

# SUSTAINABILITY REPORT 2024

**Zoppas Industries**









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53.83%	green electricity	
0.506	water intensity m³ / K€ net revenue	
9.41%	dangerous/total waste ratio water intensity m³ / K€ net revenue	
40.52%	women out of 8,126 employees	
247,829	training hours 30.5 per person	
3.36	injury frequency index employees per million worked hours	
3	ESG Rating, CDP, Sedex, Ecovadis	
-40.08%	2019-2024 CO <sub>2</sub> e tons / net revenues	

# DEAR READERS

It is with great pleasure that I present to you the 2024 Sustainability Report 2024 of Zoppas Industries Group. This document is not merely an account, but a clear testimony of our deep commitment to responsible and transparent management. Our vision is to create lasting value for all our stakeholders by proactively addressing the global sustainability challenges we face.

In a geopolitical and economic context that remains extremely dynamic and complex, ESG (environmental, social and governance) topics have become the core of our strategies. We firmly believe that every company has a duty to contribute to sustainable development, acting with integrity, responsibility and ethics. For this reason, we continue to subject ourselves to internationally recognised ESG ratings, ensuring transparency and constant improvement of our performance.

Zoppas Industries' sustainability strategy is firmly anchored to our values. We are at our customers' side in their ecological transition and digital transformation. We achieve this through a policy of continuous innovation, a widespread presence on a global scale, and a team that continuously enhances its skills and expertise.

We have always looked to the future: we maintain an open and constructive dialogue with suppliers, customers, and partners to align our decisions with the highest standards of sustainability and social responsibility.

The path to carbon neutrality by 2050 continues with determination. Not only are we working to reduce greenhouse gas emissions in our operations, but we have extended this commitment to the entire value chain, transforming it into an active and responsible participant in the management of ESG aspects.

This approach reflects our dedication to sustainable management and the promotion of a circular economy. We have launched ambitious new projects aimed at minimising our environmental impact, including the implementation of energy-efficient technologies and energy supply from fully renewable sources.

Lastly, I would like to express my gratitude to and acknowledge the central role played by our people. Their contribution is a sine qua non condition for achieving our goals. Through training and professional development programmes, we promote a corporate culture that values the skills and well-being of employees, with the aim of building a safe and inclusive working environment.

I am convinced that, thanks to the collective commitment, the passion and the determination of us all, 2025 will also be a year of great success.

I would like to thank you for your trust and your constant support. I invite you to delve into the details of our sustainability journey as described in this report.

I am confident that an ethical and sustainable approach is the key to building a prosperous and responsible future for all.



Gianfranco Zoppas  
Order of merit for labour



# ZOPPAS INDUSTRIES GROUP

**\_ZIHET** Zoppas Industries Heating Element Technologies (ZIHET) is based in Vittorio Veneto (TV), Italy. The company has 15 production establishments worldwide, 4 commercial branches and 4 associated offices.

With 60 years of experience in the industry, ZIHET develops solutions for the design, production and worldwide sales of heating elements and heating systems for various applications. Using highly specialised Business Units, the Group develops and produces heating elements for different application areas: from large to small household appliances, from space heating and air conditioning to the industrial market.

Since 1963 - the year it was founded - the Group has managed to progressively transform itself and adapt to the needs of the market, bringing innovation to its sector and positioning itself as a leader also on a global level.



Zoppas Industries Group is the brings together the experience gained from its two complementary souls:

- ZIHET, a leading manufacturer of heating systems;
- SIPA S.p.A., specialising in PET packaging solutions.

Two stories, two business models, two examples of development and industrial culture in which innovation and sustainability go hand in hand and drive every decision.

**\_SIPA** Headquartered in Vittorio Veneto, in the province of Treviso, SIPA has 4 production establishments, 23 sales branches, and 21 after-sales service centres for the supply of spare parts and technical assistance. It also offers an injection mould reconditioning service at 7 locations worldwide: SIPA has always been at the forefront of developing solutions to reduce the environmental impact of its machines and plastic packaging products.

With its high degree of specialisation in the production and after-sales service of a wide range of PET packaging systems, it is the partner capable of supporting customers by choosing the production scenario that best meets their needs.



A photograph of two hands, one slightly larger than the other, clasped together in a supportive grip. The hands are positioned in the lower-left quadrant of the frame. The background is a soft-focus green, suggesting a forest or park setting with sunlight filtering through the leaves. The right side of the image is a solid dark blue vertical band containing white text.

01\_

## GENERAL INFORMATION

The integration of ESG principles and the SDGs into business practices enables the creation of sustainable value and ensures responsible management.



01\_

GENERAL  
INFORMATION

1.1

METHODOLOGICAL  
NOTE

This document constitutes the Sustainability Report of Zoppas Industries Group, prepared voluntarily and therefore inspired by the sustainability reporting required by (It.) Legislative Decree no. 125 of 6 September 2024, implementing Directive (EU) 2022/2464 of the European Parliament and of the Council of 14 December 2022 (Corporate Sustainability Reporting Directive, “CSRD”).

The Sustainability Report is the tool through which Zoppas Industries Group annually communicates the results of its sustainability journey to its stakeholders and aims to provide a clear, complete, and transparent representation of the integration of social and environmental topics into corporate decision-making processes, strategy, and governance.

The collection and analysis of the information reported in this Sustainability Report, resulting from an analysis of the context in which the Group operates and chosen based on its relevance as representative of the main impacts of the Group’s activities, involved all corporate functions of the Group companies included in the reporting scope.

The document covers relevant sustainability issues for the 2024 financial year, from 1 January to 31 December, in line with the Financial Statement reporting period. For further details, please refer to the ESRS table which identifies the information relating to Sustainability Reporting.

Unless otherwise specified and in line with the financial statements, sustainability performance is represented with a three-year trend, also taking into account regulatory developments regarding sustainability reporting.

With regard to medium- and long-term time horizons, the company has not deviated from the provisions of the European legislation governing this document. The qualitative and quantitative information collected comes from direct surveys: the Group did not resort to estimates as it was able to obtain the data required for reporting directly from the source.

The topics covered in the document have been organised into two common chapters referring to the Zoppas Group and two specific chapters for each of the two business units (see chapter 1.2 Reporting boundary). With the aim of aligning the document with the Corporate Sustainability Reporting Directive (CSRD), these chapters subdivide the information into: general, environmental, social, and governance, as prescribed by appendix D of ESRS 1.

1.2

REPORTING  
SCOPE

I Zoppas Industries Group has begun a process of collecting and harmonising sustainability indicators that will gradually expand the reporting scope.

Since the reporting structure is not yet designed to include all the reference standards, this report represents the data from the group’s production sites as shown below.

Any limitations of the scope, resulting from the lack of data or the impossibility of ensuring high-quality data, are also appropriately indicated in the text of the document through dedicated notes.

It should be noted that the significant expansion of the reporting boundary in 2023 allowed for greater completeness and detail in the consolidated data.

SIPA SpA	ZIHET (Zoppas Industries Heating Element Technologies)
Vittorio Veneto (TV)	I.R.C.A. S.p.A.
Colecchio (PR)	Multi Rail S.r.l.
Sala Baganza (PR)	Euroheat S.r.l.
	Zoppas Industries France Sarl
	Zoppas Industries Germany Gmbh
	Zoppas Industries Romania S.r.l.
	Zoppas Industries Serbia D.O.O.
	Zoppas Industries China
	Zoppas Industries Mexico, S.A. de C.V.
	Zoppas Industries USA – Nova Coil, Inc. Db

TABLE \_01



STRATEGY  
AND BUSINESS  
MODEL

The Group's two industrial entities, Zoppas Industries Heating Element Technologies (ZIHET) and SIPA, although operating in different sectors, adopt complementary strategies based on technological innovation, environmental responsibility, and customer focus. ZIHET positions itself as a global supplier of heating elements and heating systems for both domestic and industrial applications. With a portfolio ranging from coffee machines to electric cars to the aerospace sector, ZIHET brings its high-value technical expertise to the table, supporting customers in the development of smart heating solutions.

SIPA stands out for its ability to offer turnkey solutions for the production and packaging of PET containers, particularly for the beverage, food, cosmetics, and cleaning sectors. Its vision is clear: to innovate packaging with creativity and efficiency, aiming for zero-impact solutions. Sustainability is integrated into every stage of the production process, with particular attention to recycled materials, reduced energy consumption, and eco-friendly design. SIPA is not just a machinery supplier, but a technological partner that helps customers transform ideas into concrete solutions, with empathy, technical support, and co-design.

The two companies share a corporate strategy developed with Zoppas group: internationalisation, technological innovation, and a strong focus on sustainability. ZIHET and SIPA both benefit from a global network of 15 production sites and a commercial presence in over 70 countries, as well as significant investments in research and development, with ESG objectives placed at the heart of their strategic decisions.

1.3.1 STAKEHOLDER  
ENGAGEMENT

Stakeholder engagement is the process through which the company integrates the different perspectives and ever-evolving priorities of its interlocutors. This practice is essential to reconcile sustainable development with the economic results.

The relevant actors for Zoppas Industries Group are those who can influence or be influenced by the company's activities and with whom the Group has established a relationship of trust essential for managing expectations. This two-way dialogue is a gradual process, focused on inclusion and on the construction of partnerships, which lets all parties understand and find shared solutions to issues of common interest.

The Group has identified the most relevant stakeholder categories, based on two main variables:

- the level of influence exercised by stakeholders on corporate activities and decisions;
- the degree to which the organisation is dependent on the activities and decisions of stakeholders.

Below is a map of the main stakeholders of reference and the related ways of engaging them.

