive impacts on corporate reputation, social sustainability and worker welfare.
	RISKS AND ACTIONS TO MITIGATE THEM	To mitigate risks related to supply chain management, Neodecortech adopts a Vendor Rating system that evaluates the most relevant suppliers based on their compliance with ESG standards, ensuring adherence to environmental, social, and governance sustainability practices. Additionally, the Group maintains Forest Stewardship Council (FSC®) certification, which ensures that materials purchased come from responsible sources and that the human rights of indigenous peoples are respected. These measures help reduce the risk of labour rights violations, including child labour exploitation and poor working conditions, by ensuring a compliant supply chain that adheres to international regulations.
	OPPORTUNITIES	Expanding the global panel of suppliers represents a strategic opportunity for Neodecortech, as it allows it to diversify its sources of supply and reduce the risks associated with possible supply chain disruptions. This approach also contributes to strengthening corporate reputation, as the adoption of ethical and sustainable practices improves the Group's image and reduces legal and reputational risks. Additionally, such expansion fosters improved market competitiveness by offering innovative and diversified solutions to customers. Lastly, supplier retention, based on long-term relationships and shared corporate values, helps ensure stability and reliability in the supply chain.
	METRICS	Metrics used by Neodecortech to monitor working conditions in the supply chain include regular audits aimed at verifying compliance with workers' rights and safety and dignity regulations. Additionally, the Group maintains FSC® certification, which guarantees environmental and social sustainability throughout the supply chain, ensuring that suppliers operate according to high ethical standards. These practices enable continuous monitoring and improvement of resource management along the supply chain.

ESRS S3	CSRD Legislative Decree 125/2024 RA16	AFFECTED COMMUNITIES
	GOVERNANCE	Neodecortech is committed to maintaining an open and constructive dialogue with the communities and local areas in which group companies operate. The proper and regular management of regulatory aspects, along with the guidelines adopted over time, has facilitated collaborative discussions with agencies, associations, and local authorities. The company in its integrated management system has created a procedure for internal management of donations.
	STRATEGY	Neodecortech places great value on dialogue with local communities, aiming to be a reliable, proactive, collaborative, and transparent production organization. The company has been promoting training in the area for over twenty years now, offering internships to high school and college students, with a focus on the computer and mechatronics fields. Internships were offered at the Filago and Guarcino locations, with some interns subsequently hired, reinforcing the ongoing commitment to the professional growth of young people. Additionally, Neodecortech has developed an ESG action plan for the period 2024-2026, approved by the Board of Directors in February 2024, with initiatives covering education, community support, and local area development, helping to improve people's lives and strengthen local communities.
	IMPACTS	The impacts of internship pathways are significant for students, as they gain practical skills, improve their career prospects, and facilitate their professional growth. For Neodecortech, the positive impacts are clear in attracting and training new talent, ensuring a continuous supply of qualified resources. Donations and support to local communities have a direct impact on quality of life by contributing to cultural and educational initiatives. These impacts strengthen the company's reputation, consolidating society's support and creating a positive bond with the community.
	RISKS AND ACTIONS TO MITIGATE THEM	The risk of hiring interns lies in the potential instability of the staff, due to the temporary nature of their employment, which may affect business continuity. Local community support initiatives, if not managed properly, could damage the company's reputation instead of improving it. Investments in the ESG 2024-2026 plan, if they do not lead to the expected results, may not justify the costs. Lastly, any conflicts with local regulations or relevant authorities could hinder business operations.
	OPPORTUNITIES	Neodecortech, through its internship pathways, has the opportunity to identify and train new talent, ensuring a continuous flow of qualified resources that contribute to the company's growth and innovation. At the same time, students gain practical skills, access the world of work, and improve their professional prospects. Collaboration with local schools and universities brings fresh ideas and innovative approaches, stimulating growth and innovation within the company. Additionally, local communities benefit from the increased employment and economic development created by an expanding company. Commitment to sustainability and social responsibility strengthens Neodecortech's reputation, increasing the trust of customers, partners, and local authorities. A strong corporate reputation also encourages support from local communities, fostering an environment of trust and cooperation.
	METRICS	Talent development can monitor the number of interns hired and the retention rate of new hires. Innovation and growth could measure the number of innovative ideas generated and the creation of new jobs. Supporting local communities would monitor the value of donations, the number of social initiatives launched and the social impact of its actions, while also measuring the support received from the community.

ESRS S4	CSRD Legislative Decree 125/2024 RA16	CONSUMERS AND END-USERS
	GOVERNANCE	The Neodecortech Group has well-established business relationships with major national and international groups in the furniture industry, placing a strong focus on customer loyalty and complaint management through dedicated procedures, thus ensuring product quality and safety. https://www.neodecortech.it/investors/corporate-governance/codice-etico/
	STRATEGY	Neodecortech adopts a strategy focused on direct customer involvement in business processes by administering annual satisfaction questionnaires. The Group develops innovative products in cooperation with suppliers and participates in international trade fairs to increase brand visibility. Additionally, the company pursues sustainability through the adoption of FSC® and PEFC certifications for raw materials and actively monitors formaldehyde emission regulations. This way, Neodecortech shows an ongoing commitment to quality, customer satisfaction, innovation, sustainability, and responsible supply chain management.
	IMPACTS	Corporate actions impact consumers by improving quality, innovation, and the shopping experience, increasing trust and satisfaction. Marketing reinforces brand awareness, while sustainability delivers greener products.
	RISKS AND ACTIONS TO MITIGATE THEM	A major risk to the company is the cost of implementing sustainable certifications and practices. To mitigate them, Neodecortech adopts ISO certifications and maintains strict compliance with international standards, performing regular internal and external audits to monitor processes and identify areas for improvement. Another risk concerns the handling of complaints and noncompliance. The company has created a dedicated nonconformity management figure and developed specific procedures for quick and effective response. It also analyzes data on nonconformities to identify causes and take targeted corrective actions.
	OPPORTUNITIES	Obtaining and maintaining quality and safety certifications is an important opportunity to enhance corporate reputation as it demonstrates the company's commitment to high standards and responsible practices. This not only makes the company more attractive to customers, partners and investors, but also positions it as an industry leader, gaining trust and credibility. Additionally, the implementation of quality and safety processes optimizes operational efficiency, reducing waste and improving resource management. This leads to greater competitiveness in the market as it reduces costs, increases productivity and ensures high-quality products and services, creating a significant advantage over competitors.
	METRICS	Neodecortech uses several metrics to monitor its activities, such as the number of satisfaction questionnaires received from customers and complaints to assess the quality of its products and services. It also measures the percentage of resolved nonconformities to assess the effectiveness of corrective actions. The number of internal and external audits completed and the average response time to complaints are other metrics used to ensure efficiency and customer satisfaction.

