

CONSOLIDATED SUSTAINABILITY STATEMENT

2024



LATTONEDIL



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GENERAL INFORMATION

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[BP-1] General basis for preparation of sustainability statements

[BP-2] Disclosures in relation to specific circumstances

The Sustainability Statement of Lattonedil Group has been prepared on a consolidated basis in accordance with article 4 of Italian Legislative Decree No. 125 of 6 September 2024 (the "Decree"), implementing into national law Directive (EU) 2022/2464 concerning corporate sustainability reporting, and in compliance with the European Sustainability Reporting Standards (hereinafter the "ESRS"), as set out in Delegated Regulation (EU) 2023/2772, integrating Directive 2013/34/EU of the European Parliament and of the Council.

The scope of consolidation adopted in this document is consistent with that of the Group's Consolidated Financial Statement and includes the following companies:

- Lattonedil S.p.A.
- Nav-System S.p.A.
- Adria PLM S.p.A.
- Koper S.p.A.
- TTBlök S.r.l.
- LTT Panels Solution S.r.l.
- Lattonedil DE GmbH
- Lattonedil France S.a.s.
- Lattonedil BIH D.O.O.
- Panelais Producciones S.A.
- Solar Energy Baltati S.r.l.
- Silex Store D.O.O.

Unless otherwise specified, the information presented refers to the Group as a whole. Some policies, actions, and targets discussed in this Statement relate specifically to Lattonedil S.p.A., hereinafter also referred to as "the Parent Company" or "the Company".

All quantitative metrics disclosed are based exclusively on entities within the consolidation scope and are reported on a 100% basis for all Lattonedil Group entities, except for Panelais Producciones S.A., for which metrics are reported at 50%, consistent with the consolidation approach applied in the Group's Consolidated Financial Statements. No estimates, proxies or sector averages provided by suppliers or customers have been used.

The materiality assessment of impacts, risks, and opportunities extends to the Group's upstream and downstream value chain (see ESRS 2 [IRO-1] for further details).

The Group has not exercised the option to omit information relating to intellectual property, innovation results, or pending developments and negotiations, as permitted under Articles 19a(3) and 29a(3) of Directive 2013/34/EU.

Time horizons applied are short-, medium- or long-term, in line with ESRS 1, section 6.4. Furthermore, no quantitative metric or monetary amount disclosed in this Statement is subject to a high level of measurement uncertainty, in accordance with ESRS 1, section 7.2.

[GOV-1] Role of the administrative, management and supervisory bodies

To ensure that sustainability-related impacts, risks and opportunities (IROs) are effectively managed, the Board of Directors (BoD) has assigned responsibilities at Group level. The CFO, Stefano Bettio, is responsible for structuring sustainability management, including Corporate Sustainability Reporting Directive (CSRD) implementation and compliance aspects, supported by an internal team. Each relevant function is tasked with implementing the necessary controls and procedures to manage material IROs under the oversight of the CFO.

The CFO supports the BoD in the process of setting ESG targets, ensuring that targets are consistent with the company's strategy and relevant regulatory standards. Specifically, the BoD approves the Strategic Sustainability Plan, while the CFO monitors its implementation, periodically comparing actual with planned results.

The bodies responsible for monitoring the proper management of sustainability-related matters have been selected based on their expertise and the personal and professional experience gained throughout their careers. In addition, given the continuous regulatory developments in the field of corporate sustainability and the evolving external context, the Group is committed to further strengthening the skills of these key figures through training initiatives (such as induction programs or workshops). This ongoing support enables the Group to effectively focus its actions in addressing material IROs, thus ensuring a strategic management of sustainability-related challenges.

Composition of the Board of Directors

Name	Gender	Executive / Non-executive
Sergio Bettio	Male	Executive
Fabrizio Bettio	Male	Executive
Christian Doné	Male	Executive
Giulietto Bettio	Male	Executive
Giovanni Bettio	Male	Non-executive

Elena Bettio	Female	Non-executive
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Composition of the Board of Statutory Auditors

Name	Gender	Executive / Non-executive
Andrea Vendraminetto	Male	Not Applicable
Giancarlo Restori	Male	Not Applicable
Andrea Colombo	Male	Not Applicable

With regards to gender diversity, the average ratio of female to male members in Lattonedil's administrative, management and supervisory bodies amount to 17%. The percentage of independent board members equals to 67%.

Lattonedil ensures worker participation through alternative channels, such as trade unions, company-level union representatives (RSA), or unitary workplace union structures (RSU), although there is no formal and direct representation on the administrative, management, and supervisory bodies.

[GOV-2] Information provided to and sustainability matters addressed by administrative, management and supervisory bodies

The organisational structure described in section ESRS 2 [GOV-1] is designed to ensure the effective management of the Group's sustainability matters by clearly defining roles and responsibilities. This reporting period marks the Group's first experience in carrying out a Double Materiality Assessment (DMA) fully aligned with the ESRS requirements. Consequently, the processes to determine the frequency and methodologies for the BoD and its Committees to oversee material IROs are still under development. At this initial stage, the focus has been on laying the basis for effective future oversight.

The Lattonedil BoD is informed periodically by the CFO, who is responsible for sustainability management and reporting, on the outcomes and implications of the DMA. For further details, please refer to section ESRS 2 [IRO-1].

[GOV-5] Risk management and internal controls over sustainability reporting

Currently, Lattonedil does not have a structured internal control and risk management process concerning sustainability reporting, as this reporting period marks the Group's first experience in conducting a DMA and publishing a sustainability statement in accordance with ESRS. Recognising the importance of establishing a robust internal control system and

risk management framework for sustainability reporting, the Group is committed to developing such processes in the coming years.

[SBM-1] Strategy, business model and value chain

The Lattonedil Group, indirectly owned by the Bettio family and headquartered in Italy, is a leading player in the insulated sandwich panel industry. With over 50 years of experience, the Group combines innovative design, advanced technologies, and specialized expertise in both civil and industrial construction to deliver high-performance building solutions to domestic and international markets. The Group operates across 11 production sites strategically located in Italy (seven plants) and abroad (Germany, Spain, Bosnia and Herzegovina, and France). Italy remains the core market, where a well-distributed network of facilities ensures proximity to major industrial hubs and full national coverage, consolidating Lattonedil's leadership in the sector.

The global insulated panel market was valued at USD 52.38 billion in 2020 and is projected to exceed USD 85.53 billion by 2029, with a compound annual growth rate (CAGR) of 5.7% between 2022 and 2029. Market expansion is driven by supportive green building regulations and growing investment in cold chain infrastructure worldwide. Within this context, Lattonedil contributes to global energy efficiency goals by offering innovative solutions that enhance building performance and reduce energy consumption. Its insulated panels act as thermal barriers, helping to maintain stable indoor temperatures, limit heat loss, and reduce demand for heating and cooling. In addition, the Group develops specialized products, including panels designed for photovoltaic integration, insulation systems for cold storage facilities, and solutions that optimize the use of natural light.

Significant group of products

Lattonedil's product portfolio includes:

- Polyurethane (PUR) sandwich panels, offering high thermal insulation and versatile applications in industrial, commercial, and residential construction;
- Polyisocyanurate (PIR) sandwich panels, providing advanced thermal and acoustic insulation;
- Mineral wool (MW) panels, suitable for fire-resistant and acoustic insulation applications;
- Polystyrene (EPS) panels, designed for lightweight insulation needs;
- Glass wool (GW) sandwich panels, used for thermal and acoustic insulation in a range of construction settings.

Complementing its core product offering, the Group also provides construction components and specialized solutions, including corrugated metal sheets for cladding, roofing, and flooring; light-transmitting systems to optimize natural lighting; temperature-controlled systems for cold storage facilities; special finishes for customized aesthetic and functional features; prefabricated modules for flexible space solutions; prefabricated steel bathrooms adaptable to various environments; and a wide range of accessories to support installation and performance. There are no products or services offered by Lattonedil that are banned on the market.

Business model description

The Group's business model is structured to create value by combining product innovation, efficient industrial processes, and integrated logistics and service offerings to meet the evolving needs of its customers across domestic and international markets.

The business model is articulated along three main pillars:

- ***Project Management and Innovation***

Lattonedil supports its customers from the earliest stages of project development through design and engineering services. The Group develops innovative products that address specific market needs and provides technical assistance during the design process, including Building Information Modelling (BIM) support, as well as post-sales technical services.

- ***Industrial Production Process***

The core of Lattonedil's operations lies in its efficient, vertically integrated production process, designed to ensure high quality and flexibility. The following is a list of the stages making up Lattonedil's business model:

1. The production process begins with the preparation of steel coils and chemical materials, which are received and positioned at the start of the production line;
2. The coils are dragged in twos, one for the top and one for the bottom of the panel, onto the roll forming line where steel rollers imprint the desired profile shape;
3. The two profiled sheets come together and are ready to receive the insulation material, a chemical compound consisting mainly of isocyanate and polyol;
4. This composite is processed inside a temperature-controlled cabin, where it undergoes a process of expansion and solidification;

5. Once the composite structure is stabilised, the panels are cut to size according to the customer's specific requirements and packaged according to transport needs;
6. The finished products are then transferred via conveyor belts to the warehouse, from where they are loaded onto trucks for delivery to customers.

- **Complementary Logistics and Service Solutions**

To ensure customer satisfaction and timely delivery, Lattonedil integrates accessory services, including warehousing and logistics, capable of managing direct deliveries and supporting its extensive sales network of distributors, construction companies, and specialized industrial operators.

Lattonedil creates value through a broad and constantly evolving product portfolio. Its strong geographical footprint includes production sites in Italy, Germany, Spain, Bosnia and Herzegovina, and France.

Value chain description

With reference to the value chain, upstream activities include the procurement of steel coils, chemical components such as isocyanate and polyol for insulating cores, mineral wool, glass wool, polystyrene and polycarbonate materials, as well as certified steel for guaranteed structural products.

Downstream activities involve the distribution and sale of finished panels and complementary components through direct sales channels, authorized distributors, and building material retailers. The Group serves a diverse customer base spanning multiple industries, such as building material warehouses and distributors of panels and sheet metal, construction and prefabrication companies, automated warehouse and logistics facility builders, suppliers of equipment for livestock and poultry farming, and cold storage manufacturers. From its finished product warehouses, goods are transported via dedicated logistics networks to clients across domestic and international markets.

Lattonedil's sustainability strategy

Considering recent market trends and growing global expectations for a stronger ESG commitment, Lattonedil has developed a Strategic Sustainability Plan for 2023–2027. The plan outlines five key strategic areas of focus, each supported by clear objectives and measurable targets to be achieved over the next three years. Specific goals and performance indicators for each area are detailed in the table below.

ESRS	Related sub-topic	Target	Status	Base Year	Target Year	KPI
ENVIRONMENT	E1 Climate change mitigation Energy	Adopt ISO 14001 in 4 factories	Achieved	2022	2027	Number of installations with ISO 14001 certification
	E1 Climate change mitigation	Reduce product-related CO ₂ eq intensity by 30%	Ongoing	2022	2027	Tonnes of CO ₂ eq / tonnes of product
	E1 Climate change mitigation	Use 50% electricity from renewable sources	Achieved	2022	2027	% renewable electricity / total electricity consumption
	E1 Climate change mitigation	Reduce turnover-related CO ₂ eq intensity by 25%	Ongoing	2022	2027	Tonnes of CO ₂ eq / turnover
	E1 Climate change mitigation	Reduce absolute Scope 1 and Scope 2 greenhouse gas emissions by 30%	Not started yet	2022	2027	Tonnes of GHG Scope 1 and 2 emissions per year
	E1 Climate change mitigation	Reduce product-embodied emissions by 15% per tonne of product	Not started yet	2022	2027	Tonnes of CO ₂ eq incorporated / tonnes of product
	E1 Energy	Reduce energy consumption by 40%	Not started yet	2022	2027	GJ of energy consumed per year
	E1 Climate change mitigation	Install photovoltaic systems on >50% of production sites	Achieved	2022	2027	% of sites with photovoltaic systems / total number of production sites
	E1 Energy	Install new, more efficient machinery	Ongoing	2022	2027	Number of new machineries installed
	E5 Resource inflows	Eliminate the use of plastic film in the production and transport process	Not started yet	2022	2027	Elimination of plastic film
	E5 Resource inflows Resource outflows	Use 60% recycled content in the composition of our products, on average, by weight.	Ongoing	2023	2027	Total VOC emissions per year / tonnes of product
	E5 Waste	Zero company waste to landfill	Ongoing	2022	2027	Tonnes of waste sent to landfill
	E5 Waste	Reduce the intensity of waste disposed of on by-products generated by 50%	Not started yet	2022	2027	Tonnes of waste disposed of / tonnes of by-products generated
	E5 Waste	Reduce the intensity of hazardous waste on product volume on an annual basis	Ongoing	2022	2027	Tonnes of hazardous waste disposed of / tonnes of product volume (m3)
	E5 Waste	Recycle 100% of the remaining waste/by-products	Ongoing	2022	2027	Tonnes of waste recycled / tonnes of by-products generated
	E5 Waste	Reduce the volume of waste produced on an annual basis	Ongoing	2022	2027	Tonnes of waste generated per year / turnover
	E5 Waste	Reduce waste production volume on an annual basis to improve production quality	Ongoing	2023	2027	Tonnes of by-products discarded per year / total tonnes of products
	PRODUCT	E5 Resource outflows	Subject more than 90% of products to Life Cycle Assessment (LCA) analysis	Ongoing	2023	2027
E5 Resource outflows		>90% of products with EPD certification	Ongoing	2023	2027	Number of products with certification / total number of products
E5 Resource outflows		Use, on average, 60% recycled material in the composition of our products	Ongoing	2023	2027	Average recycled content in product composition by weight