TABLE\_02

Stakeholder category	Engagement channel (mode)
Employees and their representatives	<ul style="list-style-type: none"><li>• Internal communication programmes</li><li>• Dialogue with trade union representatives</li><li>• Training courses</li><li>• Performance evaluation system</li><li>• Complaint mechanisms (whistleblowing)</li></ul>
Customers	<ul style="list-style-type: none"><li>• Website</li><li>• Customer Service</li><li>• Due diligence assessments for business partners</li><li>• Participation in fairs and events organised by third parties</li></ul>
Suppliers	<ul style="list-style-type: none"><li>• Website</li><li>• On-demand comparison with the relevant organisational structures</li><li>• Activities related to the supplier evaluation and qualification process</li><li>• Audit activities</li></ul>
Local communities	<ul style="list-style-type: none"><li>• Website</li><li>• Organisation of events</li><li>• Participation in fairs and events organised by third parties</li></ul>
Investors	<ul style="list-style-type: none"><li>• Website</li><li>• Questionnaires and information requests</li><li>• Periodic meetings with the relevant organisational structures</li></ul>
Trade associations	<ul style="list-style-type: none"><li>• Website</li><li>• Participation in workshops, knowledge sharing and industry conferences</li><li>• Joint initiatives and sector research</li></ul>
Policy makers and regulators	<ul style="list-style-type: none"><li>• Website</li><li>• Participation in regulatory processes</li><li>• Consultations and political round tables</li><li>• Periodic meetings with the relevant organisational structures</li></ul>
Media	<ul style="list-style-type: none"><li>• Website</li><li>• Press releases and other informational materials</li></ul>

To achieve its strategic objectives and create sustainable value, the Zoppas Industries Group corporate governance system meets the criteria of effectiveness and efficiency and is oriented towards responsible growth, which aims to generate value not only in the short but also in the long term.

The Group's companies, whether located within Italy or abroad, are controlled, directly or indirectly, by the parent company IRCA S.p.A.

The shareholders of Zoppas Industries Group have chosen a model of "traditional" corporate governance, as an independent, family-controlled, and professionally managed company. Its structure has two main bodies: the Board of Directors and the Board of Statutory Auditors, both appointed by the Shareholders' Meeting.

The Board of Directors plays a central role, with broad strategic and financial direction as well as oversight powers for the proper and efficient management of the various business areas. The Board of Directors consists of 8 members who hold their office indefinitely and executive members who are also senior executives of the Company; there are no independent members.

As required by Article 2403 of the (It.) Civil Code, the Board of Statutory Auditors is responsible for monitoring compliance with the law and the articles of association, adherence to the principles of sound administration, and, in particular, the adequacy of the organisational, administrative, and accounting structure adopted by the Group and its effective functioning. The Board of Statutory Auditors consists of 5 members, 3 standing and two alternates.

Zoppas Industries Group has adopted the Management, Organisation and Control Model (MOG) pursuant to (It.) Legislative Decree 231/2001. The MOG, based on ethical principles such as fairness, regulatory compliance and fair competition, applies not only to the Italian offices but also to the foreign subsidiaries.

With the intent of establishing a corporate culture based on lawfulness and organisational efficiency, the Group promotes initiatives aimed at preventing and combating corruption, both in the public and private sectors, based on the Code of Ethics and the organisational model.

The corporate governance model also includes:

- the Supervisory Body established pursuant to (It.) Legislative Decree 231/01, responsible for monitoring the effectiveness, efficiency, maintenance, and updating of the MOG pursuant to the same decree;
- an independent auditing firm, responsible for the legal audit of the financial statements.

Clear and steady guidance helps a business grow in the right way, making choices built to last and to create lasting value.

DIAGRAM \_01  
COMPOSITION OF THE  
BOARD OF DIRECTORS

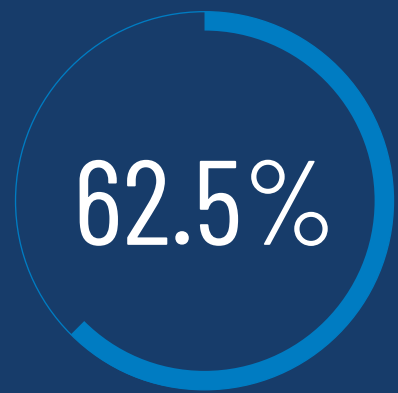
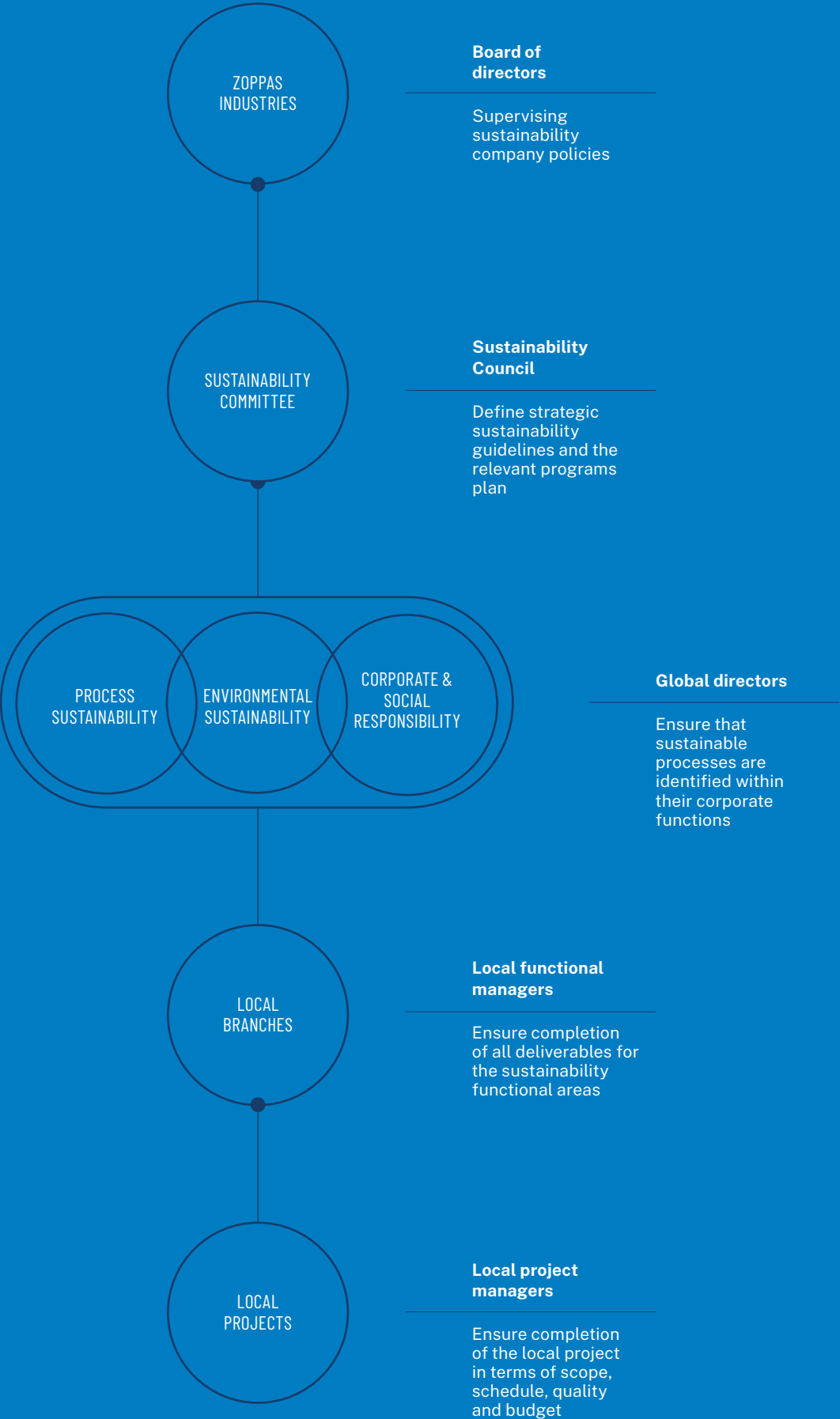


DIAGRAM \_02  
COMPOSITION OF  
THE BOARD OF  
STATUTORY AUDITORS





DIAGRAM \_03  
SUSTAINABILITY  
GOVERNANCE  
STRUCTURE



1.4.1 SUSTAINABILITY  
GOVERNANCE

Over the years, Zoppas Industries Group has progressively integrated sustainability topics with the principles of the United Nations Sustainable Development Goals (SDGs) set out in the 2030 Agenda into its Business Model.

The integration of ESG (“Environmental, Social, Governance”) factors into the organisational and industrial process has made it possible for the company to better understand risks and opportunities, while optimising long-term value creation for all stakeholders.

The pursuit of economic, social, and environmental sustainability goals with a multi-stakeholder approach is guided by the belief that companies should not limit themselves to being efficient economic players, but rather that it is their duty to act as aware social and cultural actors. The company embraces the principles of social responsibility, expressing them through its focus on younger generations, its roots in the local area, and the dissemination of industrial culture and the values of commitment and hard work.

Sustainable business management therefore requires the creation of a sustainability governance structure, identifying the responsible corporate figures and the tasks assigned to each.

To integrate sustainability into the company’s business model, the Board of Directors uses two distinct Sustainability Committees, one for ZIHET and one for SIPA. These two committees play a strategic role in disseminating and monitoring topics related to the three areas (environmental, social, and governance), as well as providing proactive and advisory support to the Board of Directors in assessing and making decisions related to ethics and sustainability.

The main tasks of the two Committees, which meet regularly, include:

- Promoting the integration of sustainability into corporate strategies and organisational culture, spreading awareness of it at all levels of the company;
- Oversee and monitor sustainability initiatives and associated key performance indicators;
- Review and approve the structure and content of the Sustainability Report, which is a key tool for communicating the company’s sustainability efforts and achievements;
- Define ESG performance targets within the Sustainability Plan and monitor their implementation over time.

An important aspect is the respect of the principle of transversality within the Committees, which is embodied in the presence of key figures from different functional areas of the company. This approach ensures a holistic and systemic view of the organisation, which is essential to address sustainability challenges and opportunities in an effective and integrated manner.

Sustainability is part of everyone’s work: it guides decisions, defines roles, and shapes the ways we grow and create lasting value.

1.4.2 INTEGRATING SUSTAINABILITY PERFORMANCE INTO INCENTIVE SYSTEMS

Aware of the importance of sustainability aspects in developing a responsible business, Zoppas Industries Group has begun a process of putting in place remuneration policies that will lead to the progressive integration of ESG factors into incentive plans.

These policies will develop along two tracks:

- a first, short-term one, with specific objectives in line with the strategic plan;
- a second, with a multi-year time horizon, with the aim of incentivising beneficiaries based on the growth in the company's value, thus aligning the interests of the beneficiaries with those of the Parent Company's shareholders.