ESRS G1	CSRD Legislative Decree 125/2024 RA16	BUSINESS CONDUCT
	GOVERNANCE	<p>The Board of Directors of Neodecortech, appointed by the Shareholders' Meeting, has full powers to manage the Company, except those reserved by law for the Shareholders' Meeting. The current 9-member Board of Directors serves until the approval of the 2024 Financial Statements.</p> <p>Neodecortech has adopted the Group Code of Ethics, and each Group company has its own Organizational Model pursuant to Legislative Decree 231/2001. In 2023, the BoD updated the Code of Ethics to bring it in line with the Whistleblowing Directive (Legislative Decree 24/2023). Additionally, the Code of Ethics becomes an integral part of the Organizational and Management Model, updated according to the latest regulatory changes. Regulations and Policy: https://www.neodecortech.it/investors/corporate-governance/documenti-e-procedure/</p>
	STRATEGY	<p>Neodecortech sets its strategic guidelines by evaluating opportunities for growth, diversification, and innovation, ensuring long-term oriented management. The company promotes an ethical and transparent environment through the implementation of a secure whistleblowing platform and the adoption of the 231 Organizational Model, Code of Ethics, and Code of Conduct, accompanied by ongoing training programs on compliance, risk management, and ethical standards.</p> <p>In keeping with sustainability and responsible governance, suppliers are selected and monitored according to ESG criteria, with regular audits to ensure compliance with standards and prevent unfair practices, such as late payments, in accordance with the relevant EU Directive. Additionally, Neodecortech promotes a corporate culture based on accountability and transparency, ensuring that every activity carried out by Group companies is conducted in a manner that is legitimate and consistent with established business objectives and standards of behaviour.</p>
	IMPACTS	<p>Adopting an ethical and sustainable approach improves the business climate and employee engagement, strengthening internal and external trust. Increased transparency reduces reputational risks and prevents penalties through early detection of wrongdoing.</p> <p>Building strong and responsible partnerships with suppliers ensures stability in the supply chain, reducing operational risks and improving efficiency. Standing out in the market through a sustainable supply chain also optimizes costs and increases competitiveness.</p> <p>By investing in training and prevention, employee skills are enhanced, legal and operational risks are reduced, and a proactive approach to risk management is demonstrated, strengthening corporate reputation and stakeholder trust. Lastly, accident analysis enables the identification of areas for continuous improvement, consolidating a responsible and sustainable growth model.</p>
	RISKS AND ACTIONS TO MITIGATE THEM	<p>Neodecortech adopts several strategies to mitigate business risks and ensure an ethical, transparent, and regulatory-compliant environment. To prevent lack of alignment with corporate values and the resulting loss of trust, the company has defined and implemented a shared code of ethics, supported by awareness and training campaigns for all organizational levels.</p> <p>To counter the risk of failure to report wrongdoing, a whistleblowing system has been established, which is secure and complies with the EU Directive, ensuring protection against retaliation. Additionally, to reduce operational and reputational risks arising from unethical practices or late payments, Neodecortech has introduced a code of conduct for suppliers, monitoring their compliance through periodic audits and ensuring compliance with payment terms.</p> <p>To avoid reputational or legal damage from violations of anti-corruption regulations, the company has implemented a robust compliance program, including specific training and monitoring systems to detect suspicious behaviour. Additionally, to mitigate the risk of wrongdoing or accidents due to insufficient staff training, training courses on compliance, risk management, and ethical responsibility are provided regularly, with testing and a certificate of passing the course.</p>
	OPPORTUNITIES	<p>Neodecortech views ethics and sustainability as an opportunity to strengthen its reputation and stakeholder engagement by creating a corporate culture based on transparency and accountability. Protection of whistleblowers and more effective risk management enable stronger compliance, reducing legal and reputational risks.</p> <p>Adopting responsible supplier management practices not only ensures compliance with regulations, but also reduces supply chain risks, improving operational stability. Additionally, stringent anti-corruption policies help create a more transparent and trustworthy work environment, increasing stakeholder trust.</p> <p>Lastly, preventing errors and misconduct through audits and ongoing training enables improved compliance and reduced operating costs, ensuring a sustainable and competitive growth model.</p>
	METRICS	<p>To ensure transparency and protection of whistleblowers, the number of reports received through secure channels is tracked. Responsible supply chain management is assessed through the number of suppliers analyzed, while the level of compliance is measured by considering annual reporting, training on the Model 231 platform, and the whistleblowing system.</p> <p>At 31/12/2024, no reports had been received on the dedicated platform or through other channels provided in the procedure.</p>

10. GRI Content Index

10. GRI Content Index

Statement of use	Neodecortech has prepared this non-financial statement in accordance with the GRI Standards for the period 01/01/2024 - 31/12/2024
GRI 1	GRI 1: Foundation 2021
GRI Sector Standard(s) applicable	N.A.

GRI sustainability reporting standard			Reference chapter / paragraph	Pag	Omission			GRI sector standard ref. No.
						Require-ments omitted	Reason	
General disclosures								
GRI 2: General Disclosures 2021	2-1	Organizational details	1. Identity and strategy / The Group	10				
	2-2	Entities included in the sustainability reporting of the organization	Methodological Note	6				
	2-3	Reporting period, frequency and contact point	Methodological Note	6				
	2-4	Restatements of information	Methodological Note	6				
	2-5	External assurance	Methodological Note	6				
	2-6	Activities, value chain and other business relationships	1. Identity and strategy/ The business model	11				
	2-7	Employees	4. Human capital/ Employees	59				
	2-8	Workers who are not employees	4. Human capital/ Employees	59				
	2-9	Governance structure and composition	8. Governance/ Sustainable governance	112				

10. GRI Content Index

GRI sustainability reporting standard		Reference chapter / paragraph	Pag	Omission			GRI sector standard ref. No.
				Require-ments omitted	Reason	Explanation	
General disclosures							
GRI 2: General Disclosures 2021	2-10	Nomination and selection of the highest governance body	8. Governance/ Sustainable governance	112			
	2-11	Chairman of the highest governance body	8. Governance/ Sustainable governance	112			
	2-12	Role of the highest governance body in supervision of the impacts	2. Materiality analysis / Material topics	30			
	2-13	Delegation of responsibility for managing impact	1. Identity and strategy/ The business model	11			
	2-14	Role of the highest governance body in the reporting of strategy sustainability	1. Identity and strategy/ Sustainability strategy	11			
	2-15	Conflict of interest	8. Governance/ Responsible business management	111			
	2-16	Communication of critical concerns	8. Governance	111			
	2-17	Collective knowledge of the highest governance body	8. Governance/ Responsible business management	111			
	2-18	Evaluation of the performance of the highest governance body	4. Human capital/ Remuneration policies	71			
	2-19	Remuneration Policies	4. Human capital/ Remuneration policies	71			
	2-20	Process to determine remuneration	4. Human capital/ Remuneration policies	71			
	2-21	Annual total compensation ratio	4. Human capital/ Remuneration policies	71			