ESRS	Related sub-topic	Target	Status	Base Year	Target Year	KPI	
E5	Resource outflows	Implement a feasibility study to assess the recyclability of end-of-life products	Ongoing	2023	2027	Launch of pilot project	
E5	Resource outflows	Define a Circular Design Guide	Not started yet	2023	2027	Publication of Circular Design Guide	
E5	Resource outflows	Introduce a digital passport for more than 90% of product categories	Not started yet	2022	2027	% of product categories with digital passports / total number of product categories	
E5	Resource outflows	Design our products in accordance with the Circular Design Guide	Not started yet	2023	2027	Number of products designed in accordance with the Circular Design Guide / total number of products	
E5	Resource outflows	Promote the use of reusable, recyclable and/or compostable packaging	Not started yet	2023	2027	Launch of sustainable packaging initiatives	
S4	Personal safety of consumers and/or end-users	Continue to evaluate 100% of products in terms of health and safety	Not started yet	2023	2027	% of products assessed for health and safety / total number of products	
PEOPLE	S1	Working conditions	Adopt a certified Health and Safety Management System (ISO 45001)	Not started yet	2022	2027	Obtaining of ISO 50001 certification
	S1	Working conditions	Zero accidents	Ongoing	2022	2027	Number of accidents
	S1	Working conditions	Reduce the accident rate by 50%	Ongoing	2022	2027	Number of accidents / hours worked per year
	S1	Working conditions	Reduce the Lost Time Injury (LTI) rate by 50%	Ongoing	2022	2027	Rate of LTI per year
	S1	Working conditions	Introduce a welfare plan	Achieved	2022	2027	Sharing of welfare plan with employees
	S1	Working conditions	Cover 100% of employees with the welfare plan	Achieved	2022	2027	Number of employees covered by welfare plan / total number of employees
	S1	Working conditions	Introduce an employee wellbeing survey	Not started yet	2022	2027	Sharing of survey
	S1	Equal treatment and opportunities for all	Increase annual training hours per employee by 30%, on an annual basis	Ongoing	2022	2027	Hours of training per employee per year
	S1	Equal treatment and opportunities for all	Introduce hours of training on ESG topics	Ongoing	2022	2027	Initiation of training activities on ESG topics
	S1	Equal treatment and opportunities for all	Maintain 30% women in corporate leadership	Achieved	2022	2027	Number of women / number of people on the Board
	S1	Equal treatment and opportunities for all	Promote inclusive leadership training for the Board of Directors	Ongoing	2022	2027	Adoption of training courses
	GOVERNANCE	G1	Corporate culture	Zero cases of fraud corruption and anti-competitive activities	Achieved	2022	2027
G1		Corporate culture	Introduce at least one annual training session on compliance issues	Achieved	2022	2027	Number of compliance training sessions
G1		Corporate culture	Train 100% of new managers on the Code of Ethics	Ongoing	2022	2027	Number of managers trained on the Code of Ethics / total number of managers

ESRS	Related sub-topic	Target	Status	Base Year	Target Year	KPI
G1	Management of relationships with suppliers including payment practices	Define a Responsible Procurement Policy	Not started yet	2022	2027	Publication of the Responsible Procurement Policy
G1	Management of relationships with suppliers including payment practices	Train 90% of our procurement team on sustainability issues on an annual basis	Not started yet	2022	2027	Number of employees trained / total number of employees in the procurement team
G1	Economic shared value	Increase the annual budget for sustainability projects/initiatives	Achieved	2022	2027	Budget spent on sustainability projects / initiatives per year

[SBM-2] Interests and views of stakeholders

The Lattonedil Group considers listening to and engaging with its key stakeholders essential for understanding their needs and expectations. The Group fosters a collaborative environment that encourages active stakeholder participation, an approach that is fundamental to promoting inclusive and sustainable growth. The interests and views of employees have been integrated into the strategy and business model through the materiality assessment process.

During this reporting period, no significant updates have been made to the Group's strategy or business model in response to stakeholder feedback.

Lattonedil has identified its key stakeholders as follows.

Employees

Employees are a category of stakeholder of high strategic importance for Lattonedil's growth. Valuing people, developing their skills and sharing know-how are fundamental to ensuring the strength and long-term success of the business.

Customers

Lattonedil regards its customers as key stakeholders in its business activities. The Group's production strategy relies on involving customers during the design phase, enabling it to respond effectively to their requirements. Emphasis is placed on product customisation, providing solutions that meet customer needs promptly and efficiently.

Suppliers

Lattonedil recognises the importance of building and maintaining strong relationships with its suppliers, founded on mutual trust and the highest standards of quality, ethics and integrity.

Investors

Investors and the financial community are key to Lattonedil's success, and the Group is committed to acting in their best interests while recognising and strengthening their role within the organisation.

Government and Institutions

The government and institutions are engaged through transparent and compliant interactions, with Lattonedil acknowledging the importance of maintaining constructive relationships with public authorities to safeguard business integrity and ensure operational continuity.

Local Community

The local community is considered a stakeholder of significant importance for consolidating the Group's reputation and resilience. Lattonedil actively fosters community relations through donations, sponsorships, and participation in local initiatives and events.

[SBM-3] Material impacts, risks and opportunities and their interaction with strategy and business model

	SUB-TOPIC	DESCRIPTION	IRO	POSITIONING ACROSS THE VALUE CHAIN			TIME HORIZON		
				Upstream	Own operations	Downstream	Short term	Medium term	Long term
ENVIRONMENT	E1 - Climate Change								
	Climate change mitigation	Contribution to climate change due to greenhouse gas emissions (Scope 1 and 2) generated by business operations, mainly as a result of electricity consumption from fossil fuels.	Actual negative impact		●		●	●	●
	Energy	Opportunities to access favourable loans, public incentives or capital grants linked to the implementation of energy efficiency projects, the use of renewable energy sources and decarbonisation strategies in production processes.	Opportunity		●			●	
	E5 - Circular economy and resource use								
	Resource inflows	Financial risk related to reduced availability and price volatility of key commodities (e.g. metals and chemical inputs) due to increased global demand, supply chain interruptions and growing regulatory pressure.	Risk	●	●		●	●	
	Resource outflows	Opportunities for differentiation and access to new markets through the development of more durable, recyclable or reusable building products, in line with customer expectations and minimum environmental criteria (CAM), sustainable building protocols (e.g. LEED, BREEAM) and emerging circular design regulations.	Opportunity		●	●		●	
	Waste	Generation of hazardous and non-hazardous waste during the production of sandwich panels, due to the use of chemical compounds hazardous to the environment and human health in case of incorrect classification, incorrect handling or improper disposal.	Actual negative impact		●		●		

PEOPLE	S1 - Own workforce							
	Working condition	Occurrence of occupational injuries or illnesses in the own workforce due to inadequate occupational health and safety protocols, safeguards and control systems, as well as inadequate training and inadequate personal protective equipment.	Actual negative impact	●		●		
	Equal treatment and opportunities for all	Opportunity to increase company know-how, resulting in improved company performance, through the improvement of technical, managerial and operational skills of workers.	Opportunity	●		●	●	
PRODUCT	S4 - Consumers and end-users							
	Personal safety of consumers and/or end-users	Regulatory and compliance risk arising from non-compliance with product safety laws or industry standards, potentially impacting the health and safety of end users (e.g., due to the presence or contamination of hazardous substances), and potentially resulting in fines.	Risk	●		●	●	
	Personal safety of consumers and/or end-users	Opportunities to strengthen brand reputation and increase customer loyalty and to continuously improve products and processes through careful and timely handling of product complaints.	Opportunity	●		●		
GOVERNANCE	G1 - Business Conduct							
	Corporate culture	Creating and distributing value for all stakeholders over the long term, while maintaining the stability and reliability of the business by integrating ESG priorities into the corporate strategy.	Actual positive impact	●	●	●	●	●
	Protection of whistleblowers	Enabling workers and other stakeholders to report concerns or needs in complete confidentiality and safe from retaliation, discrimination or any other form of consequence thanks to the existence of a public corporate whistleblowing channel.	Actual positive impact	●	●	●	●	

[IRO-1] Description of process to identify and assess material impacts, risks and opportunities

For the Lattonedil Group, materiality assessment is a key process for identifying and managing the most significant IROs related to corporate activities.

The assessment has been conducted in accordance with the principle of double materiality, which combines two complementary perspectives:

- Impact materiality, concerning the identification and evaluation of the actual or potential impacts of the Group on people and the environment; and
- Financial materiality, focusing on the risks and opportunities arising from environmental, social, and governance issues that may affect the Group's financial position, performance, cash flows, access to finance, or cost of capital.

In 2023, the Group initiated a process of alignment with the CSRD and updated its materiality analysis in accordance with the ESRS, following the guidance set out by EFRAG. Further details of the process are provided in the following paragraphs.

1. Analysis of the internal and external context

The first phase involved an analysis of the internal and external context. Lattonedil's public documents, such as the Sustainability Report and corporate policies, were reviewed to map the Group's activities and value chain, covering suppliers of raw materials, services, and finished/semi-finished products, as well as relationships with customers and end-users.

To further contextualize the analysis, relevant sustainability issues in the industry were identified, drawing on reviews of ratings from major agencies (S&P Global, SASB, MSCI, and ENCORE). The following sectors were specifically considered:

Rating agency	Upstream value chain	Own operations	Downstream value chain
S&P	Chemicals, Steel, Aluminium	Building Products	Home Building
SASB	Chemicals, Iron & Steel Producers	Industrial Machinery & Goods	Home Builders
MSCI	Specialty Chemicals, Steel, Aluminium	Building Products	Home Building
ENCORE	Manufacture of other chemical products	Manufacture of basic iron and steel	Construction of buildings

2. Identification of impacts, risks and opportunities

The second phase concerned the identification of IROs. A detailed review of the ESRS list of topics, sub-topics, and sub-sub-topics was performed to identify potentially relevant IROs across the Group's operations and value chain.

Impacts refer to the positive or negative, actual or potential effects that the Group may have on stakeholders (e.g., employees, suppliers, local communities) and/or the environment, while risks and opportunities arise from ESG issues that could affect the Group's financial performance and resilience.

3. Impacts, risks and opportunities evaluation

The evaluation of the materiality of each IRO was conducted through the engagement of internal stakeholders and followed EFRAG's *Materiality Assessment Implementation Guidance*. The *Double Materiality Assessment* considered two main criteria:

- Likelihood assessment, on a scale of 1 to 4, i.e. the frequency with which an IRO could occur;
- Magnitude assessment, i.e. the severity of the IRO should it occur. The criteria and scales for assessing the IROs were defined in this phase.

In the *Impact Materiality Assessment*, the magnitude assessment took into consideration the following parameters:

- Scale, on a scale of 1 to 4, i.e. how severe the impact is;
- Scope, on a scale of 1 to 4, i.e. how widespread the impact is.
- Irremediability, on a scale of 1 to 4, i.e. how difficult it is to mitigate or compensate for the resulting harm to negative impacts.

For each impact, stakeholders were required to express their evaluation. Through a dedicated questionnaire accompanied by specific guidelines, they were asked to give a score from 1 to 4 related to the above criteria (likelihood, scale, scope and irremediability).

In *Financial Materiality Assessment*, sustainability-related risks and opportunities were assessed without considering the mitigation actions taken and using the same criteria and rating scale established for impact assessment:

- Likelihood assessment on a scale of 1 to 4;
- Magnitude assessment on a scale of 1 to 4.

4. Identification of relevant impacts, risks and opportunities

Finally, the fourth phase focused on the identification of relevant IROs. A materiality threshold was defined to determine significance. Impacts with a total rating of 10 or higher

and risks with a rating of 3 or higher were considered material and therefore included in the Double Materiality Assessment results.

ENVIRONMENTAL INFORMATION

ESRS E1 – Climate change

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[E1-SBM-3] Material impacts, risks and opportunities and their interaction with strategy and business model

			POSITIONING ACROSS THE VALUE CHAIN			TIME HORIZON		
			Upstream	Own operations	Downstream	Short term	Medium term	Long term
	SUB-TOPIC	DESCRIPTION	IRO					
ENVIRONMENT	E1 - Climate Change							
	Climate change mitigation	Contribution to climate change due to greenhouse gas emissions (Scope 1 and 2) generated by business operations, mainly as a result of electricity consumption from fossil fuels.	Actual	negative	impact		●	●
	Energy	Opportunities to access favourable loans, public incentives or capital grants linked to the implementation of energy efficiency projects, the use of renewable energy sources and decarbonisation strategies in production processes.	Opportunity				●	

Link between impacts, risks and opportunities and the Lattonedil's business model

Lattonedil Group pursues a development strategy aimed to reduce the environmental impact of its operations, combining product innovation with a progressive alignment to the objectives of the ecological transition. Through the DMA¹, the Group identified negative impacts, such as GHG emissions from both direct and indirect activities, alongside financial opportunities arising from the implementation of energy efficiency initiatives and the use of renewable energy within its production processes.

The assessment highlighted that all Lattonedil's activities currently generate negative impacts on climate change, primarily due to GHG emissions resulting from electricity consumption sourced from fossil fuels. These emissions contribute to global warming, which in turn adversely affects ecosystems, biodiversity, and air quality, with broader societal repercussions, especially in geographically vulnerable regions where they threaten food security, access to clean water, and public health, while exacerbating global social and economic inequalities.