1.5

MANAGEMENT OF IMPACTS, RISKS AND OPPORTUNITIES

1.5.1 RISKS AND OPPORTUNITIES IN THE EXTERNAL CONTEXT

Through a risk management process, Zoppas Industries Group has put in place targeted systems to identify and assess the impact of risks on its operations, in order to develop governance strategies that carefully consider these variables.

The primary objective is to identify, quantify, and monitor key risks in order to facilitate the corporate decision-making process and contribute to the Group's sustainable success.

Medium- and long-term risk exposure can be induced by multiple factors, both internal and external to the Group, such as macroeconomic factors, industry trends and regulatory developments, material topics and management elements.

Below are the main sustainability risks identified by Zoppas Industries Group, divided into the three ESG areas.

TABLE \_03  
ESG RISKS

ENVIRONMENT	Risk	Mitigation actions
	Climate	<ul style="list-style-type: none"><li>• Application of ISO 14001 and ISO 50001 management systems.</li><li>• Procurement of electricity from renewable sources.</li><li>• Verification audits, also by third parties.</li><li>• Monitoring GHG emissions</li><li>• Reforestation</li></ul>
	Environmental	<ul style="list-style-type: none"><li>• Application of ISO 14001 management systems.</li><li>• Verification audits, also by third parties.</li><li>• Monitoring water consumption.</li><li>• Careful management of waste</li></ul>
SOCIAL	Risk	Mitigation actions
	Management of human resources	<ul style="list-style-type: none"><li>• Professional development and growth paths.</li><li>• Work-life balance systems.</li><li>• Enhancement and promotion of a diverse, equitable, and inclusive work environment.</li></ul>
	Health and well-being	<ul style="list-style-type: none"><li>• Staff information and training.</li><li>• Specific workshops.</li><li>• Application of the management system according to the UNI INAIL<sup>1</sup> standard.</li><li>• Verification audits, also by third parties.</li></ul>
GOVERNANCE	Risk	Mitigation actions
	Supply chain	<ul style="list-style-type: none"><li>• Procurement strategy aimed at avoiding the use of "single source" supplies for critical components.</li><li>• Verification of supplier reliability, also considering ESG aspects.</li><li>• Acceptance of the Code of Ethics by suppliers.</li><li>• Use of blockchain technologies to securely and transparently track raw materials throughout the supply chain.</li></ul>
	Reputational	<ul style="list-style-type: none"><li>• Code of Ethics.</li><li>• Rules of conduct for conducting business in compliance with mandatory laws and regulations.</li><li>• Monitoring supplier performance throughout the entire supply chain.</li></ul>

<sup>1</sup> Applied at the Vittorio Veneto sites of IRCA SpA.



1.5.2 MATERIALITY ANALYSIS

Materiality assessment is the foundation of the Zoppas Industries Group sustainability strategy, as it ensures the identification of environmental, social, and governance aspects considered relevant and significant for the Group's business and its stakeholders.

Under the European Sustainability Reporting Standards (ESRS), these sustainability topics are defined as “material” both when they are associated with the most significant impacts that company activities can generate on the economy, the environment, and people, and therefore reveal the company’s contribution to sustainable global development, and when they are linked to risks and opportunities that may affect the Group’s ability to generate value over time.

There are in fact two parameters taken into consideration by the principle of dual materiality: a materiality with an outward impact (so-called impact materiality, with an inside-out approach), and a materiality with an inward impact (so-called financial materiality, with an outside-in approach). The first focuses on the effects that the activities and processes implemented by Zoppas Industries Group generate externally, on the social and environmental context, and in general towards all stakeholders as a whole.

The second parameter, on the other hand, analyses the impact of potential social, environmental, climate and governance risks that the company faces or could face, also considering the financial consequences that these risks could entail and that would inevitably influence the Company’s strategic decisions.

This first double materiality analysis allows the Group to analyse and present to its stakeholders not only the information necessary to understand its impact on society and the environment, but also, conversely, to highlight how ESG criteria related to material sustainability topics influence its Enterprise Value.

In order to begin a gradual journey towards the new obligations related to the double materiality process introduced by the European legislator through the Corporate Sustainability Reporting Directive (CSRD), the Group, within its 2023 sustainability reporting, carried out an initial exercise of integrating the financial perspective into its analysis.

The double materiality analysis process carried out in the previous reporting cycle, and revisited for the current report to ensure the relevance of the analysis’s findings and to integrate additional elements, included the following phases:

1. Context analysis
- Based on the risk management process and data from previous sustainability reports, the Group identified 7 strategic areas as a starting point for identifying the organisation's impacts.
2. Identification of impacts, risks and opportunities (IRO)
- Thanks to the context analysis and the interviews carried out with the company departments, it was possible to update the impacts identified in the impact materiality analysis, carried out in 2022, considering the 4 types of impact defined by the standard, namely actual and potential positives and actual and potential negatives.
3. Assessment of the significance of impacts
- Starting from the identification of the IROs, the representatives of the various departments, through targeted interviews and dialogues, assigned a numerical rating to all the impacts identified in the previous stage.
4. Prioritisation of impacts
- In this final step, the IROs are sorted by level of materiality, thus putting together a final list of material topics from the perspective of inside-out materiality.

The following tables describe:

- the main issues/areas where actual and potential positive and negative impacts generated by company activities on the economy, the environment, and people, including impacts on their human rights, may occur;
- the main issues/areas where risks and opportunities that the Company may be subject to, or benefit from, in relation to external events on its business activities may arise;
- the segment of the Group's value chain in which the IRO in question may occur/occurs: Upstream, Own Operations, Downstream;
- the degree of materiality for the management of the business identified with the colour scale where:

- high
- medium
- low

TABLE \_04  
MATERIAL TOPICS  
ENVIRONMENTAL AREA

<div><div><div>6</div><div>7</div><div>12</div><div>13</div><div>15</div></div></div>		Category	Type	Time horizon	Upstream	Own business	Downstream	Materiality
Climate change	Energy consumption and greenhouse gas (GHG) emissions	I	▼	Act.	●	●		●●●
	Extreme weather events at company production sites or strategic suppliers	R	▼	Pot.	●	●		●●
Water	High consumption of water resources	I	▼	Act.		●		●
Use of resources and circular economy	Production waste management	I	▼	Act.		●		●●
	Sustainable procurement practices	O	▲	Act.	●			●●

TABLE \_05  
MATERIAL TOPICS  
SOCIAL AREA

<div><div><div>1</div><div>3</div><div>4</div><div>5</div><div>8</div><div>10</div></div></div>		Category	Type	Time horizon	Upstream	Own business	Downstream	Materiality
Own workforce	Frequency and severity of work-related injuries	I	▼	Pot.		●		●●●
	Development of in-house skills and job stability	I	▲	Act.		●		●●●
	Respect for the individual and human rights	I	▲	Act.		●		●●
	Non-discrimination, equal opportunities, and the role of women	I	▲	Act.		●		●●●
	Worker well-being, welfare and work-life balance, sustainable living models	I	▲	Act.		●		●●
Product compliance	Product compliance and quality standards	I	▲	Act.		●		●●



TABLE \_06  
MATERIAL TOPICS  
GOVERNANCE AREA



		Category	Type	Time horizon	Upstream	Own business	Downstream	Materiality
Business conduct	Ethics, integrity and labour compliance	I	▲	Act.		●		...
	Privacy, data protection, cybersecurity	R	▼	Act.		●		...
	Governance and sustainability risk management	I	▲	Pot.		●		...
	Development of local communities where the Group has its sites	I	▲	Act.		●		.
	Business continuity and ability to react and adapt	O	▲	Act.		●		..
	Uncertainty of the EU and non-EU regulatory framework with potential implications in terms of compliance times and costs	R	▼	Act.		●		...
	Reputational damage due to potential failure to obtain ESG ratings, scores, or certifications	R	▼	Pot.		●		..

TABLE \_06  
MATERIAL TOPICS  
CROSS-CUTTING

		Category	Type	Time horizon	Upstream	Own business	Downstream	Materiality
Innovation	Product eco-design, innovation and digitalisation	O	▲	Act.		●		.

These results were subsequently flanked and supplemented by the financial materiality assessment (inside-in), thus leading Zoppas Group to achieve a double materiality analysis exercise as required by the ESRS (and in particular by “ESRS 1 – General Requirements”).

In defining the values associated with financial materiality, Zoppas Industries Group followed the cue offered by the EFRAG guidelines, focusing its analysis on certain items of the financial statements, i.e. revenues and costs (income statement), and tangible and intangible assets (total assets), an approach that is also supported by the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).





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02\_

## DISCLOSURE ON GOVERNANCE

Legality, integrity and transparency are promoted through codes of ethics, organisational models and reporting channels.

2.1

BUSINESS CONDUCT

Zoppas Industries Group promotes the culture of lawfulness and correct behaviour as essential elements for the proper functioning of the company and compliance with the principles of business ethics.

Since 2008, the Company has adopted its own Code of Ethics (specifically, there are two separate codes for the two companies, ZIHET and SIPA), which provide a clear and shared vision of the principles and standards of conduct to be observed in conducting business, in compliance with the law, and in protecting all stakeholders.

The documents contain the fundamental ethical principles and the criteria of conduct, i.e., the guidelines to be followed in order to respect the general principles and to prevent the risk of unethical behaviour, among which the “Rules of conduct in relations with collaborators”, the “Rules of conduct in relations with partners and other third parties” and the “Rules of conduct in relations with the Public Administration and other entities representing collective interests”. The Code of Ethics is available in Italian and English and disseminated throughout all subsidiaries to share the group’s culture of values.

The Zoppas Industries Group adopts the Organization, Management and Control Model pursuant to and for the purposes of Legislative Decree. 8 June 2011 n. 231 (MOG), which is composed of a general and a special part. The general section lists the purposes, recipients, components of the preventive control system of the Model itself and the training and information activities for the company’s personnel regarding the content of the Model and the disciplinary system in case of violations of the provisions of said Model; the special part of the MOG contains the description of the criminal offences envisaged by the Legislative Decree. 231/2001 and the related sanctions with reference to the areas at risk of committing the aforementioned crimes identified in the Model itself. The model was updated in May 2023.