10. GRI Content Index

GRI sustainability reporting standard		Reference chapter / paragraph	Pag	Omission			GRI sector standard ref. No.
				Require-ments omitted	Reason	Explanation	
General disclosures							
GRI 2: General Disclosures 2021	2-22	Statement on sustainable development policy	Letter to stakeholders	4			
	2-23	Policy commitments	8. Governance/ Code of Ethics	114			
	2-24	Embedding policy commitments	8. Governance/ Code of Ethics	114			
	2-25	Processes to remediate negative impacts	8. Governance/ Code of Ethics	114			
	2-26	Mechanisms for seeking advice and raising concerns	4. Human capital/ Workplace health and safety	75			
	2-27	Compliance with laws and regulations	8. Governance/ Compliance with regulations	122			
	2-28	Membership associations	5. Relational capital/ Relations with the territory	94			
	2-29	Approach to stakeholder engagement	2. Materiality analysis/Stakeholder engagement	30			
	2-30	Collective bargaining agreements	4. Human capital/ Employees	62			

10. GRI Content Index

GRI sustainability reporting standard			Reference chapter / paragraph	Pag	Omission			GRI sector standard ref. No.
					Require-ments omitted	Reason	Explanation	
Material topics								
GRI 3: Material topics 2021	3-1	Process for determining material topics	2. Materiality analysis/Material topics	31				
	3-2	List of material topics	2. Materiality analysis/Material topics	31				
Responsible supply chain management								
GRI 3: Material topics 2021	3-3	Management procedures of material topics	5. Relational capital	78				
GRI 204: Procurement practices 2016	204-1	Proportion of spending on local suppliers	5. Relational capital/ Suppliers: supply chain management	88				
GRI 308: Supplier environmental assessment 2016	308-1	New suppliers that were screened using environmental criteria	5. Relational capital/ Suppliers: supply chain management	88				In 2024 have been evaluated suppliers using environmental criteria
	308-2	Negative environmental impacts in the supply chain and actions taken	5. Relational capital/ Suppliers: supply chain management	88				
GRI 414: Supplier social assessment 2016	414-1	New suppliers that were screened using social criteria	5. Relational capital/ Suppliers: supply chain management	88				In 2024 suppliers were evaluated according to social criteria

10. GRI Content Index

GRI sustainability reporting standard				Reference chapter / paragraph	Pag	Omission			GRI sector standard ref. No.
						Require-ments omitted	Reason	Explanation	
Anti-corruption and compliance									
GRI 3: Material topics 2021	3-1	Process for determining material topics	2. Materiality analysis/Material topics	31					
	3-2	List of material topics	2. Materiality analysis/Material topics	31					
Responsible supply chain management									
GRI 3: Material topics 2021	3-3	Management procedures of material topics	8. Governance	109					
GRI 205: Anti-corruption 2016	205-3	Confirmed incidents of corruption and actions taken	8. Governance/ Responsible business management	110					
Etica aziendale e responsabilità d'impresa									
GRI 3: Material topics 2021	3-3	Management procedures of material topics	8. Governance	109					
GRI 205: Anti-corruption 2016	205-3	Confirmed incidents of corruption and actions taken	8. Governance/ Responsible business management	110					
Economic performance and indirect impacts									
GRI 3: Material topics 2021	3-3	Management procedures of material topics	7. Economic and financial capital	103					
GRI 201: Economic performance 2016	201-1	Economic value directly generated and distributed	7. Economic and financial capital/ Economic value generated and distributed	105					
GRI 206: Anti-competitive behaviour 2016	206-1	Legal actions for anti-competitive behaviour, antitrust and monopolistic practices	8. Governance/ Responsible business	110					

10. GRI Content Index

GRI sustainability reporting standard			Reference chapter / paragraph	Pag	Omission			GRI sector standard ref. No.
					Require-ments omitted	Reason	Explanation	
Economic performance and indirect								
GRI 207: Tax 2016	207-1	Approach to tax	7. Economic and financial capital/ Economic value generated and distributed	105				
Circular economy and use of renewable raw materials								
GRI 3: Material topics 2021	3-3	Management of material topics	3. Environmental capital	38				
GRI 301: Material 2016	301-1	Materials used by weight or volume	3. Environmental capital/ Environmental responsibility	44				
	301-2	Recycled input materials used	3. Environmental capital/ Environmental responsibility	44				
Energia, emissioni e lotta al cambiamento climatico								
GRI 3: Material topics 2021	3-3	Management of material topics	3. Environmental capital	38				
GRI 302: Energy 2016	302-1	Energy consumption within the organization	3. Environmental capital/Energy consumption	50				
	302-3	Energy intensity	3. Environmental capital/Energy consumption	50				
	305-1	Direct GHG emissions (Scope 1)	3. Environmental capital/Emissions	51				
GRI 305: Emissions 2016	305-2	Indirect GHG emissions from energy consumption (Scope 2)	3. Environmental capital/Emissions	51				
	305-4	GHG emission intensity	3. Environmental capital/Emissions	51				

10. GRI Content Index

GRI sustainability reporting standard			Reference chapter / paragraph	Pag	Omission			GRI sector standard ref. No.	
						Require-ments omitted	Reason		Explanation
Use of water resource									
GRI 3: Material topics 2021	3-3	Management of material topics	3. Environmental capital	38					
	303-1	Interacting with water as a shared resource	3. Environmental capital/The water resource	53					
GRI 303: Water and water discharge 2018	303-2	Management of impacts related to water discharge	3. Environmental capital/The water resource	53					
	303-3	Water withdrawal	3. Environmental capital/The water resource	53					
Waste management									
GRI 3: Material topics 2021	3-3	Management of material topics	3. Environmental capital	38					
	306-1	Waste generation and significant waste-related impacts	3. Environmental capital/Waste generation and management	56					
GRI 306: Waste 2020	306-2	Management of significant wasterelated impacts	3. Environmental capital/Waste generation and management	56					
	306-3	Waste generated	3. Environmental capital/Waste generation and management	56					
Respect for human rights and protection of workers									
GRI 3: Material topics 2021	3-3	Management of material topics	4. Environmental capital	58					
	401-1	New hires and turnover	4. Human capital/ Employees	64					
GRI 401: Employment 2016	401-3	Parental	4. Human capital/ Employees	61					
GRI 406: Not discrimination 2016	406-1	Incidents of discrimination and corrective measures taken	8. Governance/ Responsible business management	110					In 2024 there were no incidents of discrimination

10. GRI Content Index

GRI sustainability reporting standard			Reference chapter / paragraph	Pag	Omission			GRI sector standard ref. No.
						Require-ments omitted	Reason	
Workplace health and safety								
GRI 3: Material topics 2021	3-3	Management of material topics	4. Human capital	58				
	403-1	Occupational health and safety management system	4. Human capital/ Workplace health and safety	75				
	403-2	Identification, risk assessment and incident investigation	4. Human capital/ Workplace health and safety	75				
	403-3	Occupational health services	4. Human capital/ Workplace health and safety	75				
	403-4	Worker participation, consultation and communication on occupational health and safety	4. Human capital/ Workplace health and safety	75				
GRI 403: Workplace health and safety 2018	403-5	Worker training on occupational health and safety	4. Human capital/ Workplace health and safety	66				
	403-6	Promotion of worker health	4. Human capital/ Workplace health and safety	66				
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	4. Human capital/ Workplace health and safety	66				
	403-8	Workers covered by an occupational health and safety management system	4. Human capital/ Workplace health and safety	76				
	403-9	Work-related injuries	4. Human capital/ Workplace health and safety	77				