¹ All geographical locations where Lattonedil Group operates, as well as all types of assets, inputs, outputs, and distribution channels under its control, were comprehensively considered.

In addition, the materiality assessment considered the risks and opportunities associated with climate change, identifying both physical and transition risks, such as the increasing frequency and severity of extreme weather events, rising fossil fuel prices, and the tightening of regulatory requirements on energy efficiency and climate adaptation.

The financial materiality assessment revealed a material opportunity, over the medium and long term, related to access to subsidized financing for sustainable investments, supported by European and national programs for the energy transition. By adopting low-emission technologies and practices with a reduced environmental footprint, the Group could lower its average cost of capital, enhance profitability, and strengthen its financial position.

The Group remains committed to progressively developing such plans in coherence with its transition pathway, ensuring an adequate allocation of resources to support the adoption of innovative low-carbon technologies and to safeguard financial resilience in the medium to long term.

[IRO-1] Description of processes to identify and assess material climate-related impacts, risks and opportunities

Lattonedil assessed climate-related negative impacts, as well as potential physical and transition risks, such as regulatory changes or shifts in market demand, as part of the DMA (see ESRS 2 IRO-1 for more information). No systematic process was implemented during the reporting period to determine the Group's exposure or the vulnerability of its assets over short-, medium-, and long-term time horizons.

Similarly, no formal process was established to evaluate climate-related transition risks or opportunities for the Group's operations or value chain under a scenario consistent with limiting global warming to 1.5°C. Consequently, there has been no in-depth evaluation of the Company's exposure or sensitivity to such transition events.

[E1-1] Transition plan for climate change mitigation

The Lattonedil Group has not currently adopted a specific transition plan for climate change mitigation. In response to stakeholder demands and the evolving regulatory framework for climate and sustainability reporting, the Group has launched a series of actions aimed at reducing its contribution to climate change, starting in 2023.

[E1-2] Policies related to climate change mitigation and adaptation

The Group's environmental commitment is proved by the adoption of Environmental Policy, which supports compliance with applicable environmental legislation and other

requirements to which the Company subscribes (see [E5-1] for further details). In this context, the Policy reflects management's recognition of the strategic importance of environmental matters, even though Lattonedil has not yet established a dedicated policy framework specifically addressing climate change.

[E1-3] Actions and resources in relation to climate change policies

Material IRO addressed	Key actions	Expected outcomes
<p>Negative impact: Contribution to climate change due to greenhouse gas emissions (Scope 1 and 2) generated by business operations, mainly as a result of electricity consumption from fossil fuels.</p>	<p>Actions relating to the Parent Company's scope:</p> <ul style="list-style-type: none"> • Design and manufacture of innovative insulating panels that improve building energy efficiency. In 2023, Lattonedil S.p.A. stabilizes indoor temperatures and reduces the demand for heating and cooling. Solutions also include photovoltaic integration, natural lighting, and cold storage insulation. • Adoption of international sustainability standards. Several panels are designed to meet LEED requirements. This helps customers obtain green building certifications and promotes responsible construction practices. • Measurement and disclosure of product-level emissions. In 2023, the Group calculates CO₂eq, CFC, SO₂ and other GHG emissions for twelve products. This results in Environmental Product Declarations (EPDs) and the introduction of KPIs to monitor and reduce the carbon footprint of production. • Monitoring and reporting of operational emissions. Activities include an internal procedure for the Emission Registration Plan in line with AUA requirements, annual sampling of VOCs, dust, ammonia, amines and isocyanates, as well as systematic reporting of Scope 1 and Scope 2 GHG emissions. 	<p>Through the implementation of these actions, Lattonedil expects to achieve measurable reductions in energy consumption and GHG emissions, both at the product and operational level. The initiatives enhance transparency and accountability, ensuring compliance with environmental regulations while strengthening trust with customers, regulators and stakeholders. At the same time, they foster differentiation in green building markets, improve competitiveness, and support customer projects aligned with international sustainability standards.</p>
<p>Opportunity: Opportunities to access favourable loans, public incentives or capital grants linked to the implementation of energy efficiency projects, the use of renewable energy sources and</p>	<p>Action relating to the Group's scope:</p> <ul style="list-style-type: none"> • Investments in energy efficiency and renewable energy. The Group aims to expand photovoltaic installations across its production sites. - Existing assets: Solar Energy Baltati S.r.l. operates a 3 MW photovoltaic park; photovoltaic systems were already in place at the Adria PLM 	<p>The investment is expected to reduce Lattonedil's reliance on fossil fuels, lower Scope 2 greenhouse gas emissions, and increase the share of renewable electricity in its energy mix. It will also enhance the Group's resilience to energy price volatility, improve operational efficiency, and support progress towards national and EU</p>

Material IRO addressed	Key actions	Expected outcomes
decarbonisation strategies in production processes.	and Nav-System sites. - 2024 progress: a new photovoltaic system was installed at the Carimate site (total investment: €884k). Additional installations/revamping activities were initiated at other sites (including TTBlok and Nav-System).	decarbonisation and renewable energy targets.

[E1-4] Targets related to climate change mitigation and adaptation

Each target is aligned with Lattonedil Group's overarching commitment to environmental responsibility, as outlined in its Sustainability Plan. Although not formally integrated into a specific policy, these targets demonstrate the Group's commitment to reducing its carbon footprint across all its operations.

Target	KPI	Base year	As of Today	Target year
Adopt ISO 14001 in 4 factories of the Lattonedil's Group ²	Number of installations with ISO 14001 certification	2022	Achieved	2027
Reduce product-related CO ₂ eq intensity by 30%	Tonnes of CO ₂ eq / tonnes of product	2022	Ongoing	2027
Use 50% electricity from renewable sources	% renewable electricity / total electricity consumption	2022	Achieved	2027
Reduce the CO ₂ eq intensity of Group's turnover by 25%	Tonnes of CO ₂ eq / Group's turnover	2022	Ongoing	2027
Reduce absolute Scope 1 and Scope 2 greenhouse gas emissions by 30% ³	Tonnes of GHG Scope 1 and 2 emissions per year	2022	Not started yet	2027
Reduce product-embodied emissions by 15% per tonne of product	Tonnes of CO ₂ eq incorporated / tonnes of product	2022	Not started yet	2027
Reduce the Group's energy consumption by 40%	GJ of energy consumed per year	2022	Not started yet	2027
Install photovoltaic systems on >50% of the Group's production sites	% of sites with photovoltaic systems / total number of production sites	2022	Achieved	2027
Install new, more efficient machinery in the Italian sites	Number of new machineries installed in Italian plants	2022	Ongoing	2027

At this stage, the climate change targets defined by Lattonedil are not explicitly based on conclusive scientific evidence. The Group acknowledges the importance of aligning future

² ISO 14001 has been implemented at the plants in Carimate, Cantù, Venzone, and Cesena. Currently, the standard is in the process of being adopted at the Castelnovo and Cutro plants.

³ With reference to this target, to reduce absolute Scope 1 and Scope 2 greenhouse gas emissions by 30%, Scope 2 emissions are calculated using the market-based method.

targets with robust scientific methodologies and is committed to progressively enhancing its approach in this regard.

Lattonedil is committed to defining a systematic approach to managing climate-related impacts, with a particular focus on reducing GHG emissions. Although a formal transition plan has not yet been adopted, the Group is already implementing specific initiatives to reduce both direct and indirect emissions. In fact, the Strategic Sustainability Plan currently also sets targets to support the reduction of GHG emissions in the coming years.

The target to reduce absolute Scope 1 and Scope 2 greenhouse gas emissions by 30% is currently in the planning phase and has not yet been started. Further information will be provided in the coming years once the target is officially launched and implementation begins.

[E1-5] Energy consumption and mix

The energy consumption data was collected through data collection sheets filled out by every single company of the Lattonedil Group. The methodology used for data collection involved gathering data in litres, m³ for fuels, while electricity consumption was collected in MWh.

The energy consumption of Silex Store D.O.O., Panelais Portugal S.A. and LTT Panels Solution S.r.l. are not included in the table below, as these entities do not carry out manufacturing activities and their energy consumption is therefore not material.

To facilitate data comparability and subsequent emission calculations, the fuel consumption in cubic metres was converted into consumption in MWh by multiplying the consumption values by the lower calorific value (net calorific value) of the specific fuel.

Energy consumption and mix	u.m.	2024
(1) Fuel consumption from coal and coal products	MWh	-
(2) Fuel consumption from crude oil and petroleum		4.831,94
(3) Fuel consumption from natural gas		11.571,34
(4) Fuel consumption from other fossil sources		-
(5) Consumption of purchased or acquired electricity, heat, steam, and cooling from fossil fuels		12.449,21
(6) Total fossil energy consumption (calculated as the sum of lines 1 to 5)	MWh	28.852,49
Share of fossil sources in total energy consumption	%	74,54
(7) Consumption from nuclear sources	MWh	-
Share of consumption from nuclear sources in total energy consumption	%	0

Energy consumption and mix	u.m.	2024
(8) Fuel consumption for renewable sources, including biomass (also comprising industrial and municipal waste of biologic origin, biogas, renewable hydrogen, etc.)	MWh	-
(9) Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources		-
(10) The consumption of self-generated non-fuel renewable sources		9.855,18
(11) Total renewable energy consumption (calculated as the sum of lines 8 to 10)	MWh	9.855,18
Share of renewable sources in total energy consumption	%	25,46
Total energy consumption (calculated as the sum of lines 6, and 11)	MWh	38.707,67

As an infrastructure manufacturer, Lattonedil operates in a high climate impact sector, and this classification applies across all Group entities. In line with the European Sustainability Reporting Standards (ESRS), companies in these sectors are required to disclose the energy intensity of their activities, calculated as total energy consumption divided by net revenue.

The following table shows the Group's energy intensity for activities in high climate impact sectors:

Energy intensity per net revenue	u.m.	2024
Total energy consumption from activities in high climate impact sectors per net revenue from activities in high climate impact sectors	MWh/€	0,00009279

The net revenues from activities in high climate impact sectors described above are reconciled with those reported in Lattonedil's financial statements as follows:

	u.m.	2024
Net revenue from activities in high climate impact sectors used to calculate energy intensity	€	417.142.436,00
Total net revenue (Financial statements)		417.142.436,00

The energy intensity per net revenue is a metric used to measure the total amount of energy produced or consumed per Euro of net revenue of the Group. It displays how efficiently Lattonedil uses energy to carry out economic activity.

[E1-6] Gross Scopes 1, 2, 3 and Total GHG emissions

	u.m.	2024
Scope 1 GHG emissions		
Gross Scope 1 GHG emissions	tCO ₂ eq	3.268,47
Percentage of Scope 1 GHG emissions from regulated emission trading schemes	%	0

Scope 2 GHG emissions		
Gross location-based Scope 2 GHG emissions	tCO ₂ eq	2.779,21
Gross market-based Scope 2 GHG emissions		5.163,59
Total GHG emissions		
Total GHG emissions (location-based)	tCO ₂ eq	6.047,68
Total GHG emissions (market-based)		8.432,06

Methodological Note

This note outlines the methodology applied to calculate greenhouse gas (GHG) emissions, in compliance with current regulations and in alignment with the principles of the GHG Protocol.

Scope 1 GHG emissions

According to the GHG Protocol, Scope 1 GHG emissions are direct emissions from owned or controlled sources. In the case of Lattonedil, Scope 1 GHG emissions mainly come from the combustion of diesel during the production process. These emissions result directly from on-site energy consumption and are essential for assessing the overall environmental impact of Lattonedil's operations.

For every single company of the Lattonedil Group, the data collection sheets required the quantity of fuel used, broken down by fuel type.

For each type of fuel, the amount of emissions expressed in tCO₂eq was calculated using the fuel-specific emission factors provided by the *UK Department for Environment, Food & Rural Affairs (DEFRA) 2024*.

Scope 2 GHG emissions

The data collection sheets required the following information for each company:

- The quantity of electricity purchased or acquired;
- The quantity of Renewable Energy Certificates or Guarantees of Origin purchased.

Scope 2 GHG emissions were calculated and reported using market- and location-based methods.

For the market-based method, which considers the contribution of specific emission factors related to the contractual forms adopted by the organisation for purchasing electricity, emission factors were extracted from the *Association of Issuing Bodies (AIB) for the European residual mix*. These factors were then multiplied by the electricity consumption of each Lattonedil Group company. In 2024, no electricity consumption was covered by contractual instruments (GOs/RECs). Therefore, market-based Scope 2 emissions were calculated using AIB residual mix factors only.

Location-based Scope 2 GHG emissions reflect indirect emissions from purchased energy based on the composition of the local electricity grid. They were calculated by disaggregating electricity consumption by country (Italy, Spain, France, Germany and Bosnia and Herzegovina) and applying country-specific grid-average emission factors for 2024, consistent with the location-based approach. Emission factors for Italy were sourced from the *Italian National Institute for Environmental Protection and Research (ISPRA)*. Those for Spain, France and Germany were sourced from the *European Environment Agency (EEA)*. Emission factor for Bosnia and Herzegovina was sourced from *Carbon Data Intelligence (CaDi)*.

All emission factors are expressed in CO₂eq and reflect the average emissions intensity of the electricity grid in each country. Emissions were calculated by multiplying electricity consumption (MWh) by the relevant country's emission factor.