The Code of Ethics and the MOG are supported by an internal channel for reporting illicit conduct<sup>2</sup>. Applied across all Group entities, the reporting system complies with both the guidelines set forth in Legislative Decree. 231/01, both to the Legislative Decree. 24/2023 (so-called Whistleblowing) and allows reporting, ensuring the protection of whistleblowers and the confidentiality of data, of any unlawful conduct (behaviors, acts or omissions) that is capable of violating the provisions and principles of the Code of Ethics, the MOG and company procedures.

During the reporting year, at Group level, no confirmed cases of non-compliance with Legislative Decree 231/2001 were recorded.

<sup>2</sup> The Code of Ethics, the Model, and the Whistleblowing guidelines are publicly available on the company website and also accessible via the company intranet. The latter lets all employees consult company policies, guidelines and procedures.

2.2

MANAGEMENT OF RELATIONSHIPS WITH SUPPLIERS

Zoppas Industries Group is actively committed to promoting the principles of sustainability along the entire supply chain, requiring third parties it works with to adhere to the provisions of its Code of Ethics. The Group reserves the right to terminate relations with business partners that do not comply with the ethical and sustainability standards outlined in its Code of Ethics, thus ensuring consistent alignment with the Company’s fundamental principles. This approach reflects the Group’s commitment to a responsible and sustainable management of its supply chain. In this context, the Company is dedicated to several concrete actions:

- **Selection and qualification of suppliers:** The Group carefully selects its suppliers, favouring those whose approach is in line with the corporate policy and the values of ethical, social and environmental responsibility that it promotes. This selection and qualification process ensures that business partners share the same ethical and sustainable standards as the Group.
- **Continuous monitoring:** The suppliers are subject to constant monitoring to ensure compliance with the required standards.
- **Choice of business partners:** In the decision-making process for the selection of business partners, the Group gives priority to maximum competitive advantage and the highest quality, avoiding any form of discrimination. In addition, preference is given to local suppliers to support the development of the local economy and promote employment in the area.

Uncertainty in the markets and disruptions in the global supply chain result in the application of risk minimisation criteria to our global/local sourcing strategies:

- diversification of supply sources, with the elimination of the single-source requirement for critical suppliers and the expansion of the supplier base according to geographical diversification criteria as part of the overall risk management approach;



2.3

ANTI-CORRUPTION

- governance of strategic commodity management processes;
  - and lastly, the launch of a project to evaluate the sustainability performance of key suppliers, in collaboration with Ecovadis, the platform that makes it possible to manage ESG risk and compliance, driving improvements in the sustainability performance of the value chain.
- Anti-corruption is closely linked to corporate sustainability, as it helps create a more equitable working environment and ensure transparency in corporate operations, thus increasing the trust of stakeholders (shareholders, employees, customers, etc.).
- The Group is aware of its responsibility and unequivocally forbids any form of corruption. Through conduct based on criteria of transparency, fairness and moral integrity, as well as the application of its Code of Ethics (in this regard, see point 2.1 Business Conduct), the Zoppas Industries Group pursues its commitment to fight corruption, in all its forms, direct and indirect, implementing all necessary measures to prevent the commission of crimes, including through the adoption of an Organization, Management and Control Model, compliant with the provisions of Legislative Decree no. 231/2001.
- A commitment that the Group expresses with these clear rules of conduct that all personnel belonging to the organisation, as well as any business partner, must know and respect.
- Zero tolerance, appropriate procedures, an active role of management, and effective communication constitute the framework for defining and pursuing improvement objectives;
  - Encouraging the reporting of suspected cases in good faith, ensuring the whistleblower is protected in every way (see point 2.1);
  - Punishing any form of failure to comply with corruption prevention procedures;
  - Commitment to continuously improving corruption risk management and prevention processes.
- No cases of active or passive corruption were identified during the 2024 financial year.



2.4

PRIVACY

Zoppas Industries Group is committed to processing data and information in its possession in accordance with its Code of Ethics and applicable laws and regulations, primarily Regulation (EU) 2016/679 (General Data Protection Regulation - GDPR).

Special processes and technical and organisational measures aimed at protecting the personal data of employees, collaborators, customers, suppliers and, in general, of the subjects with whom we interact have been adopted.

The Company therefore safeguards the confidentiality of information belonging to it that constitutes a corporate asset, or in any case of the information or personal data of third parties in its possession, by strictly complying with current legislation on the protection of personal data. During the reporting year, there were no established cases of privacy breaches or data loss at Group level.

2.5

CYBERSECURITY

Digital transformation also means taking responsibility for ensuring the security of data and systems against cyber attacks and service interruptions, to protect both all internal and external stakeholders and the company's reputation.

To this end, we have implemented the necessary technical and organisational measures, including the protection of assets, corporate identity, and both internal and external company perimeters.

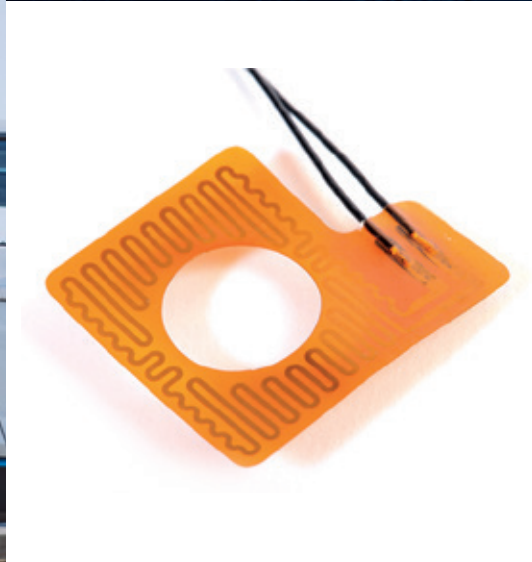
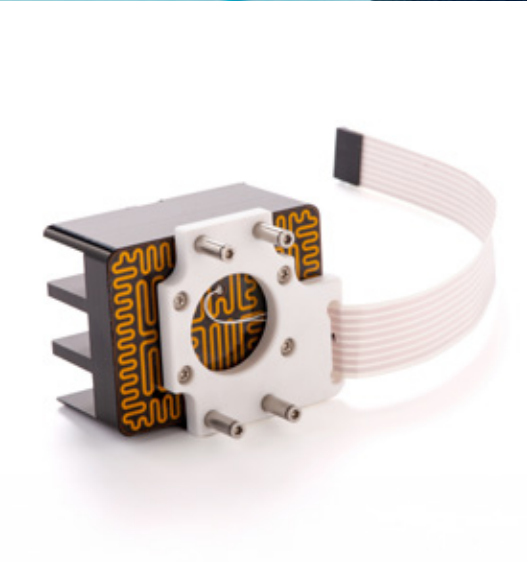
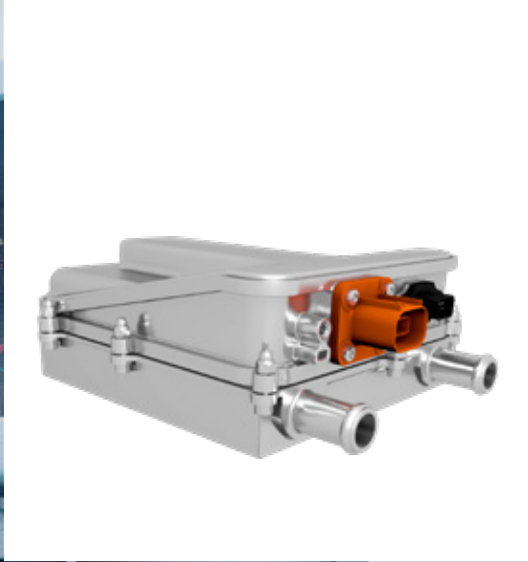
Additionally, we have implemented recurring awareness-raising and risk management campaigns for employees, including training courses and phishing simulation tests, the publication of procedures, and the strengthening of the corporate organisation and the protection of communication and collaboration services.

Additionally, we are implementing additional solutions to improve our ability to detect and respond to increasingly prevalent industrial security incidents globally and to ensure operational continuity.

We embrace cloud computing and the associated transformation of business services to strengthen security, scalability, geographical redundancy, and availability, aiming to ensure an adequate level of security in the digitalisation of processes and the industrialisation of products.

Lastly, we implemented several key security measures: protecting both privileged and operational identities with Multi-Factor Authentication (MFA), enhancing the security of our factory networks, and simplifying our data centres.





ZIHET

From ethical sourcing to advanced technology, every stage of the ZIHET chain delivers tailored, lasting solutions.



# VISION



To be recognised as a strategic partner for customers and a key player in the value chain, helping its customer base in identifying optimal heating solutions for a wide variety of needs.

# MISSION



To provide smart heating solutions, helping to build the foundation for a sustainable environment and lifestyle.

# SUSTAINABILITY



Innovation and technological progress are at the heart of all the Group's activities. ZIHET strives daily to make a substantial contribution to sustainable living globally through production and sales activities that focus on providing smart heating solutions in a responsible and environmentally friendly manner.

# COLLABORATION



ZIHET actively collaborates with its customers, suppliers and other partners and constantly strives to find innovative and sustainable solutions through the introduction of new technologies and business models.

# FUTURE



Improving the quality of life for ourselves and for future generations is the aim of ZIHET's work.