10. GRI Content Index

GRI sustainability reporting standard			Reference chapter / paragraph	Pag	Omission			GRI sector standard ref. No.
						Require-ments omitted	Reason	
Employee management and training								
GRI 3: Material topics 2021	3-3	Management of material topics	4. Human capital	58				
	404-1	Average hours of training per year per employee	4. Human capital/ Training and skills	66				
GRI 404: Training and education 2016	404-3	Percentage of employees receiving regular performance and career development reviews	4. Human capital/ Training and skills	74				
Diversity and equal opportunities								
GRI 3: Material topics 2021	3-3	Management of material topics	4. Human capital	58				
	405-1	Diversity of governance bodies and employees	4. Human capital/ Employees	60				
GRI 405: Diversity and equal opportunities 2016	405-2	Ratio of basic salary and remuneration of women to men	4. Human capital/ Employees	73				
Supporting local communities								
GRI 3: Material topics 2021	3-3	Management of material topics	5. Relational capital	78				
GRI 413: Local communities 2016	413-2	Operations with significant actual and potential negative impacts on local communities	5. Relational capital/ Relations with the local community	94	no actual or potential significant negative impacts on local communities in 2024			

10. GRI Content Index

GRI sustainability reporting standard					Reference chapter / paragraph	Page	Omission			GRI sector standard ref. No.
						Require-ments omitted	Reason	Explanation		
Product quality, safety and reliability										
GRI 3: Material topics 2021	3-3	Management of material topics	5. Relational capital	78	In 2024, there were no instances of non-compliance involving health and safety impacts					
GRI 416: Costumer health and safety 2016	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	5. Relational capital/ Costumer relations	79						
	417-1	Requirements for product and service information and labeling	5. Relational capital/Sustainable marketing	82						
GRI 417: Marketing and labeling 2016	417-3	Incidents of non-compliance concerning marketing communications	5. Relational capital/Sustainable marketing	82						
Customer satisfaction and relationship management										
GRI 3: Material topics 2021	3-3	Management of material topics	8. Governance	109	In 2024 no complaints regarding violations of customer privacy were reported					
GRI 418: Costumer privacy 2016	418-1	Complaints concerning breaches of customer privacy and losses of customer data	8. Governance/ Cybersecurity and Data protection	122						
Research & development										
GRI 3: Material topics 2021	3-3	Management of material topics	6. Infrastructure capital	95						
ESG Risk Management										
GRI 3: Material topics 2021	3-3	Management of material topics	6. Infrastructure capital	95						

10. GRI Content Index

GRI sustainability reporting standard			Reference chapter / paragraph	Pag	Omission			GRI sector standard ref. No.
					Require-ments omitted	Reason	Explanation	
Topics reported but deemed not material								
GRI 202: Market presence 2016	202-2	Proportion of senior management hired from the local community	4. Human capital/ Employees	64				
	GRI 304: Biodiversity 2016	304-1	Operational sites owned, leased or managed in (or adjacent to) protected areas and areas of high biodiversity value outside protected areas	3. Environmental capital/ The water resource	53			

11. Annexes

ANNEX I: KPI TURNOVER

ANNEX II: KPI CAPEX

ANNEX III: KPI OPEX

TEMPLATES PURS. ANNEX XII

DELEGATED REGULATION (UE) 2021/2178

Performance indicators

11. Allegati

The following is the table showing the correlation between the material topics and indicators provided by the GRI Standards Sustainability Reporting Guidelines.

	Material topic	Scope of material topic	GRI disclosure number and title	GRI Standard
Environment	Energy, emissions and combating climate change	NDT Group	GRI 302: Energy (2016)	GRI 302-1 GRI 302-3
		NDT Group	GRI 305: Emissions (2016)	GRI 305-1 GRI 305-2 GRI 305-4
	Circular economy and use of renewable raw materials	NDT Group	GRI 301: Materials (2016)	GRI 301-1 GRI 301-2
	Use of water resource	NDT Group	GRI 303: Water and effluents (2018)	GRI 303-1 GRI 303-2 GRI 303-3
	Waste management	NDT Group	GRI 306: Water discharges and waste (2016)	GRI 306-1 GRI 306-2 GRI 306-3
Company		NDT Group	GRI 204: Procurement practices (2016)	GRI 204-1
	Responsible supply chain management	NDT Group	GRI 308: Supplier environmental assessment (2016)	GRI 308-1
		NDT Group	GRI 414: Supplier social assessment (2016)	GRI 414-1
	Customer satisfaction and relationship management	NDT Group	GRI 418: Customer privacy (2016)	GRI 418-1
	Product quality, safety and reliability	NDT Group	GRI 416: Customer health and safety (2016)	GRI 416-1 GRI 416-2
		NDT Group	GRI 417: Marketing and labeling (2016)	GRI 417-1
	Research and development	NDT Group	GRI 3: Material topics (2021)	GRI 3-3
	Support to Local Communities	NDT Group	GRI 413: Local communities (2016)	GRI 413-2

	Material topic	Scope of material topic	GRI disclosure number and title	GRI Standard
Personnel	Occupational Health and Safety	NDT Group	GRI 403: Occupational health and safety (2018)	GRI 403-1 GRI 403-2 GRI 403-3 GRI 403-4 GRI 403-5 GRI 403-6 GRI 403-7 GRI 403-9
	Employee management and training	NDT Group	GRI 404: Training and education (2016)	GRI 404-1 GRI 404-3
Human rights	Respect for human rights and protection of workers	NDT Group	GRI 401: Employment (2016)	GRI 401-1 GRI 401-3
		NDT Group	GRI 406: Non-discrimination (2016)	GRI 406-1
Diversity of governing and control bodies	Diversity and equal opportunities	NDT Group	GRI 2: General Disclosure (2021)	GRI 2-7 GRI 2-8
		NDT Group	GRI 405: Diversity and equal opportunities (2016)	GRI 405-1
Combating corruption	Anti-corruption compliance	NDT Group	GRI 205: Anti-corruption (2016)	GRI 205-3
	Business ethics and corporate responsibility	NDT Group	GRI 2: General Disclosure (2021)	GRI 2-27
		NDT Group	GRI 205: Anti-corruption (2016)	GRI 205-3
	Economic performance and indirect impacts	NDT Group	GRI 201: Economic performance (2016)	GRI 201-1
		NDT Group	GRI 207: Tax (2019)	GRI 207-1
	ESG risk management	NDT Group	GRI 3: Material topics (2021)	GRI 3-3