Based upon the above emissions data, Lattonedil's GHG emissions intensity, i.e. the total GHG emissions per net revenue, is summarized in the table below:

Gross GHG emission intensity per net revenue	u.m.	2024
Total GHG emissions (location-based) per net revenue	tCO ₂ eq/€	0,00001450
Total GHG emissions (market-based) per net revenue		0,00002021

The net revenue as the denominator of the GHG emissions intensity reconciles to the net revenue from Lattonedil Group's financial statements as follows:

	u.m.	2024
Total net revenue (Financial statements)	€	417.142.436,00

The GHG intensity metric shows how emissions-intensive the company's activities are compared to their economic output, expressed in tCO₂eq per Euro.

ESRS E5 – Resource use and circular economy

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[E5-SBM-3] Material impacts, risks and opportunities and their interaction with strategy and business model

[E5-IRO-1] Description of processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities

			POSITIONING ACROSS THE VALUE CHAIN			TIME HORIZON		
			Upstream	Own operations	Downstream	Short term	Medium term	Long term
SUB-TOPIC	DESCRIPTION	IRO						
E5 - Circular economy and resource use								
Resource inflows	Financial risk related to reduced availability and price volatility of key commodities (e.g. metals and chemical inputs) due to increased global demand, supply chain interruptions and growing regulatory pressure.	Risk	●	●		●	●	
ENVIRONMENT	Resource outflows	Opportunities for differentiation and access to new markets through the development of more durable, recyclable or reusable building products, in line with customer expectations and minimum environmental criteria (CAM), sustainable building protocols (e.g. LEED, BREEAM) and emerging circular design regulations.		●	●		●	
	Waste	Generation of hazardous and non-hazardous waste during the production of sandwich panels, due to the use of chemical compounds hazardous to the environment and human health in case of incorrect classification, incorrect handling or improper disposal.		●		●		

Link between impacts, risks and opportunities and the Lattonedil's business model

Lattonedil assessed impacts, risks and opportunities related to resource use and circular economy, as part of the DMA⁴ (see ESRS 2 [IRO-1] for more information), across the entire value chain. Moreover, to identify possible impacts, risks and opportunities in the value chain, consideration was given to priority impacts identified by international rating agencies (SASB, S&P and MSCI).

⁴ All geographical locations where the Group operates, as well as all types of assets, inputs, outputs, and distribution channels under its control, were comprehensively considered within the DMA.

The impact materiality assessment identified waste generation and management, including hazardous waste associated with chemical processes used in insulated-panel production, as a material environmental impact of the Group's manufacturing activities. If not properly managed, these impacts may lead to soil and water (e.g., due to misclassification, handling or disposal). This evidence informs strategic priorities in response to stakeholder expectations and evolving regulatory requirements in the construction and manufacturing sectors.

From the financial materiality perspective, the potential effects of the material IROs on the Group's business model are as follows:

- **Raw-material availability and pricing (risk):** Volatility in the availability and pricing of key raw materials (metals and chemical inputs) represents a financial risk for a vertically integrated, multi-country production model. This may exert pressure on cost efficiency and operational stability; this risk was assessed over a long-term horizon and, as it depends on potential conditions that have not yet materialised, has not affected the Group's financial position, performance or cash flow to date.
- **Green building demand (opportunity):** Growing market demand for building products that meet durability, recyclability and reusability standards represents a strategic opportunity. Building on product development activities and certified performance (including LEED, BREEAM and CAM compliance), the Group is positioned to strengthen its portfolio and expand its presence in environmentally regulated, sustainable-construction segments, supporting access to regulated markets and sustainable-construction tenders. This opportunity was assessed over short- and medium-term horizons and, as it relates to future developments and commitments, has not yet had effects on the Group's financial position, performance or cash flows.

[E5-1] Policies related to resource use and circular economy

Environmental Policy

Regarding the material impact related to waste management identified through the DMA, measures are currently in place only at Lattonedil S.p.A., where the Environmental Policy applies to the company's own workforce. This Policy is part of the broader Quality, Health, Safety and Environment (QHSE) Policy. The environmental aspects of the Policy are detailed in this section, while its health and safety and product quality components are addressed in sections ESRS [S1-1] and ESRS [S4-1], respectively.

It should be noted that, with reference to the material IROs identified as part of the DMA, the Environmental Policy refers exclusively to the negative impact linked to the sub-topic "Waste" of ESRS E5 and does not address other material IROs identified through the DMA.

The Environmental Policy covers production activities that may generate industrial wastewater, waste, or environmental emergencies. It sets rules for the classification, storage, and transfer of waste, as well as the management of potential releases into soil, subsoil, and water.

To meet its objectives, Lattonedil S.p.A. periodically updates its environmental strategy with input from consultants and employees. The Policy addresses impacts across internal operations and the supply chain, promotes environmental awareness and technical skills among staff, and applies an Integrated Environmental Management System aligned with regulations and corporate strategy.

Top management oversees the Policy's implementation and reviews its effectiveness through regular evaluations and updates. This ensures that environmental objectives remain aligned with corporate strategy and regulatory requirements.

Within Lattonedil S.p.A., The "Employer", as the highest level of management, is responsible for implementing the Environmental Policy. This role includes overseeing waste management at the site, allocating the necessary resources for compliant handling, and periodically verifying that established procedures and controls are correctly applied and effective.

This Policy is based on the environmental management system set out in the international standard UNI EN ISO 14001, is updated annually and disseminated to all staff, consultants, contractors, and other interested third parties. The Policy was not developed in consultation with external stakeholders.

At Group level, Lattonedil currently does not have specific policies addressing: the transition away from the use of virgin resources or the relative increase in the use of secondary (recycled) resources; the sustainable sourcing and use of renewable resources.

[E5-2] Actions and resources related to resource use and circular economy

The above-mentioned actions are limited to the Parent Company Lattonedil S.p.A. and they are implemented regardless of whether certain circumstances occur.

Material IRO addressed	Key actions	Expected outcomes
<p>Negative impact: Generation of hazardous and non-hazardous waste during the production of sandwich panels, due to the use of chemical compounds hazardous to the environment and human health in case of incorrect classification, incorrect handling or improper disposal.</p>	<ul style="list-style-type: none"> • Regular inspections during production to prevent uncontrolled waste generation. • Company procedure for identifying and classifying waste, ensuring traceability, assigning responsibilities, and transferring it to qualified third parties. • Systematic reporting of waste using European Waste Codes (EWC), with data collected through registers, transport documents, and annual MUD declarations. Monthly monitoring tracks the ratio between generated and disposed waste to assess trends. • Separate collection of municipal-type waste (paper, cardboard, plastic, residual, and organic) using dedicated containers with clear instructions. • Off-site disposal of sorted waste by an authorized collector, supported by a specific confirmation form. • Compliance with applicable regulations ensured by entrusting waste disposal to pre-qualified external suppliers. • Segregation and treatment of non-conforming panels: most non-conforming panels are sold as "second choice", thereby avoiding waste generation. • Component segregation for panels to be discarded: separation of sheet metal from polyurethane; sheet metal is sent to recycling, while polyurethane is disposed of via authorized channels. • Integrated management system assessments: within the management system, relevant context factors are identified, risks and opportunities are analysed (including consequences), and planned resources and expected benefits are explicitly defined. A structured improvement plan is then established, including indicators (KPIs) to monitor progress and achievement of results. 	<p>The implementation of these actions minimise the negative impacts associated with the production, management and disposal of hazardous and non-hazardous waste. In particular, they aim to reduce the overall volume of waste produced, increase the recovery and recycling rate of by-products and ensure the complete traceability of hazardous waste streams.</p>
<p>Opportunity: Opportunities for differentiation and access to new markets through the development of more durable, recyclable or reusable building products, in line with customer expectations and minimum environmental criteria (CAM), sustainable building protocols (e.g. LEED, BREEAM) and emerging circular design regulations.</p>	<ul style="list-style-type: none"> • Measurement and disclosure of product-level emissions, including CO₂e, CFC, SO₂ and other GHGs, for 12 products. This process supports the issuance of Environmental Product Declarations (EPDs) and the introduction of KPIs to monitor and reduce the carbon footprint of production activities. • Compliance with international standards such as FM Approvals for products marketed in the US, ensuring quality, technical integrity, and high performance. • Design and production of panels in line with LEED requirements, one of the most widely recognised sustainable building rating systems, enabling customers to gain credits toward green building certification. • Use of EPDs and KPIs as communication tools to engage transparently with customers and stakeholders, support informed purchasing decisions, and highlight the sustainability attributes of Lattonedil products. • Circular input strategy: the production process uses raw materials such as steel, polyurethane and mineral wool that already include a recycled content share; Lattonedil aims to increase this share by identifying 	<p>Through these actions, Lattonedil aims to position itself as a reliable partner for sustainable construction, strengthening its differentiation in the market while anticipating regulatory trends in more environmentally sustainable product design.</p>

Material IRO addressed	Key actions	Expected outcomes
	suppliers and sourcing materials with higher recycled content.	

[E5-3] Targets related to resource use and circular economy

Target	KPI	Base year	As of Today	Target year
Eliminate the use of plastic film in the production and transport process	Elimination of plastic film	2022	Not started yet	2027
Use 60% recycled content in the composition of our products, on average, by weight.	Total VOC emissions per year / tonnes of product	2023	Ongoing	2027
Zero company waste to landfill	Tonnes of waste sent to landfill	2022	Ongoing	2027
Reduce the intensity of waste disposed of on by-products generated by 50%	Tonnes of waste disposed of / tonnes of by-products generated	2022	Not started yet	2027
Reduce the intensity of hazardous waste on product volume on an annual basis	Tonnes of hazardous waste disposed of / tonnes of product volume (m3)	2022	Ongoing	2027
Recycle 100% of the remaining waste/by-products	Tonnes of waste recycled / tonnes of by-products generated	2022	Ongoing	2027
Reduce the volume of waste produced on an annual basis	Tonnes of waste generated per year / turnover	2022	Ongoing	2027
Reduce waste production volume on an annual basis to improve production quality	Tonnes of by-products discarded per year / total tonnes of products	2023	Ongoing	2027
Subject more than 90% of products to Life Cycle Assessment (LCA) analysis	Number of products subjected to LCA / total number of products	2023	Ongoing	2027
>90% of products with EPD certification	Number of products with certification / total number of products	2023	Ongoing	2027
Use, on average, 60% recycled material in the composition of our products	Average recycled content in product composition by weight	2023	Ongoing	2027
Implement a feasibility study to assess the recyclability of end-of-life products	Launch of pilot project	2023	Ongoing	2027
Define a Circular Design Guide	Publication of Circular Design Guide	2023	Not started yet	2027
Introduce a digital passport for more than 90% of product categories	% of product categories with digital passports / total number of product categories	2022	Not started yet	2027
Design our products in accordance with the Circular Design Guide	Number of products designed in accordance with the	2023	Not started yet	2027

Target	KPI	Base year	As of Today	Target year
	Circular Design Guide / total number of products			
Promote the use of reusable, recyclable and/or compostable packaging	Launch of sustainable packaging initiatives	2023	Not started yet	2027

Stakeholders have not been directly involved in the process of in the goal-setting process described above. However, Lattonedil recognises the value of stakeholder engagement and intends to strengthen participatory mechanisms in future target-setting processes.

[E5-4] Resource inflows

Raw materials	% Recycled material
Polyurethane	2%
Steel	30,8%
Materials required for the production process not part of the finished product	
Polyurethane distribution comb	67%
Finished products	
Sandwich panels (sheet metal–polyurethane–sheet metal)	15%
Sandwich panels (sheet metal–mineral wool–sheet metal)	30%
Packaging materials	
Polystyrene blocks	40,8%
Cardboard	100%

The recycled content percentage reported for each material is provided by suppliers (supplier declarations). For reporting purposes, the contribution of recycled content to the finished product is then calculated by weighting the supplier-declared recycled percentage by the quantity of that material used in the product.

[E5-5] Resource outflows

	u.m.	2024
Waste not intended for disposal		
Total	Kg	6.449.545,00
Hazardous waste		125.815,50
Preparation for reuse		8.825,00
Recycling		13.237,50
Other recovery operations		103.753,00
Non-hazardous waste		6.323.729,50
Preparation for reuse		5.366,50

Recycling		1.747.743,00
Other recovery operations		4.570.620,00
Waste intended for disposal		
Total		853.252,00
Hazardous waste		74.860,50
Incineration		480,00
Landfill		34.907,50
Other disposal operations		39.473,00
Non-hazardous waste		778.391,50
Incineration		68.720,00
Landfill		687.211,50
Other disposal operations		22.460,00
Percentage of non-recycled waste	%	76%
Total amount of hazardous waste generated	Kg	200.676,00
Total amount of non-hazardous waste generated	Kg	7.102.121,00
Total amount of waste generated	Kg	7.302.797,00

In reporting on the composition of its waste, Lattonedil adopts a classification-based approach that groups waste materials into two main categories: hazardous and non-hazardous waste. Hazardous waste includes materials that contain or are contaminated by substances which, due to their nature, quantity, or concentration, may pose a risk to human health or the environment. This category includes, for example, emulsions, packaging containing hazardous substances, aqueous waste containing hazardous substances, as well as other solvents or solvent mixtures. Non-hazardous waste mainly consists of plastic, aluminum, iron and steel waste, as well as packaging materials.