# CLIENTS

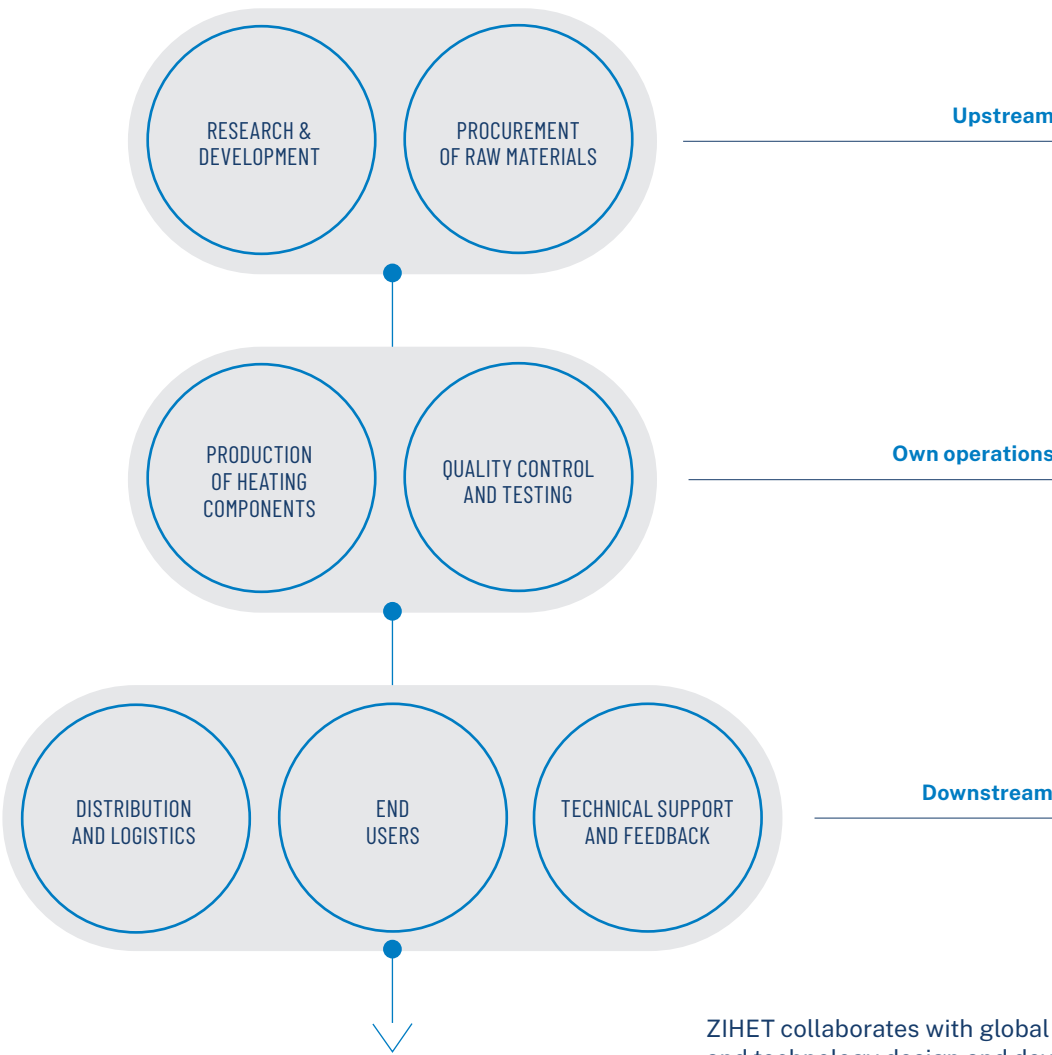


Viewing the value chain as customer-focused is part of the Zoppas corporate culture, strategy and philosophy. The Group bases its marketing and sales campaigns on customer expectations, needs, and desires, and is constantly seeking new ways to improve and enhance its offering.

## THE VALUE CHAIN

For ZIHET, sustainability is a guiding principle that runs through the entire value chain and is expressed through collaboration with its stakeholders in developing innovative solutions and to favour the adoption of new technologies and circular business models.

The customer is always at the heart of this process: their needs, expectations and aspirations represent the starting point for every project, commercial initiative and industrial strategy. This shared approach reflects the Group's corporate culture, which is oriented towards progressive improvement and the creation of value.

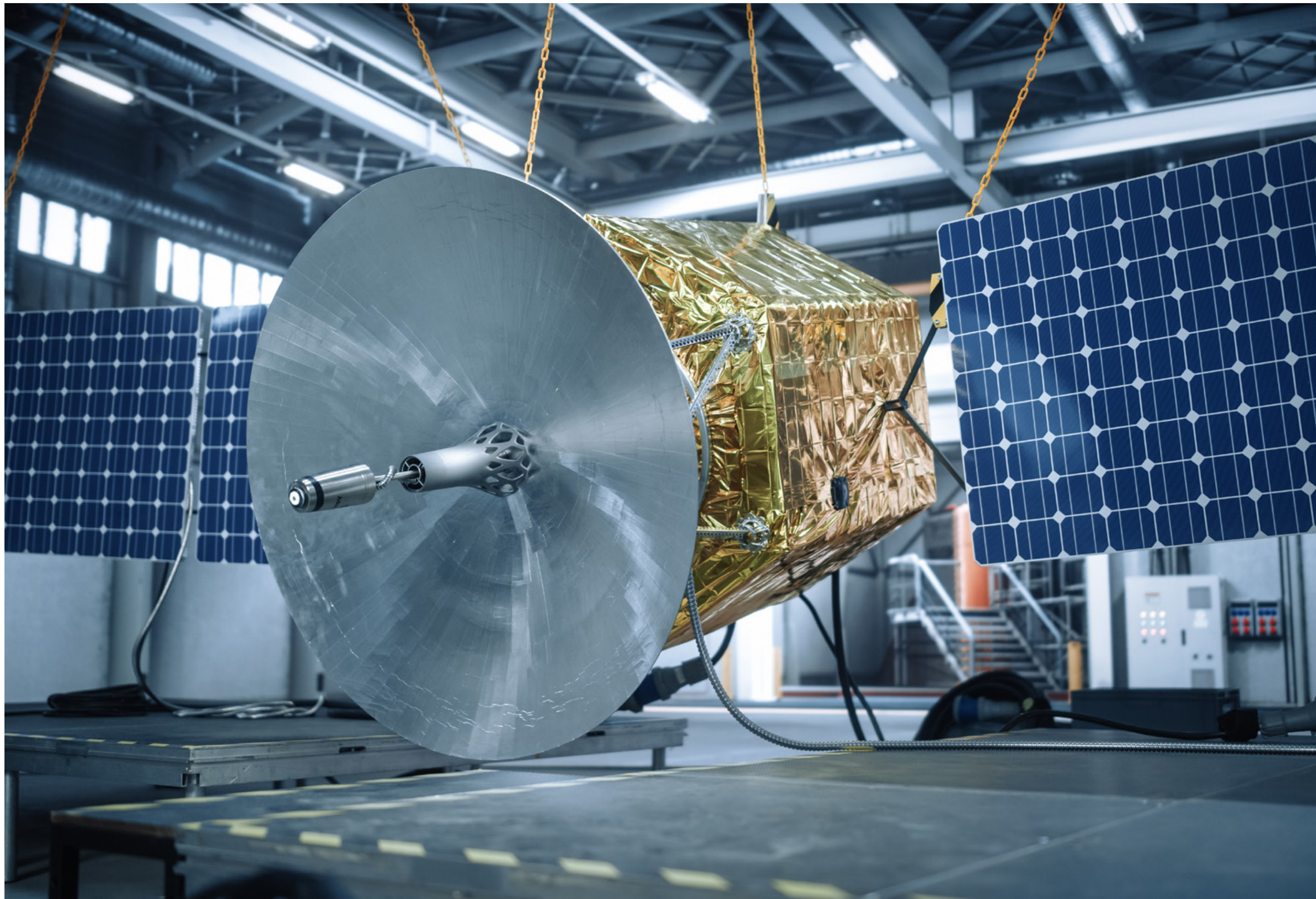


ZIHET collaborates with global raw material suppliers and technology design and development partners. The processes begin with the procurement of materials and components for the production of heating elements, according to quality, traceability and sustainability criteria. The chain includes R&D, engineering, custom design and prototyping activities.

Downstream, ZIHET distributes its products primarily to B2B customers, which are typically industrial manufacturers integrating ZIHET components into their own systems or finished products.

Distribution channels are managed through direct sales offices, branches and local partnerships. After-sales service and technical support strengthen customer loyalty.







THE PRODUCTS

Zoppas Industries Heating Element Technologies (ZIHET) has established itself as a pillar in thermal control, thanks to its consolidated leadership in the design, production and marketing of heating solutions and elements. Its technologies, based on in-depth know-how and constant research, are applied in a wide range of strategic sectors, from the domestic and professional spheres to the extreme challenges of the aeronautical and space sectors.

**Beyond the components: toward smart systems and complete solutions**

ZIHET is a comprehensive strategic technology partner for advanced thermal systems, through a strategic transition that reflects its commitment to offering complete, value-added solutions rather than just products.

By integrating precision electronics, cutting-edge sensors, and smart control systems into its most complex assemblies, ZIHET aims to provide customers with optimised thermal systems, ready for integration into high-tech applications and in contexts where energy efficiency and performance are crucial.

Our commitment is focused on increasingly efficient use of resources, from the design stage to the finished product, according to efficiency standards along the entire supply chain.

**Heating systems: examples of integrated excellence**

Ecco alcuni esempi concreti di come l'azienda ha trasformato le proprie tecnologie di base in soluzioni sistemiche:

Here are some concrete examples of how the company has transformed its core technologies into systemic solutions:

- **Thermal balancing unit.** An assembly featuring a flexible Kapton heater with integrated wiring, specifically designed for satellite thermal management. It ensures thermal stability and uniformity in extreme conditions, which is crucial for the reliable operation of spacecraft.
- **Load bank assembly.** A robust system featuring tubular duct heaters housed within a steel frame. It is used to simulate the thermal load in data centres during testing and commissioning, an essential process for infrastructure planning and energy efficiency.
- **Multifunctional heat sink.** A compact device that integrates a flexible Kapton heater with an aluminium plate. Used in medical applications to maintain precise and stable temperatures, ensuring equipment reliability.
- **Boilers and steam generators.** Complete systems that combine tubular heating elements, advanced insulation, sophisticated electronic controls, and regulation systems. These are used in a wide range of applications, from high-efficiency professional coffee machines to aircraft lavatory water heaters, where performance and safety are paramount.
- **High voltage heating system.** High-voltage electric heating solutions with integrated electronic boards for the thermal management of batteries in electric vehicles (EVs). This is a critical innovation for preventing dangerous temperature drops, extending battery lifespan, and improving vehicle range.

- **Floor heating panels.** Advanced underfloor heating systems consisting of heating cables, aluminium panels, and integrated electronic control. Specifically designed for new-generation trains, they offer optimal comfort and contribute to the energy efficiency of public transport.
- **Process heating system.** Complete industrial systems that include tubular heating elements, a stainless steel heat exchanger, and an intuitive control panel. Essential for heating fluids in large plants in the oil & gas, chemical, and manufacturing sectors, where precision and reliability are vital to production processes.
- **Outdoor heating system.** Innovative systems with open coil technology, integrated sensors and temperature control. Ideal for external heating applications in civil and industrial contexts, offering efficient solutions that can be adapted to environmental conditions.