ANNEX I: KPI TURNOVER

Financial year 2024		Year	Substantial contribution criteria		DNSH ("Does Not Significantly Harm")			
Economic activities (1)	Text	Turnover quote, year 2024 (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water (7)	Pollution (8)	Circular economy (9)	Biodiversity (10)
Code (2)	Euro	%	Yes; No; N/EL	Yes; No; N/EL	Yes; No; N/EL	Yes; No; N/EL	Yes; No; N/EL	Yes; No; N/EL
Turnover (3)								
A. ACTIVITIES TAXONOMY ELIGIBLE								
A.1. Eco-sustainable activities (aligned to the taxonomy)								
Turnover of Ecosustainable activities (aligned to the taxonomy) (A.1)								
Of which enabling								
Of which transitional								

ANNEX I: KPI TURNOVER

Financial year 2024	Year	Substantial contribution criteria	DNSH ('Does Not Significantly Harm')		
Economic activities (1)	Turnover (3) Code (2)	Turnover quote, year 2024 (4) Climate change mitigation (5) Climate change adaptation (6) Water (7) Pollution (8) Circular economy (9) Biodiversity (10) Climate change mitigation (11) Climate change adaptation (12) Water (13) Pollution (14) Circular economy (15) Biodiversity (16)	Minimum Safeguards (17)	Share of turnover aligned (A.1.) or eligible (A.2.) to taxonomy year 2022 (18) Minimum Safeguards (17)	Transitional activity category (20) Enabling activity category (19) Share of turnover aligned (A.1.) or eligible (A.2.) to taxonomy year 2022 (18) Minimum Safeguards (17)
Text	Euro	%	Yes; No;	%	T A

A. ACTIVITIES TAXONOMY ELIGIBLE

A.2 Taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned)

Production of electricity from bioenergy	CCM 4.8	49,944,282.00	28.92%	AM	N/EL	N/EL	N/EL	N/EL	N/EL	0%
Manufacture of plastic materials in primary forms	CCM 3.17	5,102,656.00	2.95%	AM	N/EL	N/EL	N/EL	N/EL	N/EL	0%
Electricity production with solar photovoltaic technology	CCM 4.1	92,054.00	0.05%	AM	N/EL	N/EL	N/EL	N/EL	N/EL	0%
Turnover from Taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned) (A.2)		55,138,992.00	31.93%	100%	0%	0%	0%	0%	0%	0%
A. Turnover of activities eligible for the taxonomy (A.1 + A.2)		55,138,992.00	31.93%	100%	0%	0%	0%	0%	0%	0%

ANNEX I: KPI TURNOVER

[illegible]

B. NOT TAXONOMY-ELIGIBLE ACTIVITIES

Turnover of activities not eligible for the taxonomy	117,543,858.81	68.07%
Total	172,682,850.81	100%

ANNEX II: KPI CAPEX

Financial year 2024	Year	Substantial contribution criteria	DNSH ('Does Not Significantly Harm')		
Economic activities (1)	Turnover (3) Code (2)	Turnover quote, year 2024 (4) Climate change mitigation (5) Climate change adaptation (6) Water (7) Pollution (8) Circular economy (9) Biodiversity (10)	Climate change adaptation (12) Climate change mitigation (11) Water (13) Pollution (14) Circular economy (15) Biodiversity (16)	Minimum Safeguards (17) Share of turnover aligned (A.1.) or eligible (A.2.) to taxonomy year 2022 (18) Enabling activity category (19) Transitional activity category (20)	Text Euro %
		Yes; No; N/EL Yes; No; N/EL Yes; No; N/EL Yes; No; N/EL Yes; No; N/EL Yes; No; N/EL Yes; No; N/EL	Yes; No; Yes; No; Yes; No; Yes; No; Yes; No; Yes; No; Yes; No;	Yes; No; Yes; No; Yes; No; Yes; No; Yes; No; Yes; No; Yes; No;	
A. ACTIVITIES TAXONOMY ELIGIBLE					
A.1. Eco-sustainable activities (aligned to the taxonomy)					
CapEx delle Ecosustainable activities (aligned to the taxonomy) (A.1)	0.00	0.0%	0%	0%	0.0%
Of which enabling	0.00	0.0%	0%	0%	0.0%
Of which transitional	0.0%	0%	-	-	0.0%

ANNEX II: KPI CAPEX

Financial year 2024	Year	Substantial contribution criteria	DNSH ('Does Not Significantly Harm')		
Economic activities (1)	Turnover (3) Code (2)	Turnover quote, year 2024 (4) Climate change mitigation (5) Climate change adaptation (6) Water (7) Pollution (8) Circular economy (9) Biodiversity (10)	Climate change adaptation (12) Climate change mitigation (11) Water (13) Pollution (14) Circular economy (15) Biodiversity (16) Minimum Safeguards (17)	Share of turnover aligned (A.1.) or eligible (A.2.) to taxonomy year 2022 (18) Minimum Safeguards (17)	Transitional activity category (20) Enabling activity category (19) Share of turnover aligned (A.1.) or eligible (A.2.) to taxonomy year 2022 (18) Minimum Safeguards (17)
Text	Euro	%	Yes; No; Yes; No; Yes; No; Yes; No; Yes; No; Yes; No; Yes; No;	%	T A
A. ACTIVITIES TAXONOMY ELIGIBLE					
A.2 Taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned)					
Electricity production with solar photovoltaic technology	CCM 4.8	430,957.00	5.91%	AM	AM; N/EL
Production of electricity from bioenergy	CCM 7.3	9,504.00	0.13%	AM	AM; N/EL

ANNEX II: KPI CAPEX

Financial year 2024	Year	Substantial contribution criteria	DNSH ('Does Not Significantly Harm')		
Economic activities (1)	Turnover (3) Code (2)	Turnover quote, year 2024 (4) Climate change mitigation (5) Climate change adaptation (6) Water (7) Pollution (8) Circular economy (9) Biodiversity (10)	Climate change adaptation (12) Climate change mitigation (11) Water (13) Pollution (14) Circular economy (15) Biodiversity (16)	Minimum Safeguards (17) Share of turnover aligned (A.1) or eligible (A.2) to taxonomy year 2022 (18) Enabling activity category (19) Transitional activity category (20)	T A %
Text	Euro	% Yes; No; N/EL Yes; No; N/EL Yes; No; N/EL Yes; No; N/EL Yes; No; N/EL Yes; No; N/EL Yes; No; N/EL	Yes; No; Yes; No; Yes; No; Yes; No; Yes; No; Yes; No; Yes; No; Yes; No;	Yes; No; Yes; No; Yes; No; Yes; No; Yes; No; Yes; No; Yes; No; Yes; No;	
A. ACTIVITIES TAXONOMY ELIGIBLE					
A.2 Taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned)					
CapEx delle Taxonomyeligible but not environmentally sustainable activities (not taxonomy-aligned) (A.2)	440,461.00	6.04%	100%	0%	0%
A. CapEx of activities eligible for the taxonomy (A.1 + A.2)	440,461.00	6.04%	100%	0%	0%
B. NOT TAXONOMY-ELIGIBLE ACTIVITIES					
CapEx of activities not eligible for the taxonomy	6,851,746.00	94.0%			
Total	7,292,207.00	100.0%			