SOCIAL INFORMATION

ESRS S1 – Own workforce

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[S1-SBM3] Material impacts, risks and opportunities and their interaction with strategy and business model

			POSITIONING ACROSS THE VALUE CHAIN			TIME HORIZON		
			Upstream	Own operations	Downstream	Short term	Medium term	Long term
	SUB-TOPIC	DESCRIPTION	IRO					
PEOPLE	S1 - Own workforce							
	Working condition	Occurrence of occupational injuries or illnesses in the own workforce due to inadequate occupational health and safety protocols, safeguards and control systems, as well as inadequate training and inadequate personal protective equipment ⁵ .	Actual negative impact		●		●	
	Equal treatment and opportunities for all	Opportunity to increase company know-how, resulting in improved company performance, through the improvement of technical, managerial and operational skills of workers.	Opportunity		●		●	●

Link between impacts, risks and opportunities and the Lattonedil's business model

Lattonedil's strategy and organisational model are intentionally designed to shape its own workforce. Workforce-related strategic lines are defined and planned through the annual personnel budgeting process, which typically starts in September and is finalised by the end of October. Within this cycle, the Group determines potential headcount increases or reductions, remuneration policies, and initiatives aimed at the continuous improvement of roles, functions, and activities. In this context, material IROs related to the workforce, particularly those concerning employee well-being, skills development and workplace safety, are closely connected to the Group's strategy and business model and are considered in organisational and resource-allocation decisions.

⁵ This impact was also assessed in relation to the different geographical areas in which the company operates, considering the different local regulations regarding working conditions and workers' rights.

The Group recognises a strong interdependence between its organisational model and its workforce. Lattonedil structures roles, functions, processes and responsibilities to ensure that the workforce competences are aligned with business objectives and can adapt to operational needs. The organisational model is reviewed annually and drives the definition of workforce requirements, including the number of employees needed, the required skills profile, and allocation across departments. At the same time, workforce availability and capability influence and may constrain organisational choices. The model remains dynamic and is continuously adjusted in response to market conditions, contributing to the adaptation of the strategy and business model over time.

In this context, the Group links material workforce-related IROs to the resilience and performance of its business model. Ensuring a safe working environment is a strategic priority, reflecting the relevance of occupational health and safety both as a material impact area and as a factor that can influence operational continuity, compliance, and productivity. In parallel, Lattonedil identifies a material opportunity to enhance economic and financial performance by strengthening employees' technical, managerial and operational skills. Effective workforce management supports the delivery of products that meet high standards of quality, safety and technical performance; accordingly, the Group promotes employees' personal and professional growth through dedicated programmes and training courses.

Details regarding identified impacts, risks and opportunities

Through its DMA, the Group has identified material IROs connected to its operations, covering all categories of its workforce.

The material IROs identified through the DMA cover all Lattonedil employees, including those with fixed-term and permanent contracts, classified as managers, middle managers, white-collar staff and blue-collar workers.

Although these IROs apply to the entire workforce, the health and safety impact primarily affects employees working at Lattonedil's manufacturing sites.

- The occurrence of occupational injuries or illnesses within the workforce, resulting from inadequate health and safety protocols, insufficient safeguards and control systems, as well as a lack of proper training and personal protective equipment, can significantly compromise workers' physical and mental well-being. Such incidents may lead to temporary or permanent health impairments, reduced ability to work, prolonged absences and a decline in overall workplace morale and trust in the organisation. It

should be noted that the negative impact is not systemic but rather relates to one-off cases.

- The opportunity to enhance the technical, managerial and operational skills of workers allows Lattonedil to strengthen its internal know-how, improving efficiency and reliability in day-to-day operations. Over time, this process is expected to generate positive economic effects, including higher productivity, reduced operational inefficiencies and lower error-related costs. It is also expected to foster innovation and competitiveness, supporting revenue growth and improving profitability for the Group.

[S1-1] Policies related to own workforce

Human Rights & Anti-discrimination commitment

Lattonedil recognizes that its activities and daily interactions may affect the human rights of employees, suppliers and business partners, consumers, and local communities. To address these potential impacts, the company is committed to promoting a workplace free from unfair treatment and discrimination, ensuring respect for the rights of all individuals both within its organization and across its supply chain.

As the parent company, Lattonedil S.p.A. safeguards human rights at work primarily through the dissemination of its Code of Ethics, which is founded on the principle of fairness and requires full respect for the rights of all individuals involved in its operations. In line with Italian legislation, employees benefit from contractual conditions defined by the National Collective Labour Agreement and enjoy the right to collective bargaining and freedom of association. To further strengthen its commitment, the company is finalizing the adoption of a Supplier Code of Conduct aimed at eradicating all forms of labour exploitation, including forced or compulsory labour, child labour, and human trafficking, thereby protecting human rights throughout its value chain.

Lattonedil S.p.A. supports an inclusive workplace by providing intercultural awareness training to its employees. In addition, it has structured a continuous training plan for the entire workforce to strengthen technical skills—particularly emerging competences related to digitalisation and sustainability—as well as transversal skills (e.g., leadership and providing feedback to team members) (see Section [S1-4] for details). The Group is currently continuing to develop its approach and, to date, has not introduced a dedicated standalone policy on diversity and inclusion or specific positive action measures for groups at heightened risk of vulnerability.

Occupational health and safety policy

Regarding the material impact related to occupational health and safety identified as part of the DMA, Lattonedil does not currently have a group-wide occupational injury prevention policy or a centralized health and safety management system. These measures are in place only at the parent company Lattonedil S.p.A., whose Health and Safety Policy applies to the company's entire own workforce and is integrated within the broader Quality, Health, Safety and Environment (QHSE) Policy, described below. This section outlines the occupational health and safety aspects of the Policy, while ESRS [E5-1] and ESRS [S4-1], address the environmental and quality components, respectively.

The Health and Safety Policy aims to ensure regulatory compliance, prevent workplace injuries and illnesses, and continuously improve conditions through regular reviews and updates. To achieve these goals, the company relies on the expertise of the Prevention and Protection Service to monitor legal compliance and assess risks and actively involves supervisors through regular meetings to identify and address potential risks in production activities, ensuring implementation and reviewing results.

The "Employer" of the holding company Lattonedil S.p.A., as the highest level of management, is responsible for implementing the Health and Safety Policy, approving and updating the Risk Assessment Document, establishing control methodologies and periodically checking the achievement of objectives.

The Health and Safety Management System in accordance with the requirements of UNI EN ISO 45001:2018 is the organizational model that Lattonedil S.p.A. has adopted to prevent non-conformities and workplace accidents. Through its appointed representatives, the "Employer" manages internal and external communications on health and safety matters, engaging employees, including through their Workers' Safety Representatives, and, when appropriate, other stakeholders such as local authorities, citizens, direct and indirect employees, customers, and suppliers. Feedback, comments, and proposals are collected and addressed in accordance with current legislation and collective labour agreements.

The Policy is updated annually and disseminated to all staff, consultants, contractors, and other interested third parties.

[S1-3] Processes to remediate negative impacts and channels for own workforce to raise concerns

Lattonedil's activities are based on the principles of legality, fairness, honesty, integrity, equity, transparency and efficiency. These principles are supported by internal policies and

operational processes that aim to prevent any negative impact on the well-being and safety of the Company's workforce.

Employees of the Parent Company are encouraged to report any concerns or complaints relating to harassment, suspected illegal behaviour or other issues directly to their manager or through the reporting system. This mechanism sets out the rules and channels for reporting any violations, reasonable suspicions of violation, or behaviour that does not comply with the Code of Ethics, internal policies and procedures (including Model 231), or applicable laws and regulations. Confidentiality is always ensured.

Reports can be submitted anonymously via *Parrot VB*, a digital platform based on third-party software, which makes reporting, secure and confidential.

The company ensures that employees are aware of these tools and know how to access them by providing information on its corporate website.

[S1-4] Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions

The above-mentioned actions are limited to the Parent Company and they are implemented regardless of whether certain circumstances occur.

Material IRO addressed	Key actions	Expected outcomes
<p>Opportunity: Opportunity to increase the company know-how, resulting in improved performance, by enhancing the technical, managerial and operational skills of workers.</p>	<p>Skills mapping project</p> <ul style="list-style-type: none"> Quantitative assessment of the knowledge and organisational skills of each production profile. Collaboration with employee representatives. Combination of self-assessment and managerial assessment using specific assessment forms. Strengthening of relations between managers and employees, constructive dialogue and identification of areas for improvement. 	<p>The project is expected to foster a culture of continuous learning, enabling employees to strengthen and update their skills over time. It also supports personal and professional development, offering workers opportunities to grow both in their technical expertise and in their organizational behaviours. At the same time, the initiative contributes to consolidating an environment based on trust and collaboration, where constructive dialogue between managers and employees is actively promoted.</p>

Material IRO addressed	Key actions	Expected outcomes
<p>Negative impact: Occurrence of occupational injuries or illnesses in the own workforce due to inadequate occupational health and safety protocols, safeguards and control systems, as well as inadequate training and personal protective equipment.</p>	<p>Health and safety measures</p> <ul style="list-style-type: none"> • Provision of mandatory training for the entire workforce, including refresher courses, with monitoring of learning effectiveness. • Implementation of a Health and Safety Management System (UNI EN ISO 45001:2023), including risk assessments, preventive measures and periodic audits. • Monitoring of accidents, occupational diseases, near misses and other key safety indicators. • Involvement of the Prevention and Protection Service (SPP) in company meetings to provide specialist advice and support. 	<p>These actions are expected to reduce the frequency and severity of workplace incidents, by improving workers' skills and awareness, and fostering a culture of shared responsibility. These outcomes directly contribute to the objectives of Lattonedil's Health and Safety Policy: ensuring compliance with legal requirements, safeguarding the well-being of all workers, and maintaining safe and healthy working environments across the Company.</p>

[S1-5] Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

As a sign of its ongoing commitment to protecting the health and safety of its employees, Lattonedil has set itself the following objectives to be achieved in Italy by 2027.

Some of these objectives are also set out in the Health and Safety Policy, which has been defined by the Group to ensure regulatory compliance, prevent accidents and illnesses at work, and continuously improve conditions through periodic reviews and updates. These objectives are marked with an asterisk (*).

Target	KPI	Base year	As of Today	Target year
Adopt a certified Health and Safety Management System (ISO 45001)	Obtaining of ISO 50001 certification	2022	Not started yet	2027
Zero accidents*	Number of accidents	2022	Ongoing	2027
Reduce the accident rate by 50%*	Number of accidents / hours worked per year	2022	Ongoing	2027
Reduce the Lost Time Injury (LTI) rate by 50%*	Rate of LTI per year	2022	Ongoing	2027
Introduce a welfare plan	Sharing of welfare plan with employees	2022	Achieved	2027
Cover 100% of employees with the welfare plan	Number of employees covered by welfare plan / total number of employees	2022	Achieved	2027
Introduce an employee wellbeing survey	Sharing of survey	2022	Not started yet	2027
Increase annual training hours per employee by 30%, on an annual basis	Hours of training per employee per year	2022	Ongoing	2027

Target	KPI	Base year	As of Today	Target year
Introduce hours of training on ESG topics	Initiation of training activities on ESG topics	2022	Ongoing	2027
Maintain 30% women in corporate leadership	Number of women / number of people on the Board	2022	Achieved	2027
Promote inclusive leadership training for the Board of Directors	Adoption of training courses	2022	Ongoing	2027

Stakeholders have not been directly involved in the process of in the goal-setting process described above. However, Lattonedil recognises the value of stakeholder engagement and intends to strengthen participatory mechanisms in future target-setting processes.

[S1-6] Characteristics of undertaking's employees

The following tables provide an overview of the Lattonedil Group's workforce composition, with breakdowns by gender, country and contract type.

As of 31 December 2024, the total number of employees in the Lattonedil Group was 945. Most of the Group's employees are based in Italy (48%), followed by Spain (41%), while the remaining workforce is distributed across Bosnia and Herzegovina (5%), France (4%) and Germany (3%).

Total number of employees by gender / Geographical area	Women	Men	Total
Italy	38	413	451
Spain	20	172	192
Bosnia & Herzegovina	15	34	49
France	14	20	34
Germany	6	21	27
Total	193	660	753

Female	Male	Other	Not Disclosed	Total
Number of employees (head count / FTE)				
93	660	0	0	753
Number of permanent employees (head count / FTE)				
87	638	0	0	725
Number of temporary employees (head count / FTE)				
6	22	0	0	28
Number of non-guaranteed hours employees (head count / FTE)				
0	0	0	0	0
Number of full-time employees (head count / FTE)				
89,5	655,5	0	0	725
Number of part-time employees (head count / FTE)				

3,5	4,5	0	0	8
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Italy	Spain	Bosnia & Herzegovina	France	Germany	Total
Number of employees (head count / FTE)					
451	192	49	34	27	753
Number of permanent employees (head count / FTE)					
432	187	49	33	24	725
Number of temporary employees (head count / FTE)					
19	5	-	1	3	28
Number of non-guaranteed hours employees (head count / FTE)					
-	-	-	-	-	-
Number of full-time employees (head count / FTE)					
448	189	49	34	25	745
Number of part-time employees (head count / FTE)					
3	3	-	-	2	8

In addition to the year-end workforce composition, the employee turnover rate reported below illustrates workforce changes during the year.

Reason for termination	Female	Male	Total
Leave voluntarily	23	74	97
Retirement	-	5	5
Dismissal	8	17	25
Death in service	-	-	-
Total employees who left the company	31	96	127
Employee turnover rate in %			16,87%

The turnover rate was calculated by comparing the number of employees who left during the year (voluntary departures, dismissals, retirements or death in service) with the total number of employees.