**Core technologies: the foundation of excellence**

At the heart of ZIHET's systems and innovation capabilities is an excellent mastery of various heating technologies, each optimised for specific application areas:

- Tubular heaters
- Cartridge heaters
- Heating wire
- Flexible heaters
- Open coil heaters

Through this integrated approach, ZIHET aims to create tangible value for its customers, promoting the efficiency, durability and sustainability of their applications. ZIHET is committed to a future where thermal technology is synonymous with responsible progress and resource optimisation.



TABLE \_01  
CERTIFICATIONS AND RATING

Site	IRCA	Multi Rail	Euroheat	ZIHET Romania	ZIHET Serbia	ZIHET China	ZIHET Mexico
ISO MANAGEMENT SYSTEMS							
ISO 9001:2015	●	●	●	●	●	●	●
ISO 14001: 2015	●			●		●	●
ISO 50001: 2018	●			●			on-going
INDUSTRY STANDARDS							
EN/AS 9100 (aeronautics)	●						
ESCC 4009 (Quality, Space & ESA)	●						
ISO/IEC 80079-34 (ATEX/INCEX sector)	●						
EN 15085-2 (rail sector)	●			●			
IATF 16949 (automotive sector)	●					●	
MODULE H PED (pressure equipment)	●						
ISO IEC 17025 (quality laboratory)	●						
TISAX – VDA 5.1 (information security)	●			on-going	on-going		
NATIONAL STANDARDS							
Linee guida UNI-Inail (safety)	●						



**Certifications and rating**  
Environmental, social, and ethical performance—sustainability—is essential for responsible business. Aware of this, ZIHET group has undertaken a process that includes a thorough assessment of its sustainability performance, supported by two of the world’s most authoritative leaders, Ecovadis and CDP (Carbon Disclosure Project).

The support of these partners is essential for identifying the most critical areas. This pushes the company to actively seek solutions that let it increase its own awareness and comply with the strictest market standards. A preliminary initiative is represented by the evaluation of the carbon footprint, an activity that involves the entire corporate value chain.

This step is preparatory to the subsequent development of a decarbonisation strategy, highlighting the unequivocal commitment for responsible and transparent management.





03\_

## ZIHET ENVIRONMENTAL DISCLOSURE

ZIHET reduces environmental impact through actions on climate, water and resources, complying with EU regulations and striving for a sustainable future.



# ZIHET ENVIRONMENTAL DISCLOSURE

## 3.1

### EU TAXONOMY

#### 3.1.1 THE REGULATORY FRAMEWORK

As part of the policies to achieve Europe's 2050 carbon neutrality target, the European Commission deemed it essential to introduce a classification system for economic activities that would consider their impact on climate change.

Through the Taxonomy Regulation (EU Regulation 2020/852) and related delegated acts, the EU aims to promote the transition towards a sustainable economy. As defined by the Taxonomy Regulation, the companies falling under its scope publish Turnover, CapEx and OpEx KPIs, with respect to eligibility and alignment with the objectives of the Taxonomy itself.

The proposals related to the so-called "Omnibus package," aimed at simplifying sustainability regulations and strengthening the Union's competitiveness, were presented by the European Commission on 26 February 2025. They foresee a revision of the applicability of the CSRD, with knock-on effects on the delegated acts linked to it.

In this context, it is expected that the scope of Taxonomy reporting will be reduced and its structure will be simplified in terms of requirements and the presentation of summary KPIs for environmentally sustainable activities.



## 3.1.2 ANALYSIS CONDUCTED

Starting from the previous financial year, ZIHET has initiated an internal process aimed at identifying its economic activities potentially within the scope of the Taxonomy Regulation, with the goal of ensuring adequate preparation for the obligations it entails.

In light of the ongoing regulatory evolution, this process will be completed once the specific requirements and application methods of the Taxonomy Regulation are made available.

## 3.2

### CLIMATE CHANGE

#### 3.2.1 IMPACT MANAGEMENT

Global greenhouse gas emissions are destined to increase in the future, especially if we think about the constant increase in temperatures with the consequent increase in air conditioning systems.

Aware of the importance of acting responsibly, ZIHET Group commits to integrate sustainable practices in all its activities with the aim of not doing harm to and not impoverishing the ecosystem that surrounds us, preserving it for future generations.

By analysing the risks and potential impacts (see chapter 1.3 of the general part), including financial ones, the company acts to grasp the opportunities that the ecological transition can offer, supporting its customers with eco-friendly, highly energy-efficient technological solutions.

ZIHET's production processes are energy-intensive, with electricity being the predominant form of energy consumed: aware that energy use is one of the main causes of greenhouse gas emissions, the Group is focused to maximise the efficiency of its consumption, through:

- the adoption of ever more efficient less energy-intensive production processes which, at the same time, ensure economically sustainable operations;



- the procurement of electricity from certified renewable sources;
- a programme of progressively increasing self-generation of energy through the installation of photovoltaic systems.

These activities are supported by:

- constant monitoring of environmental performance in order to verify whether the actions undertaken are in line with the expected objectives and, in the event of discrepancies, allow for rapid corrective action;
- the progressive implementation of environmental (ISO 14001) and energy (ISO 50001) management systems;
- a remodulation of the circulating fleet with the inclusion of electric or hybrid vehicles to make mobility increasingly sustainable.

A key step that ZIHET Group has initiated is mapping its carbon footprint. This project will involve all production sites and will make it possible to draw up a decarbonisation plan. The goal is to align this plan with global efforts to maintain warming below catastrophic levels and reach net zero by 2050.

Eco-design

The research and development area of ZIHET Group is primarily committed to the pursuit of sustainable design through the logic of Design for Environment. This approach has two main objectives: the first is to reduce the carbon footprint associated with the production of articles, while the second objective is to encourage the creation of more efficient and sustainable products at all stages of use and at the end of their life cycle.

3.2.2 METRICS

The amount of CO<sub>2</sub> emitted by the production units is compared with the reference indicators to periodically evaluate the achievement of the established targets. The results stimulate the search for solutions to improve energy efficiency also applying new technologies related to smart factory logics.

A decarbonisation pathway will be established once the mapping of greenhouse gas emissions along the entire value chain (upstream and downstream) is complete.

<sup>1</sup> Scope 1 emissions refer to the use of gas. Commonly recognized factors were used for the transformation, namely the factor 2.05 kgCO<sub>2</sub>e/m<sup>3</sup> for methane gas and for liquefied petroleum gas.

<sup>2-3</sup> For a more detailed analysis of emissions under Scope 2 (electricity), the emission factors of the individual countries where the Company's production sites are located have been taken into account.

TABLE \_01  
CO<sub>2</sub> EMISSIONS

Year	Ton CO <sub>2</sub> e Scope 1 <sup>1</sup>	Ton CO <sub>2</sub> e Scope 2 <sup>2</sup> MB	Ton CO <sub>2</sub> e Scope 2 <sup>3</sup> LB	Scope 1-2 MB total	Scope 1-2 LB total
2022	7,912.88	44,800.37	48,323.94	52,713.25	56,236.82
2023	7,863.20	36,186.14	42,038.02	44,049.34	49,901.22
2024	8,535.03	38,793.66	47,209.70	47,328.69	55,744.73

TABLE \_02  
ENERGY CONSUMPTION

Energy consumption (MW) <sup>4</sup>	2024	2023	2022
Electricity	91,371.34	82,819.97	89,186.82
Solar power	113.40	83.82	100.63
Methane gas	44,545.37	41,275.84	42,003.33
Liquefied petroleum gas	266.30	-	-

TABLE \_03  
ENERGY INTENSITY

	2024	2023	2022
Energy intensity MW/k€ net revenues <sup>5</sup>	0.202	0.187	0.182

TABLE \_04  
ELECTRICITY FROM RENEWABLE SOURCES<sup>6</sup>

Year	%
2022	42.20
2023	46.37
2024	49.29

TABLE \_05  
ENERGY PRODUCTION FROM PHOTOVOLTAIC (MW)

Year	Total	Consumed	Sold
2022	113.40	100.36	0.00
2023	83.82	83.82	0.00
2024	135.05	113.40	21.65

<sup>4-5</sup> The scope was expanded in 2023 compared to 2022; however, the 2023 and 2024 data are fully comparable. Monitoring has also been extended to include additional energy sources (propane gas).

<sup>6</sup> Ratio between total electricity used (purchased and self-generated through photovoltaic systems) and green energy (purchased from certified renewable sources and self-generated through photovoltaic systems).

WATER,  
BIODIVERSITY,  
AND ECOSYSTEMS

3.3.1 IMPACT  
MANAGEMENT

Climate change - often characterised by extreme weather phenomena - generates an irregular availability of water and also calls into question the availability of this resource both in terms of quantity and time.

Water is an element essential for the correct functioning of the production processes and ZIHET makes intensive use of it. Water is supplied through two main channels. The first is the municipal water supply, which meets domestic needs for offices and common areas. The second source is water extracted from on-site wells, which is used for technical applications such as machine cooling and fire suppression systems; this source ensures a constant and reliable flow. This dual approach, implemented not only in Italian sites but also in some foreign ones, reflects a balanced strategy for an efficient and sustainable management of water resources.

Minimum quality standards for water discharges established by the mandatory regulations in the countries where ZIHET operates are guaranteed through detailed analyses that are accompanied by a constant supervision of treatment and purification systems, with regular maintenance and replacement of filters according to best available practices.

Faced with the growing need to mitigate its impact on water resources, ZIHET is exploring a number of initiatives to further improve its approach to water management, including the installation of closed circuit systems on all installations that require massive use, as well as the implementation of advanced practices and technologies for monitoring and improving the efficiency in the use of water resources, contributing thus to the conservation of the environment and the well-being of the communities in which it is present.

These are the main actions that ZIHET implements to guarantee the integrity of the water system, thus preventing any possible form of contamination, safeguarding biodiversity and protecting ecosystems.

FOCUS

Environmental safeguarding

The production site of Zoppas Industries Romania (ZIR) covers an area of 171,899 m<sup>2</sup> and is located in the vicinity of the protected area ROC10345 Pajistea Cenad, which extends over 5,965.3 hectares north of the town of Sannicolau Mare, in the Pannonian geographical region.