ANNEX III: KPI OPEX

[illegible]

A. ACTIVITIES TAXONOMY ELIGIBLE

	A	T
Operating expenses of eco-sustainable activities (aligned to the taxonomy) (A.1)	0.0%	0.0%
Of which enabling	0.0%	-
Of which transitional	0.0%	-

A.2 Taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned)

[illegible]

ANNEX III: KPI OPEX

[illegible]

A. ACTIVITIES TAXONOMY ELIGIBLE

[illegible]

B. NOT TAXONOMY-ELIGIBLE ACTIVITIES

Operating expense of not taxonomy-eligible activities	97.3%	112,005,920.55
Total	100%	115,107,198.55

TEMPLATES PURS. ANNEX XII DELEGATED REGULATION (EU) 2021/2178

Nuclear energy related activities		
1	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	NO
2	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	NO
3	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	NO
Fossil gas related activities		
4	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	NO
5	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	NO
6	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	NO

As the Neodecortech Group does not have economic activities listed in Annexes I and II, Sections 4.26, 4.27, 4.28, 4.29, 4.30 and 4.31 of Delegated Regulation (EU) 2021/2139 (i.e. activities related to nuclear energy or fossil gases), it does not submit Templates 2,3,4,5 of Annex XII of Delegated Regulation (EU) 2021/2187.

PERFORMANCE INDICATORS

Environmental capital

Disclosure 301-1 Materials used by weight and volume

Type of waste	UoM	2024	2023	2022
Renewable raw materials ¹⁹	kg	38,497,393	39,087,906	39,493,037
Non-renewable raw materials ²⁰	kg	20,772,483	23,953,026	24,328,136
Total	kg	59,269,877	63,040,932	63,821,173

Disclosure 302-1 Energy consumed within the organization

Type of consumption	UoM	2024	2023	2022
Renewable energy	GJ	763,558	562,233	824,634
Non-renewable energy	GJ	357,324	511,586	436,947
% renewable energy of total	%	68%	52%	65%
Total Energy	GJ	1,120,882	1,073,819	1,261,581

Type of consumption	UoM	2024		2023		2022	
		total	total GJ	total	total GJ	total	total GJ
Non-renewable fuels							
Methane gas (Natural gas)	Scm	9,064,285	321,392	11,330,871	400,399	10,965,861	387,500
Diesel	litres	249,875	9,608	1,280,754	58,639	1,318,238	–
Diesel fuel for vehicles	litres	30,987	–	56,730	2,597	58,991	1,972
exclusive use	litres	–	–	38,446	1,746	44,958	1,618
mixed use	litres	–	–	18,284	830	14,033	354
Renewable fuels							
Animal by-products	tonne	22,025	799,511	13,510	493,149	27,019	986,203
Vegetable fats	tonne	14,008	508,501	11,921	435,143	3,838	140,091

¹⁹ The figure refers to uncertified paper, certified paper, packaging board, FSC certified pulp, certified wood packaging.

²⁰ The figure refers to packaging plastics, inks, resins, lacquers, plastic materials, paints and additives, PVC, rPET, titans, kaolin, organic and inorganic pigments, ethylene glycol, water treatment chemicals, lubricating oils, and granular urea.

PERFORMANCE INDICATORS

Environmental capital

Disclosure 302-1 Energy consumed within the organization

Type of consumption	UoM	2024		2023		2022	
		total	total GJ	total	total GJ	total	total GJ
Electricity							
Purchased electricity ²¹	kWh	43,104,519	155,176	21,007,341	75,626	7,489,054	26,961
of which from non-renewable sources	kWh	6,720,545	24,194	13,881,000	49,972	-	-
of which from renewable sources	kWh	0	0	7,126,341	25,655	7,489,054	26,961
Self-produced electricity	kWh	159,422,348	573,920	117,582,252	423,296	140,301,176	505,084
of which from renewable sources - produced by photovoltaic plants	kWh	1,288,188	3,554	1,400,954	5,043	884,646	3,185
of which from renewable sources - produced by bioliquid plants	kWh	4,637,829	16,696	116,181,298	418,253	139,416,530	501,900
Self-produced electricity sold on the grid	kWh	152,525,361	549,091	112,363,518	404,509	92,167,925	331,805

Conversion factors 2024

Energy consumption conversion factors			
Starting unit	Conversion unit	2024	Source
Electric Energy / Energy termic	GJ/kWh	0.0036	COSTANT
Natural gas	GJ/1000*sm3	35.337	Min. Environment - Table of national standard parameters for greenhouse gas monitoring and reporting
Diesel fuel (CNG) per vehicles	GJ/tonne	50.433	UK Government GHG Conversion Factors for Company Reporting 2023 – DEFRA
Diesel fuel (CNG) per vehicles (Density)	kg/cm	0.8	UK Government GHG Conversion Factors for Company Reporting 2021, 2022, 2023 – DEFRA
Diesel for heating	GJ/tonne	45.7850	UK Government GHG Conversion Factors for Company Reporting 2021, 2022, 2023 – DEFRA
Diesel fuel for vehicles	GJ/tonne	45.4120	UK Government GHG Conversion Factors for Company Reporting 2021, 2022, 2023 – DEFRA
Diesel (Density)	kg/litre	0.8400	FIRE: Guidelines for the appointment of the Energy Manager 2022 – version 2.2

21 As the energy purchased by CDG from renewable sources constitutes a portion of BEG's self-generated energy, this quantity is omitted when calculating GJ consumption. Similarly, it is excluded when identifying indirect CO2 emissions according to the Location-Based methodology. Considering for the Scope 2 emissions calculation the purchased energy of CDG, would, in fact, mean double counting that amount.

PERFORMANCE INDICATORS

Environmental Capital

Conversion factors 2024

Energy consumption conversion factors			
Starting unit	Conversion unit	2024	Source
LPG for heating	GJ/tonne	49.346	UK Government GHG Conversion Factors for Company Reporting 2021, 2022, 2023 – DEFRA
LPG for vehicles	GJ/tonne	49.346	UK Government GHG Conversion Factors for Company Reporting 2021, 2022, 2023 – DEFRA
GPL (Density) for heating	KG/cm	2.3	FIRE: Guidelines for the appointment of the Energy Manager 2022 – version 2.2
GPL (Density) for vehicles	kg/litre	0.560	FIRE: Guidelines for the appointment of the Energy Manager 2022 – version 2.2
Lead-free petrol for vehicles	GJ/tonne	43.128	Min. Environment - Table of national standard parameters for monitoring and reporting of greenhouse gases
Petrol (Density) for vehicles	kg/litre	0.740	FIRE: Guidelines for the appointment of the Energy Manager 2022 – version 2.2
Bioliquids	GJ/tonne	36.500	Arcadia, The bioliquids supply chain for power generation in Italy, 2023
Steam	GJ/tonne	2.756	Enthalpy value of saturated vapour under the generating conditions (pressure and temperature)