[S1-14] Health and safety metrics

With reference to occupational injuries, the table below presents the number and severity of recorded work-related injuries among employees in 2024, including commuting accidents (to/from work), as well as a breakdown by injury type and the total number of days lost. The recorded working injury rate has been calculated in accordance with the ESRS methodology. With reference to occupational diseases, during 2024 the Group recorded no cases of occupational disease among its employees.

The metrics reported below are not validated by an external body. All figures are presented in headcount.

Occupational injuries – Employees (number)	2024
Recorded working injuries	
Fatalities as result of work-related injuries	-
Serious working injuries (not considering deaths)	1
Other injuries	29
Total recorded injuries	30
of which: commuting accidents (to/from work)	2
Types of occupational injuries	
Contusions and fractures	12,5
Muscle strains	3
Other injuries	14,5
Working hours	
Number of days lost to work-related injuries and fatalities from work-related accidents	816.062
Recorded working injury rate	36,76

[S1-17] Incidents, complaints and severe human rights impacts

During the reporting period Lattonedil Group did not receive any fines, penalties or claims for damages resulting from human rights incidents and complaints, as reported in the table below.

ESRS S4 – Consumers and end-users

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[S4-SBM3] Material impacts, risks and opportunities and their interaction with strategy and business model

			POSITIONING ACROSS THE VALUE CHAIN			TIME HORIZON		
			Upstream	Own operations	Downstream	Short term	Medium term	Long term
	SUB-TOPIC	DESCRIPTION	IRO					
PRODUCT	S4 - Consumers and end-users							
	Personal safety of consumers and/or end-users	Regulatory and compliance risk arising from non-compliance with product safety laws or industry standards, potentially impacting the health and safety of end users (e.g., due to the presence or contamination of hazardous substances), and potentially resulting in fines.	Risk				●	●
	Personal safety of consumers and/or end-users	Opportunities to strengthen brand reputation and increase customer loyalty and to continuously improve products and processes through careful and timely handling of product complaints.	Opportunity				●	

Link between impacts, risks and opportunities and Lattonedil's business model

Lattonedil's business model is customer-centric and is grounded in delivering products that meet end-user expectations in terms of quality, safety and compliance. In this context, product design, sourcing, manufacturing controls and post-sales support are key levers to safeguard customer satisfaction and protect brand value.

The DMA identified consumers and end-users as a material topic for the Group, due to the risk and the opportunity associated with product safety compliance, brand reputation, customer loyalty and product improvement.

The potential effects of the material IRO on the Group's business model, strategy and decision-making are as follows:

- **Regulatory and financial consequences (risk):** Non-compliance with applicable product safety laws or industry standards may expose the Group to significant regulatory and financial consequences. Such events could compromise the health and safety of end-users, for instance due to the presence and/or contamination of hazardous substances, potentially resulting in product recalls, penalties, legal claims and reputational damage.

This may undermine stakeholder trust, reduce consumer confidence, and negatively affect sales performance. While such events are considered non-recurring, they have been identified as material due to their potential severity.

- **Stronger relationships with end-users (opportunity):** Timely and effective handling of product complaints represents an opportunity to strengthen brand reputation and customer loyalty. Proactively complaint management supports customer satisfaction and enables the identification of areas for continuous improvement across product and process. Over time, this approach is expected to enhance the perceived reliability of the Group's offerings, foster repeat business and generate positive economic impacts, including increased market share and revenue growth.

Given the forward-looking and contingent nature of these outcomes, specific investment and disposal plans, as well as planned sources of funding for implementing the Group's strategy, are under assessment and will be formalised in future reporting periods. As of the reporting date, the current and anticipated financial effects on the Group's financial position, financial performance and cash flows cannot be estimated, and no relevant effects have been recognised to date. Accordingly, the descriptions above reflect potential pathways through which the identified risks and opportunities may affect the Group

The DMA considered all geographies in which the Group operates, together with all controlled assets, inputs, outputs, and distribution channels.

Details regarding identified impacts, risks and opportunities

In the context of its B2B business model, the Group's direct clients are primarily construction and installation companies. However, based on the materiality assessment conducted under ESRS 2 [IRO-1], the analysis also considered the end-users of buildings where insulated panels are installed as the ultimate consumers potentially exposed to risks.

The principal risk identified relates to product safety and compliance, particularly the possibility of non-conformities with product safety laws or industry standards. Such situations could expose construction companies and installers to operational risks during the handling and installation phases and could indirectly affect the health and safety of building occupants in cases of hazardous substance presence or contamination.

[S4-1] Policies related to consumers and end-users

Quality Policy

Currently, only the Parent Company, Lattonedil S.p.A., has adopted a Quality Policy as part of its broader Quality, Health, Safety and Environment (QHSE) Policy, which applies to the entire company workforce. This section outlines the quality-related aspects of the Policy, while sections [E5-1] and [S1-1] address the environmental and health and safety components, respectively.

The Quality Policy has been designed to ensure high and consistent standards across Company processes, improving employee skills and motivation through training initiatives on quality culture at all levels. The Policy also reaffirms Lattonedil's commitment to customer satisfaction and, more generally, to meeting the needs and expectations of all stakeholders involved in its critical processes.

To achieve these objectives, the Company implements a structured monitoring process based on a preliminary assessment of the risks and opportunities associated with its business processes. This approach is supported by regular internal and external audits, as well as periodic reviews by top management. Together, these ensure ongoing evaluation and improvement of performance over time.

The Policy applies to all organizational processes, employees, and external collaborators, extending to the markets and countries where the Company operates. Top management monitors the effectiveness of the Quality Management System, allocating the necessary resources, and aligning planned objectives with the organization's context and strategic direction.

The Quality Policy and the associated management system are structured in compliance with the UNI EN ISO 9001:2015 standard.

The Policy reflects a strong consideration of stakeholder interests, focusing particularly on customers, employees, and collaborators. It promotes engagement and active participation across all levels of the organization, as well as the development of internal professional skills and the careful selection of external partners to ensure the Company has competent and motivated human resources.

This Policy is communicated to all internal personnel and is made available to suppliers, customers, the public, and any party upon request, ensuring its accessibility to all relevant stakeholders.

The Group has not adopted specific commitments or human rights policies addressing consumers and/or end users, nor has it implemented processes or mechanisms explicitly aligned with the UN Guiding Principles on Business and Human Rights, the ILO Declaration

on Fundamental Principles and Rights at Work, or the OECD Guidelines for Multinational Enterprises.

[S4-3] Processes to remediate negative impacts and channels for consumers and end-users to raise concerns

The Group is committed to ensuring that consumers and end-users can freely raise concerns, needs, and reports regarding potential negative impacts associated with its products and services, and that they receive timely feedback and appropriate support.

To this end, direct contact channels are available through Customer Service and, where applicable, through the relevant sales representative, reachable by e-mail or telephone. The Group conducts periodic assessments of the effectiveness of these channels, including through satisfaction surveys and analyses of their use, to ensure that they remain accessible and responsive to end-users' needs.

When a report or complaint is received, the Group activates a standardised handling process. Customer Service records the complaint in the management system and, depending on the type of complaint, assigns it to the competent department. The responsible department takes ownership of the case, assesses the nature and severity of the issue and, where necessary, schedules an on-site visit at the construction site or at the customer's premises to identify the main causes and define the most appropriate corrective actions.

The Group provides prompt feedback to the reporting party and, where the negative impact is confirmed, implements the corrective measures deemed appropriate, which may include, by way of example, product replacement, a refund, or repair. Information collected through complaints and reports is also used to improve products, services, and internal processes, with the aim of preventing recurrence and reducing the risk of future negative impacts.

As part of the handling of reports, the Group ensures the processing and protection of personal data in accordance with applicable requirements.

[S4-4] Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions

The above-mentioned actions are limited to the Parent Company Lattonedil S.p.A. and they are implemented regardless of whether certain circumstances occur.

Material IRO addressed	Key actions	Expected outcomes
<p>Risk: Regulatory and compliance risk arising from non-compliance with product safety laws or industry standards, potentially impacting the health and safety of end users (e.g., due to the presence or contamination of hazardous substances), and potentially resulting in fines.</p>	<ul style="list-style-type: none"> • Prior verification of the compatibility of newly selected raw materials, particularly hazardous chemicals. • All products are assessed for their impact on consumer health and safety. • Operation of an in-house laboratory dedicated to quality and safety control, supported by qualified staff for issue management. • Implementation of an annual audit plan to ensure regulatory compliance of processes and define improvement measures. 	<p>These measures are expected to ensure the continuous compliance of Lattonedil's products with health and safety regulations, while reducing the risk of non-conformities and end-user harm. They also strengthen the Company's capacity to identify and address potential issues promptly, improve overall product quality, and foster trust among customers and stakeholders.</p>
<p>Opportunity: Opportunities to strengthen brand reputation and increase customer loyalty and to continuously improve products and processes through careful and timely handling of product complaints.</p>	<ul style="list-style-type: none"> • Use of a customer feedback questionnaire to collect evaluations on product quality, commercial conditions, delivery times, and compliance of products. • Consolidation of the SARTTORIA project, active since 2016, a dedicated production laboratory that develops tailor-made solutions combining technical performance, functionality, and architectural design. 	<p>The systematic use of customer feedback questionnaires is expected to strengthen Lattonedil's ability to identify areas for improvement, enhance product quality, and increase customer satisfaction and loyalty. At the same time, the SARTTORIA project is designed to expand the Company's capacity to deliver tailor-made solutions, combining technical performance and design, thereby improving competitiveness in both domestic and international markets.</p>

[S4-5] Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities (consumers and end-users)

The target is aligned with Lattonedil Group's overarching commitment to address customer needs, as outlined in Sustainability Plan. Although not formally embedded in a specific policy, this objective reflects the Group's broader dedication to meeting stakeholder expectations in the production of its products.

Target	KPI	Base year	As of Today	Target year
Implement the assessment of 100% of products in terms of health and safety	% of products assessed for health and safety / total number of products	2023	Not started yet	2027

Stakeholders have not been directly involved in the process of in the goal-setting process described above. However, Lattonedil recognises the value of stakeholder engagement and intends to strengthen participatory mechanisms in future target-setting processes.

GOVERNANCE INFORMATION

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[G1-GOV-1] Role of administrative, supervisory and management bodies

Lattonedil's BoD plays a central role in guiding the Group's ethical conduct, ensuring legality, transparency, and accountability in decision-making. It defines the Group's strategic direction by embedding social and environmental considerations into corporate decisions, with the aim of creating value over the long term.

The BoD oversees the effective implementation of the Code of Ethics and internal policies. It is also responsible for assessing the adequacy of the organizational, administrative, and accounting set-up. In addition, it ensures internal controls needed to monitor the performance of both the Company and the Group. Working in close collaboration with Top Management, the Board fosters a corporate culture grounded in integrity and full compliance with principles of ethics and transparency.

[G1-SBM-3] Material impacts, risks and opportunities and their interaction with strategy and business model

[G1-IRO-1] Description of processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities

			POSITIONING ACROSS THE VALUE CHAIN			TIME HORIZON		
			Upstream	Own operations	Downstream	Short term	Medium term	Long term
SUB-TOPIC	DESCRIPTION	IRO						
GOVERNANCE	G1 – Business Conduct							
	Corporate culture	Creating and distributing value for all stakeholders over the long term, while maintaining the stability and reliability of the business by integrating ESG priorities into the corporate strategy.	Actual positive impact	●	●	●	●	●
	Protection of whistleblowers	Enabling workers and other stakeholders to report concerns or needs in complete confidentiality and safe from retaliation, discrimination or any other form of consequence thanks to the existence of a public corporate whistleblowing channel.	Actual positive impact	●	●	●		

Link between impacts, risks and opportunities and the Lattonedil's business model

The DMA highlighted that "Business Conduct" is relevant for Lattonedil Group. Its materiality is linked to two impacts: protecting whistleblowers and strengthening corporate culture. Both impacts apply across the Group's entire value chain.

By integrating ESG priorities into its corporate strategy, the Group generates a positive impact. It creates and distributes long-term value for all stakeholders, while safeguarding the stability and reliability of its operations.

The Group also provides a reporting channel, supported by its Code of Ethics and Organisational Model 231. This tool allows employees and stakeholders to raise concerns confidentially and without fear of retaliation, discrimination, or other adverse consequences. This mechanism helps build a safer and more transparent organisational culture, encouraging people to report issues that could compromise ethical standards or legal compliance. Unethical practices can otherwise erode trust and credibility among employees, suppliers, customers, and investors.

The DMA considered all geographies in which the Group operates, together with all controlled assets, inputs, outputs, and distribution channels.

[G1-1] Business conduct policies and corporate culture

Code of Ethics

The Code of Ethics, in line with the Parent Company's corporate culture, defines the values, principles, and rules of conduct that guide the organization's daily operations. These principles are based on loyalty, fairness, trust, integrity, transparency, and efficiency.

In addition to being an integral part of the Organization, Management and Control Model, the Code establishes the standards of conduct for external communications, which must always be truthful, clear, and verifiable. These principles apply to relationships with customers, suppliers, public authorities, and in environmental protection.

The Code of Ethics is implemented by the Parent Company, Lattonedil S.p.A.

Implementation and monitoring are the responsibility of the Supervisory Body and the relevant company departments, which monitor compliance, manage anonymous reporting channels and apply corrective measures or sanctions in the event of violations through a formal system of delegated powers.

In support of the values set out in the Code of Ethics, the Parent Company has adopted a Whistleblowing Procedure aimed at strengthening the integrity and consistency of its

corporate culture. This procedure outlines a system for reporting potential misconduct or violations.