The proximity to this protected area places an additional responsibility on ZIR, which must ensure that industrial operations do not compromise the ecological integrity of the region, which represents an area of high

biodiversity value, characterised by the presence of species of high conservation value, including the *Mustela eversmanii*, also known as the Siberian weasel, and the *Spermophilus citellus*, both classified with conservation status B.

ZIR adopts a proactive approach to avoid any negative impact on the surrounding environment and represents a significant example of the Zoppas Industries Group commitment to protecting biodiversity and to responsible environmental management.

3.3.2 METRICS

TABLE \_06  
WATER RESOURCES

Year <sup>7</sup>	Total water withdrawal m <sup>3</sup>	Supplied by aqueduct m <sup>3</sup>	Water intensity m <sup>3</sup> /k€ net revenues
2022	465,154	226,343	0.647
2023	412,156	230,331	0.621
2024	482,124	256,492	0.715

<sup>7</sup> The scope was expanded in 2023 compared to 2022; however, the 2023 and 2024 data are fully comparable.

Note: The areas where ZIHET entities operate are subject to water stress with the following intensity levels: low <10% (Germany, Romania, Serbia), medium-low 10–20% (France), medium-high 20–40% (Italy, USA), extremely high >80% (China, Mexico). Source: Aqueduct – Water Risk Atlas.

USE OF RESOURCES  
AND CIRCULAR  
ECONOMY

3.4.1 IMPACT  
MANAGEMENT

To actively promote the sustainability along its entire supply chain, in accordance with the fundamental values and corporate engagements set out in the Code of Ethics, ZIHET has developed a new Code of Conduct specifically aimed at suppliers, while also improving the management of procurement contracts.

ZIHET requires its partners to respect the principles set out in the Code of Ethics and Code of Conduct reserving the right to terminate collaborations with those who do not adhere to it. This approach ensures consistent alignment with corporate values for responsible and conscious management of resources and collaborations.

The company's commitment translates into:

- rigorous supplier selection which, starting from 2021, also considers the alignment with company policies and values of ethical, social and environmental responsibility, ensuring that each business partner is a true ally in promoting sustainability.
- continuous supervision to ensure that established standards are always met and maintained.
- selection criteria that prioritise competitive advantage and superior quality. At the same time, we are committed to supporting the communities where we operate by giving clear preference to local suppliers whenever feasible.

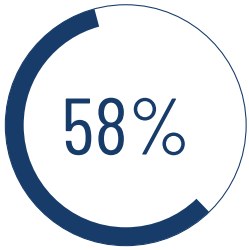
The suppliers with which ZIHET interacts represent a pillar fundamental to the “upstream” supply chain of the production cycle as they offer a vast range of raw materials (including steel, aluminium and magnesium) and components (electrical, cables, small parts) essential for the production of finished components.

They are around the world, with important presences in Europe, Japan and China especially linked to the centres of excellence for steel production present in these countries.

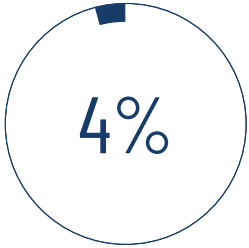


DIAGRAM \_01  
TYPE OF MATERIALS  
PURCHASED

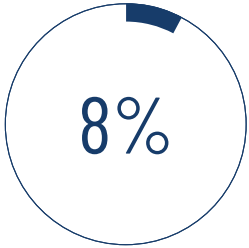
Ferrous metals



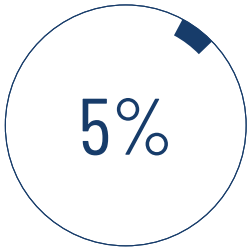
Packaging



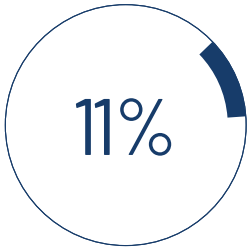
Aluminium



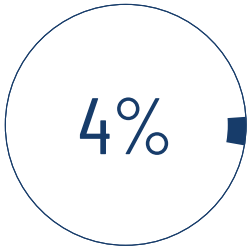
Other



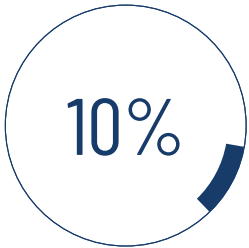
Electrical components



Oxide



Plastics



Direct purchases, those which include the raw materials and components needed for production, are managed by a team of 39 buyers, 8 supplier quality experts, 13 managers and management staff, operating with ERP systems and business intelligence platforms. This category includes approximately 1,000 suppliers that support a catalogue of over 14,000 articles. Of these, 3200 were recently introduced or revised, reflecting a significant dynamism in supply needs. Indirect purchasing, managed by 5 teams spread across three continents, includes over 2,000 suppliers, with a 15% reduction compared to the previous year. These suppliers support the management of an extensive catalogue of 35,000 articles, comprising 32,000 purchase orders and 75,000 order rows.

**Objectives and new initiatives**

ZIHET aims to further optimise the supplier network and has set some goals.

- Reduction by 10% of the total number of suppliers of both direct and indirect materials, with expected benefits from process standardisation and the adoption of best practices.
- Increasing the number of global trade agreements to improve operational efficiency For direct materials, it is planned to extend key performance indicators (KPIs) to monitor cash outflows in all production units. In addition, the development of new global KPIs and the appointment of commodity specialists were planned in order to consolidate and standardise business procedures and policies across the various ZIHET Group operations. For direct materials, a strategic backup plan was put in place to ensure the availability of critical materials, with the aim of establishing shared objectives and dedicated teams to manage supply risks.
- Progressive increase of EcoVadis certified suppliers and, in parallel, sending a questionnaire to collect further ESG information with the aim of identifying a new key performance indicator (KPI).
- Launch of a process for the digitalisation of the supplier selection and evaluation process
- In logistics management, adoption of policies that favour the use of local suppliers for all its locations that support the development of territorial economies and reduce the environmental impacts associated with the transport of goods over long distances.

**Materials used**

Most of the materials used for the manufacture of the products are metals. ZIHET is constantly researching new solutions to increase the life of the products supplied to the customer through responsible production, with processes that are attentive to the use of natural resources and which, from a circular economy perspective, apply the concepts of reduction, reuse and recycling. This approach also applies to research on eco-friendly packaging that can be recovered during the decommissioning stage to be reintroduced into the economic cycle and reused, generating value once more.



Conflict minerals

ZIHET is aware that the extraction, trade, handling and export of minerals from conflict-affected and high-risk areas can have serious negative impacts on the financial and social value of its products, processes and supply chain.

Recognising its responsibility in supporting human rights and preventing conflicts, the Group formalises its commitment with a voluntary policy aimed at achieving a completely conflict-free supply chain.

The policy, available on the company’s website, focuses on the supply of products containing 3TG (tantalum, tin, tungsten, gold) and will be subject to review, during 2025, to extend the scope of the due diligence processes to products also containing mica and cobalt.

The outcome of the Group’s Due Diligence on the 180 relevant suppliers involved for the reporting year 2024 showed the results presented in Table 07.

TABLE \_07  
SUPPLIER DUE DILIGENCE  
ON MINERALS FROM  
CONFLICT-AFFECTED AREAS

Year of reference	Response rate <sup>8</sup>	Without conflicts <sup>9</sup>	No 3TG <sup>10</sup>
2024	82.2%	33.3%	38.9%

<sup>8</sup> Percentage of relevant suppliers who submitted valid evidence.

<sup>9</sup> Percentage of relevant suppliers whose testing showed only compliant or active smelters or refiners (according to RMI lists as of 21 November 2024).

<sup>10</sup> Percentage of relevant suppliers who confirmed that their products do not contain 3TG.

3.4.2 METRICS

Waste

Zoppas Industries Group stands out for its commitment to the responsible management of the materials and waste produced in its industrial operations, also thanks to the application in its production sites of an environmental management system compliant with the international standard ISO 14001 which makes it possible to manage waste rationally and efficiently.

In accordance with the strategic guidelines which aim at an accurate management of all environmental aspects, the company is making significant strides, especially in the management of hazardous waste.

A highly management specialized ensures that waste is segregated by type in suitable storage areas prevent rainwater runoff and monitored constantly to ensure both the maintenance of their characteristics and to limit spills, thus drastically reducing the potential risk of environmental pollution. Furthermore, a careful selection of external partners ensures compliance with mandatory environmental regulations.

This management is supported by a strategy aimed at reusing certain types of materials which, if not managed in this way, would be destined for treatment as waste. They include the reuse of packaging from received materials, which is then reused for further shipments.

The location of the group’s companies in multiple countries inevitably does not allow for standardised management (for the application of different national regulations) but what is applied in the various locations demonstrates a constant commitment towards sustainable waste management that will continue also in the future with the search for innovative solutions to further improve its management. The goal remains to minimise the overall environmental impact while ensuring compliance with environmental regulations and promoting sustainable industrial practices.

TABLE \_08  
WASTE PRODUCTION (TON)<sup>11</sup>

Year	Hazardous <sup>12</sup>	Non hazardous	Total	Recycled	Δ <sup>13</sup>
2022	934.30	8,929.70	9,864.00	4,282.00	43.41%
2023	853.48	10,125.22	10,978.70	5,763.74	52.50%
2024	835.98	8,653.20	9,489.18	4,838.32	50.99%

<sup>11</sup> The data are not comparable with those of previous years as the reporting scope has been progressively expanded.

<sup>12</sup> Hazardous waste is part of the waste that is recycled or disposed of.

<sup>13</sup> Ratio between recycled waste and total waste produced.





04\_

## ZIHET SOCIAL DISCLOSURES

ZIHET nurtures talent,  
embraces diversity, and  
builds a safe, inclusive  
future for all.



4.1

OWN  
WORKFORCE  
  
4.1.1 IMPACT  
MANAGEMENT

As part of its ethical principles and its mission to promote a corporate culture based on integrity and respect, ZIHET has adopted a Code of Ethics in accordance with (It.) Legislative Decree 231/2001, extending it to the entire social fabric that makes up and revolves around the company.

**People, the engine for the future**  
As part of its ethical principles and its mission to promote a corporate culture based on integrity and respect, ZIHET has adopted a Code of Ethics in accordance with (It.) Legislative Decree 231/2001, extending it to the entire social fabric that makes up and revolves around the company.