Disclosure 302-3 Energy intensity

	UoM	2024	2023	2022
Energy intensity Filago	GJ/kg	0.010	0.010	0.011
Energy intensity Casoli	GJ/kg	0.010	0.011	0.013
Energy intensity CDG	GJ/kg	0.010	0.011	0.014
Energy intensity of the group	GJ/kg	0.020	0.020	0.024

PERFORMANCE INDICATORS

Environmental Capital

Disclosure 303-3 Water withdrawal

Type of consumption	UoM	2024		2023		2022	
		all areas	water stressed areas	all areas	water stressed areas	all areas	water stressed areas
Surface water (total)	MI	1554	1554	1596	1596	1495	1495
Fresh water (≤ 1000 mg/L total dissolved solids)	MI	0	0	1596	1596	1495	1495
Other water (> 1000 mg/L solidi disciolti totali)	MI	-	-	-	-	-	-
Groundwater (total)	MI	12	-	11	-	13	-
Fresh water (≤ 1000 mg/L total dissolved solids)	MI	12	-	11	-	13	-
Other water (> 1000 mg/L solidi disciolti totali)	MI	-	-	-	-	-	-
Sea water (total)	MI	-	-	-	-	-	-
Fresh water (≤ 1000 mg/L total dissolved solids)	MI	-	-	-	-	-	-
Other water (> 1000 mg/L solidi disciolti totali)	MI	-	-	-	-	-	-
Process water (total)	MI	-	-	-	-	-	-
Fresh water (≤ 1000 mg/L total dissolved solids)	MI	-	1554	-	-	-	1495
Other water (> 1000 mg/L total dissolved solids)	MI	-	-	-	-	-	-
Third-party water (total)	MI	4	5	6	4	6	2
Fresh water (≤ 1000 mg/L total dissolved solids)	MI	4	5	6	4	6	2
Other water (> 1000 mg/L solidi disciolti totali)	MI	-	-	-	-	-	-
Third-party water by source of withdrawal (total)	MI	-	68	-	-	-	-
Surface water	MI	-	-	-	-	-	-
Groundwater	MI	-	-	-	-	-	-
Sea water (total)	MI	-	-	-	-	-	-
Process water	MI	-	-	-	-	-	-
Total water withdrawal	MI	1643	1627	1612	1599	1514	1497

PERFORMANCE INDICATORS

Environmental Capital

	UoM	2024	2023	2022
Water intensity Filago	MC/kg	0.001	0.001	0.001
Water intensity Casoli	MC/kg	0.001	0.001	0.001
Water intensity CDG	MC/kg	0.043	0.041	0.039
Group water intensity	MC/kg	0.034	0.030	0.029

Disclosure 305-1 Direct (Scope 1) GHG Emissions

Type of emission	UoM	2024	2023	2022
SCOPE 1	tCO₂	18,996	26,818	25,499
Methane gas(natural gas)	tCO ₂	18,165	22,560	21,883
for office heating	tCO ₂	463	388	512
for thermal power plant	tCO ₂	17,702	22,171	21,321
Diesel	tCO ₂	665	3,409	3,509
for steam production and plant operation	tCO ₂	665	3,409	3,509
Diesel fuel for vehicles	tCO ₂	665	150	145
Refrigerants leaks	tCO ₂	9	21	11

Disclosure 305-2 Indirect (Scope 2) GHG Emissions

SCOPE 2	UoM	2024	2023	2022
Location based	tCO ₂	2,076	6,489	1,946
Market based	tCO ₂	-	-	-

Direct and indirect GHG emissions (Scope 1 and Scope 2)

	UoM	2024	2023	2022
Total emissions (SCOPE 1 + SCOPE 2 Location based)	tCO ₂	21,072	26,140	27,456
Total emissions (SCOPE 1 + SCOPE 2 Market based)	tCO ₂	22,360	32,629	25,510

PERFORMANCE INDICATORS

Environmental capital

Emissions from biomass (out of scope)

Biomass	UoM	2024	2023	2022
Animal by-products	tCO ₂	59,027	36,209	71,601
Vegetable oils	tCO ₂	37,542	31,950	10,171
Total Emissions from Biomass	tCO₂	96,569	68,160	81,772

2024 emission factors

Emission factors of energy consumption			
Starting unit	Conversion unit	2024	Source
Electricity (Location-based)	kgCO ₂ /kWh	0.30890	ISPRA Report 386/2023
Electricity (Market-based)	kgCO ₂ /kWh	0.50057	AIB - European Residual Mixes 2022 (Ver. 1.0, 2022-05-31)
Natural Gas	tCO ₂ /1000*stdm3	2.004	Min. Environment - Table of national standard parameters for greenhouse gas monitoring and reporting
LPG	tCO ₂ /tonne	3.026	Min. Environment - Table of national standard parameters for greenhouse gas monitoring and reporting
Petrol for vehicles	tCO ₂ /tonne	3.15200	Min. Environment - Table of national standard parameters for greenhouse gas monitoring and reporting
Heating oil	tCO ₂ /tonne	3.169	Min. Environment - Table of national standard parameters for greenhouse gas monitoring and reporting
Diesel fuel for vehicles	tCO ₂ /tonne	-	ISPRA - National Inventory Report - 2023
Refrigerant gases (R410A)	kgCO ₂ e/kg	1924.000	UK Government GHG Conversion Factors for Company Reporting 2021 – DEFRA
Refrigerant gases (R407C)	kgCO ₂ e/kg	1624.000	UK Government GHG Conversion Factors for Company Reporting 2023 – DEFRA
Lubricating oil	tCO ₂ /tonne	2.947	Min. Environment - Table of national standard parameters for green-house gas monitoring and reporting
Hot water	tCO ₂ /kwh	0.00018	UK Government GHG Conversion Factors for Company Reporting 2021, 2022, 2023 – DEFRA
Steam	tCO ₂ /kwh	0.00018	UK Government GHG Conversion Factors for Company Reporting 2021, 2022, 2023 – DEFRA

PERFORMANCE INDICATORS

Environmental Capital

2024 emission factors

Emission factor - outside of scope				
Starting unit	Conversion unit	2024	Source	
Vegetable oils	tCO ₂ /tonne	2.68	UK Government GHG Conversion Factors for Company Reporting 2023 – DEFRA	
Animal by-product	tCO ₂ /tonne	2.68	UK Government GHG Conversion Factors for Company Reporting 2023 – DEFRA	

Disclosure 305-4 Emission intensity

	UoM	2024	2023	2022
Emission intensity Filago	tCO ₂ /kg	0.00043	0.00061	0.00062
Emission intensity Casoli	tCO ₂ /kg	0.00000	0.00069	0.00077
Emission intensity CDG	tCO ₂ /kg	0.00000	0.00052	0.00039
Group emission intensity	tCO₂/kg	0.00043	0.00055	0.00053