Mechanisms for identifying, reporting and investigating concerns about unlawful behaviour or contradictions to the code of conduct

Lattonedil has established a structured system for handling reports, formalised through its Whistleblowing Procedure. This document sets out the methods, channels, and rules for submitting and managing reports, encouraging both internal and external stakeholders to report any actual or suspected breaches of the Code of Ethics, internal procedures (including Model 231), or applicable laws and regulations. The process guarantees the confidentiality of the information received, in full compliance with relevant legal provisions.

A dedicated section on the company's website and intranet provides clear guidance on how to file a report and outlines the available reporting channels. The Whistleblowing Procedure details the methods for submitting a report, the steps involved in its processing, the roles and responsibilities of those involved, and sets out the rights and duties of whistleblowers, all in line with applicable legal requirements.

The system is designed to promote safe and effective reporting, ensuring confidentiality and safeguarding the identities of whistleblowers and any other individuals mentioned in the reports. To prevent and mitigate potential instances of misconduct across the Group, the Procedure expressly prohibits any form of retaliation or discrimination, whether direct or indirect, against individuals who submit reports. Furthermore, protection is extended even in cases where the report proves to be unfounded, provided it was made in good faith and based on reasonable belief in the truthfulness of the information at the time it was submitted.

As of the reporting date, a formal whistleblowing procedure is in place exclusively at the Parent Company, ensuring secure and confidential channels for reporting potential breaches of law, internal regulations, or ethical standards.

[G1-2] Management of relationships with suppliers

The Lattonedil Group does not currently have a formalised policy specifically aimed at preventing late payments to suppliers, including small and medium-sized enterprises (SMEs). However, its procurement procedure requires that purchase orders clearly define payment terms, which are approved through an internal authorization process.

Lattonedil does not currently apply explicit environmental or social criteria in the supplier selection process. However, a structured system is in place for assessing the qualifications

and performance of critical suppliers to Lattonedil S.p.A. whose activities may affect product quality, safety or environmental aspects. New critical suppliers undergo a pre-assessment process and trial deliveries, while qualified suppliers are periodically evaluated based on documentation accuracy, product/service conformity, delivery times, and order fulfillment. Based on performance scores, suppliers may be confirmed, conditionally approved, or excluded from the qualified supplier list.

[G1-3] Prevention and detection of corruption or bribery

As pointed out in previous sections, the Parent Company Lattonedil S.p.A. has adopted the Organisational Model 231, which sets out procedures and internal controls aimed at preventing the commission of offences, including corruption, within the organisations. It includes training activities to raise personnel awareness of the negative impacts of corruption and individual responsibilities, as well as control mechanisms to monitor company activities and prevent unlawful behaviour.

The Supervisory Board is responsible for monitoring and supervising compliance with the Model by all persons involved, verifying its implementation in day-to-day operations. It also assesses the effectiveness of the Model in preventing the commission of the offences provided for therein and ensures that it is updated.

Regarding reporting, the Supervisory Body reports to the Board of Directors in two distinct ways: through ad hoc communications for specific needs, including urgent matters, and every six months, through a written report containing predefined information. The Board of Directors may convene the Supervisory Board at any time, and vice versa, the Supervisory Body may request the convening of the Board of Directors for urgent reasons.

As of the reporting date, the Group companies other than the Parent Company have not yet adopted specific procedures designed to prevent, detect and address allegations or incidents of corruption or bribery. While the Parent Company has implemented its own Organisational Model 231, this framework does not currently extend to all Group entities.

Even though Lattonedil S.p.A. has not defined a formalized anti-corruption and anti-bribery training program, it ensures the proper dissemination of the contents and principles of this document, as well as those of the Code of Ethics, both within and outside its organisation.

[G1-MDR-A] Actions and resources related to business conduct

The above-mentioned actions are limited to the Parent Company Lattonedil S.p.A. and implemented regardless of whether certain circumstances occur.

Material IRO addressed	Key actions	Expected outcomes
<p>Positive impact: Enabling workers and other stakeholders to report concerns or needs in complete confidentiality and safe from retaliation, discrimination or any other form of consequence thanks to the existence of a public corporate whistleblowing channel.</p>	<ul style="list-style-type: none"> Adoption of a Whistleblowing Procedure for reporting illegal activities, with various reporting channels available (web platform or face-to-face meetings) that guarantee the protection and anonymity of the whistleblower. 	<p>The Whistleblowing Procedure is expected to strengthen Lattonedil's ability to prevent, detect, and address unlawful or unethical conduct within the organization. By offering multiple secure reporting channels and ensuring the protection and anonymity of whistleblowers, the Company fosters a culture of transparency, accountability, and trust among employees and stakeholders.</p>

[G1-MDR-T] Incidents of corruption or bribery

The following targets align with Lattonedil S.p.A. commitment to fostering a corporate culture, as set out in its Sustainability Plan. This commitment is also embedded in Lattonedil Code of Ethics. Stakeholders have not been directly involved in the process of setting the current environmental targets. However, Lattonedil recognises the value of stakeholder engagement and intends to strengthen participatory mechanisms in future target-setting processes.

Target	KPI	Base year	As of Today	Target year
Zero cases of fraud corruption and anti-competitive activities	Number of cases of fraud, corruption and anti-competitive activities	2022	Achieved	2027
Introduce at least one annual training session on compliance issues	Number of compliance training sessions	2022	Achieved	2027
Train 100% of new managers on the Code of Ethics	Number of managers trained on the Code of Ethics / total number of managers	2022	Ongoing	2027
Define a Responsible Procurement Policy	Publication of the Responsible Procurement Policy	2022	Not started yet	2027
Train 90% of our procurement team on sustainability issues on an annual basis	Number of employees trained / total number of employees in the procurement team	2022	Not started yet	2027
Increase the annual budget for sustainability projects/initiatives	Budget spent on sustainability projects / initiatives per year	2022	Achieved	2027

Stakeholders have not been directly involved in the process of in the goal-setting process described above. However, Lattonedil recognises the value of stakeholder engagement and intends to strengthen participatory mechanisms in future target-setting processes.

[G1-4] Incidents of corruption or bribery

In 2024, the Lattonedil Group did not identify any cases of active or passive corruption. There were also no cases of non-compliance with laws and regulations during the current reporting year.

[G1-5] Political influence and lobbying activities

The Lattonedil Group does not provide funding, contributions, benefits, or other forms of support, whether direct or indirect, to political parties, individual candidates, movements, committees, associations, organisations, or Public Administrations, nor to trade unions or their representatives, in Italy or abroad, except where permitted by applicable laws, with full transparency, and in accordance with relevant internal procedures.

[G1-6] Payment practices

Payments are typically settled within 10 days after the due date.

The standard payment terms for the main categories of suppliers are as follows:

Supplier category	Standard payment terms	Share of annual turnover
Purchase of goods – Italy	Ri.Ba. 90 days from invoice date	70,9%
Purchase of goods – non-EU imports	Letter of credit	0,3%
Purchase of goods – EU imports	60 days from invoice date	12,5%
Purchase of services	60 days end of month	14,7%
Capital expenditures	20% advance upon order confirmation; 20% at each stage of work progress; balance after testing/inspection	1,5%

As at the end of the reporting period, within the Lattonedil Group there is one legal proceeding pending in relation to late payments: a dispute with a supplier concerning a purchase made on 28 May 2024 by the subsidiary Adria, for an amount of EUR 70,000 (excluding VAT). The proposed settlement provides for a discount of approximately EUR 20,000; the legal proceedings are ongoing, and the Company expects to reach an agreement between the parties.

Payment management is overseen through the prior approval of due dates by the Procurement function; the Group notes that any deviations from standard payment terms are attributable to disputes with suppliers and not to systematic practices of delaying payments.

ANNEX

[IRO-2] Disclosure Requirements in ESRS covered by sustainability statements

Disclosure Requirement and related datapoint	References for other EU legislative acts ^{6;7;8;9}	Reference to the document
ESRS 2 – General disclosures		
ESRS 2 BP-1 General basis for preparation of sustainability statements		Par. [BP-1] General basis for preparation of sustainability statements, page 5
ESRS 2 BP-2 Disclosures in relation to specific circumstances		Par. [BP-2] Disclosures in relation to specific circumstances, page 5
ESRS 2 GOV-1 The role of the administrative, management and supervisory bodies		Par. [GOV-1] The role of the administrative, management and supervisory bodies, page 6
ESRS 2 GOV-1 Board's gender diversity paragraph 21 (d)	SFDR: Indicator number 13 of Table #1 of Annex 1 Benchmark Regulation reference: Commission Delegated Regulation (EU) 2020/1816(5), Annex II	
ESRS 2 GOV-1 Percentage of board members who are independent paragraph 21 (e)	Benchmark Regulation reference: Delegated Regulation (EU) 2020/1816, Annex II	
ESRS 2 GOV-2 Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies		Par. [GOV-2] Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies, page 7
ESRS 2 GOV-3 Integration of sustainability-related performance in incentive schemes		The Group does not currently integrate sustainability-related performance into its incentive schemes.
ESRS 2 GOV-4 Statement on due diligence		Currently, Lattonedil Group does not have a structured due diligence process.
ESRS 2 GOV-4 Statement on due diligence paragraph 30	SFDR: Indicator number 10 Table #3 of Annex 1	
ESRS 2 GOV-5 Risk management and internal controls over sustainability reporting		Par. [GOV-5] Risk management and internal controls over sustainability reporting, page 8
ESRS 2 SBM-1 Strategy, business model and value chain		Par. [SBM-1] Strategy, business model and value chain, page 8
ESRS 2 SBM-1 Involvement in activities related to fossil fuel activities paragraph 40 (d) i	SFDR: Indicators number 4 Table #1 of Annex 1 Pillar 3: Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Table 1: Qualitative information on Environmental risk and Table 2: Qualitative information on Social risk	Not applicable for Lattonedil Group.

⁶ SFDR: Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector (Sustainable Finance Disclosures Regulation) (OJ L 317, 9.12.2019, p. 1).

⁷ Pillar 3: Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012 (Capital Requirements Regulation "CRR") (OJ L 176, 27.6.2013, p. 1).

⁸ Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014 (OJ L 171, 29.6.2016, p. 1).

⁹ Regulation (EU) 2021/1119 of the European Parliament and of the Council of 30 June 2021 establishing the framework for achieving climate neutrality and amending Regulations (EC) No 401/2009 and (EU) 2018/1999 ('European Climate Law') (OJ L 243, 9.7.2021, p. 1).

Disclosure Requirement and related datapoint	References for other EU legislative acts 6:7:8:9	Reference to the document
	Benchmark Regulation reference: Delegated Regulation (EU) 2020/1816, Annex II	
ESRS 2 SBM-1 Involvement in activities related to chemical production paragraph 40 (d) ii	SFDR: Indicator number 9 Table #2 of Annex I Benchmark Regulation reference: Delegated Regulation (EU) 2020/1816, Annex II	
ESRS 2 SBM-1 Involvement in activities related to controversial weapons paragraph 40 (d) iii	SFDR: Indicator number 14 Table #1 of Annex I Benchmark Regulation reference: Delegated Regulation (EU) 2020/1818(7), Article 12 Delegated Regulation (EU) 2020/1816, Annex II	
ESRS 2 SBM-1 Involvement in activities related to cultivation and production of tobacco paragraph 40 (d) iv	Benchmark Regulation reference: Delegated Regulation (EU) 2020/1818, Article 12 Delegated Regulation (EU) 2020/1816, Annex II	
ESRS 2 SBM-2 Interests and views of stakeholders		Par. [SBM-2] Interests and views of stakeholders, page 13
ESRS 2 SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model		Par. [SBM-3] Material impacts, risks and opportunities and their interaction with strategy and business model, page 15
ESRS 2 IRO-1 Description of the processes to identify and assess material impacts, risks and opportunities		Par. [IRO-1] Description of the processes to identify and assess material impacts, risks and opportunities, page 17
ESRS 2 IRO-2 Disclosure requirements in ESRS covered by the undertaking's sustainability statement		Par. [IRO-2] Disclosure requirements in ESRS covered by the undertaking's sustainability statement, page 61
ESRS E1 – Climate change		
ESRS 2 GOV-3 E1 Integration of sustainability-related performance in incentive schemes		The Group does not currently integrate sustainability-related performance into its incentive schemes.
ESRS E1-1 Transition plan for climate change mitigation		
ESRS E1-1 Transition plan to reach climate neutrality by 2050 paragraph 14	EU Climate Law reference: Regulation (EU) 2021/1119, Article 2	Lattonedil Group has not yet formalised its own transition plan for climate change mitigation. However, the Group intends to continue its mitigation efforts so that they may become compatible with the transition towards a sustainable economy and with the objectives of limiting global warming to 1.5°C in line with the Paris Agreement and achieving climate neutrality by 2050.
ESRS E1-1 Undertakings excluded from Paris-aligned Benchmarks paragraph 16 (g)	Pillar 3: Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book-Climate Change transition risk: Credit quality of exposures by sector, emissions and residual maturity Benchmark Regulation reference: Delegated Regulation (EU) 2020/1818, Article 12.1 (d) to (g), and Article 12.2	
ESRS 2 SBM-3 E1 Material impacts, risks and opportunities and their interaction with strategy and business model		Par. [E1-SBM-3] Material impacts, risks and opportunities and their interaction with strategy and business model, page 21
ESRS 2 IRO-1 E1 Description of the processes to identify and assess material climate-related impacts, risks and opportunities		Par. [E1-IRO-1] Description of the processes to identify and assess material climate-related impacts, risks and opportunities, page 22
ESRS E1-2 Policies related to climate change mitigation and adaptation		Par. [E1-2] Policies related to climate change mitigation and adaptation, page 22
ESRS E1-3 Actions and resources in relation to climate change policies		Par. [E1-3] Actions and resources in relation to climate change policies, page 23

Disclosure Requirement and related datapoint	References for other EU legislative acts 6:7:8:9	Reference to the document
ESRS E1-4 Targets related to climate change mitigation and adaptation		
ESRS E1-4 GHG emission reduction targets paragraph 34	<p>SFDR: Indicator number 4 Table #2 of Annex 1</p> <p>Pillar 3: Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: alignment metrics</p> <p>Benchmark Regulation reference: Delegated Regulation (EU) 2020/1818, Article 6</p>	Par. [E1-4] Targets related to climate change mitigation and adaptation, page 24
ESRS E1-5 Energy consumption and mix		
ESRS E1-5 Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors) paragraph 38	SFDR: Indicator number 5 Table #1 and Indicator n. 5 Table #2 of Annex 1	Par. [E1-5] Energy consumption and mix, page 25
ESRS E1-5 Energy consumption and mix paragraph 37	SFDR: Indicator number 5 Table #1 of Annex 1	
ESRS E1-5 Energy intensity associated with activities in high climate impact sectors paragraphs 40 to 43	SFDR: Indicator number 6 Table #1 of Annex 1	
ESRS E1-6 Gross Scopes 1, 2, 3 and Total GHG emissions		
ESRS E1-6 Gross Scope 1, 2, 3 and Total GHG emissions paragraph 44	<p>SFDR: Indicators number 1 and 2 Table #1 of Annex 1</p> <p>Pillar 3: Article 449a; Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book – Climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity</p> <p>Benchmark Regulation reference: Delegated Regulation (EU) 2020/1818, Article 5, 6 and 8</p>	Par. [E1-6] Gross Scopes 1, 2, 3 and Total GHG emissions, page 26
ESRS E1-6 Gross GHG emissions intensity paragraphs 53 to 55	<p>SFDR: Indicators number 3 Table #1 of Annex 1</p> <p>Pillar 3: Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: alignment metrics</p> <p>Benchmark Regulation reference: Delegated Regulation (EU) 2020/1818, Article 8</p>	
ESRS E1-7 GHG removals and GHG mitigation projects financed through carbon credits		The disclosure of GHG removal and GHG mitigation projects financed through carbon credits is not material as Lattonedil Group does not use such financing tools.
ESRS E1-7 GHG removals and carbon credits paragraph 56	EU Climate Law reference: Regulation (EU) 2021/1119, Article 2	
ESRS E1-8 Internal carbon pricing		The disclosure related to internal carbon pricing is not material as Lattonedil Group does not implement such mechanism.
ESRS E1-9 Anticipated financial effects from material physical and transition risks and potential climate-related opportunities		For the fiscal year 2024, which corresponds to the first year of preparing the sustainability report in accordance with ESRS, Lattonedil

Disclosure Requirement and related datapoint	References for other EU legislative acts 6:7:8:9	Reference to the document
ESRS E1-9 Exposure of the benchmark portfolio to climate-related physical risks paragraph 66	Benchmark Regulation reference: Delegated Regulation (EU) 2020/1818, Annex II Delegated Regulation (EU) 2020/1816, Annex II	Group has decided to use the phase-in option in relation to this disclosure requirement.
ESRS E1-9 Disaggregation of monetary amounts by acute and chronic physical risk paragraph 66 (a) ESRS E1-9 Location of significant assets at material physical risk paragraph 66 (c).	Pillar 3: Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraphs 46 and 47; Template 5: Banking book - Climate change physical risk: Exposures subject to physical risk.	
ESRS E1-9 Breakdown of the carrying value of its real estate assets by energy-efficiency classes paragraph 67 (c).	Pillar 3: Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraph 34; Template 2: Banking book -Climate change transition risk: Loans collateralised by immovable property - Energy efficiency of the collateral	
ESRS E1-9 Degree of exposure of the portfolio to climate- related opportunities paragraph 69	Pillar 3: Delegated Regulation (EU) 2020/1818, Annex II	
ESRS E5 – Resource use and circular economy		
ESRS 2 SBM-3 E5 Material impacts, risks and opportunities and their interaction with strategy and business model		Par. [E5-SBM-3] Material impacts, risks and opportunities and their interaction with strategy and business model, page 30
ESRS 2 IRO-1 E5 Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities		Par. [E5-IRO-1] Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities, page 30
ESRS E5-1 Policies related to resource use and circular economy		Par. [E5-1] Policies related to resource use and circular economy, page 31
ESRS E5-2 Actions and resources related to resource use and circular economy		Par. [E5-2] Actions and resources related to resource use and circular economy, page 32
ESRS E5-3 Targets related to resource use and circular economy		Par. [E5-3] Targets related to resource use and circular economy, page 34
ESRS E5-4 Resource inflows		Par. [E5-4] Resource inflows, page 35
ESRS E5-5 Resource outflows		Par. [E5-5] Resource outflows, page 35
ESRS E5-5 Non-recycled waste paragraph 37 (d)	SFDR: Indicator number 13 Table #2 of Annex I	
ESRS E5-5 Hazardous waste and radioactive waste paragraph 39	SFDR: Indicator number 9 Table #1 of Annex I	
ESRS E5-6 Anticipated financial effects from resource use and circular economy-related impacts, risks and opportunities		For the fiscal year 2024, which corresponds to the first year of preparing the sustainability report in accordance with ESRS, Lattonedil Group has decided to use the phase-in option in relation to this disclosure requirement.
ESRS S1 - Own workforce		
ESRS 2 SBM-3 S1 Material impacts, risks and opportunities and their interaction with strategy and business model		Par. [S1-SBM3] Material impacts, risks and opportunities and their interaction with strategy and business model, page 38
ESRS 2 SBM-3 S1 Risk of incidents of forced labour paragraph 14 (f)	SFDR: Indicator number 13 Table #3 of Annex I	
ESRS 2 SBM-3 S1 Risk of incidents of child labour paragraph 14 (g)	SFDR: Indicator number 12 Table #3 of Annex I	
ESRS S1-1 Policies related to own workforce		

Disclosure Requirement and related datapoint	References for other EU legislative acts 6:7:8:9	Reference to the document
ESRS S1-1 Human rights policy commitments paragraph 20	SFDR: Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex I	Par. [S1-1] Policies related to own workforce, page 40
ESRS S1-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 21	Benchmark Regulation reference: Delegated Regulation (EU) 2020/1816, Annex II	
ESRS S1-1 Processes and measures for preventing trafficking in human beings paragraph 22	SFDR: Indicator number 11 Table #3 of Annex I	
ESRS S1-1 Processes and measures for preventing trafficking in human beings paragraph 23	SFDR: Indicator number 1 Table #3 of Annex I	
ESRS S1-2 Processes for engaging with own workers and workers' representatives about impacts		At present, the Group has not adopted a structured process to engage with own workforce, as defined by the disclosure requirement S1-2. The Lattonedil Group acknowledges the relevance of such engagement and will evaluate opportunities to develop structured approaches in the future.
ESRS S1-3 Processes for engaging with own workers and workers' representatives about impacts		Par. [S1-3] Processes for engaging with own workers and workers' representatives about impacts, page 41
ESRS S1-3 Grievance/complaints handling mechanisms paragraph 32 (c)	SFDR: Indicator number 5 Table #3 of Annex I	Par. [S1-3] Processes for engaging with own workers and workers' representatives about impacts, page 41
ESRS S1-4 Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions		Par. [S1-4] Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions, page 42
ESRS S1-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities		Par. [S1-5] Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities, page 43
ESRS S1-6 Characteristics of the undertaking's employees		Par. [S1-6] Characteristics of the undertaking's employees, page 44
ESRS S1-7 Characteristics of non-employee workers in the undertaking's own workforce		For the fiscal year 2024, which corresponds to the first year of preparing the sustainability report in accordance with ESRS, Lattonedil Group has decided to use the phase-in option in relation to this disclosure requirement.
ESRS S1-8 Collective bargaining coverage and social dialogue		According to the "Flowchart for determining the DRs to be disclosed once the material matters from AR16 have been identified" provided by the EFRAG SR TEG meeting of 01 July 2024, this disclosure requirement is not material for Lattonedil Group.
ESRS S1-9 Diversity metrics		
ESRS S1-10 Adequate wages		
ESRS S1-11 Social protection		
ESRS S1-12 Persons with disabilities		
ESRS S1-13 Training and skills development metrics		
ESRS S1-14 Health and safety metrics		Par. [S1-14] Health and safety metrics, page 45
ESRS S1-14 Number of fatalities and number and rate of work-related accidents paragraph 88 (b) and (c)	SFDR: Indicator number 2 Table #3 of Annex I Benchmark Regulation reference: Delegated Regulation (EU) 2020/1816, Annex II	

Disclosure Requirement and related datapoint	References for other EU legislative acts ^{6:7:8:9}	Reference to the document
ESRS S1-14 Number of days lost to injuries, accidents, fatalities or illness paragraph 88 (e)	SFDR: Indicator number 3 Table #3 of Annex I	
ESRS S1-15 Work-life balance metrics		According to the "Flowchart for determining the DRs to be disclosed once the material matters from AR16 have been identified" provided by the EFRAG SR TEG meeting of 01 July 2024, this disclosure requirement is not material for Lattonedil Group.
ESRS S1-16 Compensation metrics (pay gap and total compensation)		
ESRS S1-16 Unadjusted gender pay gap paragraph 97 (a)	SFDR: Indicator number 12 Table #1 of Annex I Benchmark Regulation reference: Delegated Regulation (EU) 2020/1816, Annex II	
ESRS S1-16 Excessive CEO pay ratio paragraph 97 (b)	SFDR: Indicator number 8 Table #3 of Annex I	
ESRS S1-17 Incidents, complaints and severe human rights impacts		Par. [S1-17] Incidents, complaints and severe human rights impacts, page 46
ESRS S1-17 Incidents of discrimination paragraph 103 (a)	SFDR: Indicator number 7 Table #3 of Annex I	
ESRS S1-17 Non-respect of UNGPs on Business and Human Rights and OECD paragraph 104 (a)	SFDR: Indicator number 10 Table #1 and Indicator n. 14 Table #3 of Annex I Benchmark Regulation reference: Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818 Art 12 (1)	Par. [S1-17] Incidents, complaints and severe human rights impacts, page 46
ESRS S4 – Consumer and end-users		
ESRS 2 SBM-3 S4 Material impacts, risks and opportunities and their interaction with strategy and business model		Par. [S4-SBM3] Material impacts, risks and opportunities and their interaction with strategy and business model, page 48
ESRS S4-1 Policies related to consumers and end-users		Par. [S4-1] Policies related to consumers and end-users, page 49
ESRS S4-1 Policies related to consumers and end-users paragraph 16		
ESRS S4-1 Non-respect of UNGPs on Business and Human Rights and OECD guidelines paragraph 17		
ESRS S4-2 Processes for engaging with consumers and end-users about impacts		At present, the Lattonedil Group has not adopted a structured process to engage with its consumers and end-users, as defined by the disclosure requirement S1-2. The Lattonedil Group acknowledges the relevance of such engagement and will evaluate opportunities to develop structured approaches in the future.
ESRS S4-3 Processes to remediate negative impacts and channels for consumers and end-users to raise concerns		Par. [S4-3] Processes to remediate negative impacts and channels for consumers and end-users to raise concerns, page 51
ESRS S4-4 Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions		Par. [S4-4] Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions, page 51
ESRS S4-4 Human rights issues and incidents paragraph 35		
ESRS S4-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities		Par. [S4-5] Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities, page 52
ESRS G1 – Business Conduct		

Disclosure Requirement and related datapoint	References for other EU legislative acts 6:7:8:9	Reference to the document
ESRS 2 GOV-1 G1 The role of the administrative, supervisory and management bodies		Par. [GOV-1] The role of the administrative, supervisory and management bodies, page 54
ESRS 2 IRO-1 G1 Description of the processes to identify and assess material impacts, risks and opportunities		Par. [G1-IRO-1] Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities, page 54
ESRS G1-1 Corporate culture and Business conduct policies and corporate culture		
ESRS G1-1 United Nations Convention against Corruption paragraph 10 (b)	SFDR: Indicator number 15 Table #3 of Annex 1	Par. [G1-1] Corporate culture and Business conduct policies and corporate culture, page 55
ESRS G1-1 Protection of whistle-blowers paragraph 10 (d)	SFDR: Indicator number 6 Table #3 of Annex 1	
ESRS G1-2 Management of relationships with suppliers		Par. [G1-2] Management of relationships with suppliers, page 56
ESRS G1-3 Prevention and detection of corruption and bribery		Par. [G1-3] Prevention and detection of corruption and bribery, page 57
ESRS G1-4 Confirmed incidents of corruption or bribery		
ESRS G1-4 Fines for violation of anti-corruption and anti-bribery laws paragraph 24 (a)	SFDR: Indicator number 17 Table #3 of Annex 1 Benchmark Regulation reference: Delegated Regulation (EU) 2020/1816, Annex II)	Par. [G1-4] Payment practices, page 59
ESRS G1-4 Standards of anti-corruption and anti-bribery paragraph 24 (b)	SFDR: Indicator number 16 Table #3 of Annex 1	
ESRS G1-5 Political influence and lobbying activities		Par. [G1-5] Political influence and lobbying activities, page 59
ESRS G1-6 Payment practices		Par. [G1-6] Payment practices, page 59