Disclosure 306-3 Total weight of waste generated

Type of waste	UoM	2024	2023	2022
Total hazardous	kg	174,228	287,171	390,784
Total non-hazardous	kg	5,977,087	7,719,358	7,209,192
Total	kg	6,151,315	8,006,529	7,599,976

Intensity of waste generation

	UoM	2024	2023	2022
Intensity of waste generated Filago	kg/kg	0.21	0.21	0.20
Intensity of waste generated Casoli	kg/kg	0.55	0.51	0.58
Intensity of waste generated CDG	kg/kg	0.07	0.10	0.09
Intensity of waste generated Group	kg/kg	0.12	0.15	0.15

PERFORMANCE INDICATORS

Human Capital

Disclosure 2-7 Employees

Employees by type of contract, gender and geographical area at 31 December												
	2024				2023				2022			
	Men	Women	Other (gender Total specified by the employee)	Total	Men	Women	Other (gender Total specified by the employee)	Total	Men	Women	Other (gender Total specified by the employee)	Total
Northern Italy	138	37	-	175	141	36	-	177	145	36	-	181
Open-endend	128	36	-	164	137	35	-	172	144	35	-	179
Fixed term	10	1	-	11	4	1	-	5	1	1	-	2
Per hour not guaranteed (e.g., on- call, occasional)	0	0	-	0	0	0	-	0	0	0	-	0
Central Italy	196	23	-	219	192	21	-	213	199	20	-	219
Open-endend	195	23	-	198	192	20	-	212	199	20	-	219
Fixed term	1	0	-	1	0	1	-	1	0	0	-	0
Per hour not guaranteed (e.g., on- call, occasional)	0	0	-	0	0	0	-	0	0	0	-	0
China	1	3	-	4	-	-	-	-	-	-	-	-
Total	335	63	-	398	333	57	-	390	344	56	-	400
Open-endend	322	61	-	383	329	55	-	384	343	55	-	398
Fixed term	13	2	-	15	4	2	-	6	1	1	-	2
Per hour not guaranteed (e.g., on- call, occasional)	0	0	-	0	0	0	-	0	0	0	-	0

PERFORMANCE INDICATORS

Human Capital

Disclosure 405-1 Diversity of governance bodies and employees

Percentage of employees by professional category and gender at 31 December									
Percentage	2024			2023			2022		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Executives	82%	18%	3%	80%	20%	3%	89%	11%	2%
Managers	80%	20%	4%	85%	15%	3%	77%	23%	3%
White collars	66%	34%	26%	68%	32%	23%	70%	30%	24%
Blue collars	91%	9%	67%	91%	9%	71%	92%	8%	70%
Total	84%	16%	100%	85%	15%	100%	86%	14%	100%
Percentage	84%	16%	100%	85%	15%	100%	86%	14%	100%

Percentage of employees by professional category and age group at 31 December												
Percentage	2024				2023				2022			
	< 30 years	30-50 years	> 50 years	Total	< 30 years	30-50 years	> 50 years	Total	< 30 years	30-50 years	> 50 years	Total
Executives	0%	18%	82%	3%	0%	20%	80%	3%	0%	22%	78%	2%
Managers	0%	53%	47%	4%	0%	62%	38%	3%	0%	62%	38%	3%
White collars	8%	49%	43%	26%	8%	46%	46%	23%	6%	55%	39%	24%
Blue collars	9%	42%	49%	68%	7%	48%	45%	71%	10%	45%	45%	70%
Total	8%	44%	48%	100%	7%	47%	46%	100%	9%	44%	44%	100%
Percentage	8%	44%	48%	100%	7%	47%	46%	100%	9%	48%	44%	100%

Number of employees belonging to legally-protected categories by type of contract									
	2024			2023			2022		
	Category legally-protected	Disability	Total	Category legally-protected	Disability	Total	Category legally-protected	Disability	Total
Executives	–	–	–	–	–	–	–	–	–
Managers	–	–	–	–	–	–	–	–	–
White collars	4	–	4	3	–	3	3	–	3
Blue collars	16	7	23	16	8	24	16	8	24
Total	20	7	27	19	8	27	19	8	27

PERFORMANCE INDICATORS

Human Capital

Disclosure 2-30 Collective bargaining agreements²²

Employees covered by collective bargaining agreements			
	2024	2023	2022
Employees covered by collective bargaining agreements	100%	100%	100%

Disclosure 401-1 New hires and turnover

Employees entering by gender and age group												
Number	2024				2023				2022			
	< 30 years	30-50 years	> 50 years	Total	< 30 years	30-50 years	> 50 years	Total	< 30 years	30-50 years	> 50 years	Total
Men	15	13	8	36	2	8	2	12	5	19	2	26
Women	1	4	0	5	1	2	0	3	3	3	0	6
Total	16	17	8	41	3	10	2	15	8	22	2	32

Employees leaving by gender and age group												
Number	2024				2023				2022			
	< 30 years	30-50 years	> 50 years	Total	< 30 years	30-50 years	> 50 years	Total	< 30 years	30-50 years	> 50 years	Total
Men	8	10	12	30	3	6	14	23	10	14	8	32
Women	0	1	1	2	0	1	1	2	1	3	2	6
Total	8	11	13	32	3	7	15	25	11	17	10	38

PERFORMANCE INDICATORS

Human Capital

Disclosure 403-9 Workplace accidents

Group employees				
Workplace accidents				
Number of accidents	2024	2023	2022	
Total number of deaths due to workplace accidents	–	–	–	
Total of serious workplace accidents (excluding deaths) ²³	–	–	–	
Total of recordable workplace accidents	8	9	6	
Total	8	9	6	
Accident rates ²⁴				
Rate of deaths due to workplace accidents	–	–	–	
Rate of serious workplace accidents (excluding deaths)	–	–	–	
Rate of recordable workplace accidents	13.5	14.9	10.1	
External associates ²⁵				
Workplace accidents				
Number of accidents	2024	2023	2022	
Number total di decessi dovuti a infortuni sul lavoro	–	–	–	
Number total di infortuni sul lavoro gravi (escludendo i decessi)	–	–	–	
Number total di infortuni sul lavoro registrabili	–	–	–	
Total	–	–	–	
Accident rates ²⁶				
Total number of deaths due to workplace accidents	–	–	–	
Total of serious workplace accidents (excluding deaths)	–	–	–	
Total of recordable workplace accidents	–	–	–	

²³ Workplace accidents that have led to damage from which the worker cannot recover, does not recover or it is unrealistic to expect him to recover completely returning to the state of health before the accident within 6 months.

²⁴ The accident rate was calculated as the ratio between the total number of accidents and the total hours worked, using a multiplication factor of 1,000,000.

²⁵ The data relating to the Health and Safety of non-employee workers include only the categories of Neodecortech Group employees and not other types of non-employee workers who work at the Group's sites and/or under the control of the Group, in consideration of their significance and the availability of such data over which the Group does not exercise direct control.

²⁶ See Note n. 24