In accordance with this code, Zoppas Industries invites its employees, staff and representatives to act responsibly and with respect for the collective well-being, paying particular attention to individual behaviour that reflects the values of loyalty, fairness and transparency.

Indeed, ZIHET acknowledges that the protection and respect of human dignity and individual differences are essential to the company's success and the well-being of its employees. In this regard, Zoppas Industries actively promotes gender equality and inclusion in its leadership and internal decision-making processes, recognising their added value to balanced and effective business management.

This commitment is an integral part of the company's strategy for its human capital, aimed at empowering its people and ensuring excellent business performance based on talent and long-term sustainability.

Since 2022, ZIHET has had a specific Human Resources Management Policy, applied to all employees. Sharing information, and training and the development of skills of all staff, in every corporate role, are key points which, combined with clear and shared processes, take into account all aspects of the corporate life of each resource. This procedure is periodically updated to reflect major organisational and regulatory changes, in line with the principles defined in the Code of Ethics.

**Personnel selection process**  
Personnel are selected in accordance with the principles expressed within the Code of Ethics: the professional and individual skills are evaluated without any discrimination that may influence the hiring, training, promotion or contractual duration of the relationship with the Company

to guarantee gender equality in the workplace, as well as the empowerment and involvement of resources belonging to minorities. The personnel selection and recruitment process consists of 6 main steps:

- Acquisition of the request for staff adjustment
- Acquisition and management of CVs
- Selection
- Offer formulation and recruitment
- Definition of the induction plan for the new hire
- Evaluation of the probationary period and confirmation of the candidate

In fact, co-workers are chosen on the basis of their professional and transversal skills, in line with the roles that need to be filled. This approach reflects the Group's commitment to personnel management that guarantees equal opportunities in the workplace, promoting a fair and meritocratic corporate culture.





TABLE \_01  
DISTRIBUTION OF PERSONNEL  
BY PROFESSIONAL CATEGORY

Professional figure <sup>1</sup>	2024			2023			2022		
	Woman	Man	Total	Woman	Man	Total	Woman	Man	Total
Manager	30	116	146	10	22	32	6	23	29
White collar	531	1,091	1,622	493	1,064	1,557	970	1,308	2,278
Blue collar	2,621	2,868	5,489	2,483	2,839	5,322	2,204	2,460	4,664
Total	3,182	4,075	7,257	2,986	3,925	6,911	3,180	3,791	6,971

TABLE \_02  
BREAKDOWN OF PERSONNEL  
BY TYPE OF CONTRACT

Contract type	2024			2023			2022		
	Woman	Man	Total	Woman	Man	Total	Woman	Man	Total
Open ended	2,513	2,859	5,372	2,595	3,371	5,966	3,045	3,658	6,703
Fixed term	669	1,216	1,885 <sup>2</sup>	391	554	945	93	175	268
Total	3,182	4,075	7,257	2,986	3,925	6,911	3,180	3,791	6,971
Full time	3,113	4,064	7,177	2,888	3,690	6,578	3,074	3,830	6,904
Part time	69	11	80	98	235	333	64	3	67
Total	3,182	4,075	7,257	2,986	3,925	6,911	3,138	3,833	6,971

TABLE \_03  
DISTRIBUTION OF  
EMPLOYEES BY AGE GROUP

Age range	< 20	21÷30	31÷40	41÷50	51÷60	>61
Woman	47	645	926	899	614	51
Man	94	1,007	1,373	901	614	86
Total	141	1,652	2,299	1,800	1,228	137

TABLE \_04  
EMPLOYEE TURNOVER IN 2024

2024				
Total employees	New hires	Terminated	Positive turnover rate	Negative turnover rate
Total	1,752	1,273	25.35	18.42

4.1.2 METRICS

**Composition, collective bargaining coverage, diversity.** Table 01 shows the distribution of personnel by job category (Manager, White collar, Blue collar), broken down by gender and reference year.

Table 02 presents the distribution of personnel by contract type (permanent and fixed-term) and working time (full-time and part-time), with details by gender.

Table 03 summarises the distribution of employees by age group, broken down by gender, including the total for each range.

Table 04 reports the main data relating to employee turnover for 2024: total number of employees, hires, departures, positive turnover rate and negative turnover rate.

Training

Skills development is one of the cornerstones of Zoppas Industries personnel management policy, which provided 237,677 hours of training to its employees in the fiscal year 2024.

Zoppas Industries Group believes that a productive and forward-looking work environment must provide employees with the best opportunities for specialisation and professional training. For this same reason, ZIHET invests in training courses, designed to meet the needs gathered internally.

The annual skills assessment of all employees is the cornerstone for drawing up the annual development plan. Its main objectives are:

- To stimulate and incentivise the improvement of individual, team and Group performance;
- To capitalise on the role and contribution of each resource;
- To facilitate sharing and constructive dialogue between managers and co-workers;
- To support managers in identifying the most appropriate professional development interventions for their co-workers;
- To supply the tools needed to optimise overall performance, including through specific training courses.

Training activities and “on-the-job training”, structured in a flexible and dynamic way, aim to develop both the specific skills of by the role covered, and the awareness of the importance of one’s contribution to the achievement of company objectives, including those related to quality, respect for the environment and the protection of health and safety in the workplace and towards customers. These training pathways can lead to Master’s or customised development programmes and reflect a flexible approach that is attentive to individual and business needs. Zoppas Industries decides on its training offering by considering multiple strategic factors. One pillar is the enhancement of skills and the reduction of the gaps identified through staff evaluation, transforming training into a driver of continuous development. The company also invests in targeted training for the introduction of new machinery, equipment and systems, ensuring that employees are always prepared for technological innovations. Also a priority is training in the field of safety, strictly aligned with the regulations of the countries in which the Group operates.

<sup>1</sup> For a correct comparison with previous years’ financial statements, it should be noted that the term “Manager” corresponds to the executive category, “White collar” includes middle managers and office workers, while “Blue collar” refers to the category of manual labourers.

<sup>2</sup> The data include operators on temporary staffing



TABLE \_05  
TRAINING HOURS  
DISTRIBUTION BY  
PROFESSIONAL ROLE

Professional figure	2024			2023			2022		
	Woman	Man	Total	Woman	Man	Total	Woman	Man	Total
Manager	1,176	2,344	3,520	510	231	741	–	–	–
White collar	23,762	39,513	63,275	24,822	29,632	54,454	–	–	–
Blue collar	71,483	99,399	170,882	32,527	29,525	62,052	–	–	–
Total	96,421	141,256	237,677	57,859	59,388	117,247	–	–	–
Mean	30.30	34.66	32.75	19.37	15.13	16.96	–	–	–

Projects under development

IRCA, the Italian headquarters of ZIHET group, has started the certification process for gender equality in accordance with the UNI/PDR 125:2022 standard. This standard was developed in line with existing international documentation, such as the ISO 30415 standard, and appropriately adapted to the Italian socio-economic context.

The path to achieving the certification for gender equality, which implies specific reporting, represents for the organisation a strategic opportunity to internally consolidate a structured approach to managing equal opportunities and gender equality. This includes the implementation of new policies aimed at reducing the gender gap and promoting the company’s internal growth, while contributing to its competitiveness in a market increasingly sensitive to social and sustainability issues.

Health and safety

For ZIHET the management of occupational safety and hygiene is a fundamental pillar of the company strategy. The primary objective is to ensure that all those who work for the Group operate in safe and protected spaces. The Group adopts a proactive approach to safety, starting from an accurate assessment of the risks connected to the production activities and using the “problem solving” methodology to plan and implement risk reduction and mitigation actions, systematically analysing both work-related injuries and near misses to continuously learn and improve.

ZIHET’s commitment also aims to protect and monitor the health of its employees. Thanks to external providers qualified in occupational medicine, preventive and periodic health surveillance is guaranteed, as required by the laws of the countries where the Group operates. To further support the well-being of their employees, some establishments offer staff discounts which let employees access healthcare services at reduced costs.

ZIHET firmly believes that an effective safety culture requires the active involvement of the staff and their

Note on Table 05. For the purposes of a proper comparison with the financial statements of previous years, please note that the item “Manager” corresponds to the executive category, “White collar” includes middle managers and office staff, while “Blue collar” refers to the category of manual workers.

representatives. For this reason, it set up regular consultation meetings with workers’ representatives. These meetings serve to collect their reports and share strategic guidelines, which include research and investment in new technologies and methodologies.

A significant example is automation, which makes it possible to relieve operators of physically demanding tasks, thus improving the ergonomics of work environments. Ensuring a safe working environment also means ensuring rigorous compliance with current regulations.

To this end, the Italian sites apply the following: Uni-Inail guidelines, a guidance document for the design, implementation, and enforcement of occupational health and safety management systems.









TABLE \_06  
FREQUENCY RATE  
OF WORKPLACE INJURIES

Safety indicators <sup>3</sup>				
Year	Number of work-related injuries	Hours worked	Lost Time Injury Frequency Rate (LTIFR) <sup>4</sup>	Deaths
2022	45	14,690,645	3.06	0
2023	41	12,557,458	3.26	0
2024	40	12,816,333	3.12	0

<sup>3</sup> The data are not comparable with those of previous years as the reporting scope has been progressively expanded.

<sup>4</sup> LTIFR is the ratio between the number of events and the hours worked multiplied by 1,000,000.

The promotion of a solid safety culture through training continues, as does the awareness raising of our collaborators, with particular attention to new hires.

**Corporate welfare and organisational well-being**  
Corporate welfare is a strategic tool for companies that wish to invest in human capital and create a positive and fulfilling work environment for their employees. Aware of this, Zoppas Industries Group applies these forms of welfare at its two main production sites.

**IRCA welfare: benefits and support for employees**  
IRCA offers its employees various welfare packages to best meet their needs.

- **Welfare platform.** Active since 2017, it lets beneficiaries select from the various benefits available, such as shopping vouchers and fuel vouchers, reimbursements for transport and school expenses, those that best suit their interests and personal needs.
- **Staff discounts portal.** With this portal employees can access preferential rates in various fields, such as sports, culture, entertainment, shopping and wellness.
- **Social security services.** The company is committed to protecting the health of its workers offering psychological support, professional and non-professional insurance policies, medical expenses coverage.

In collaboration with a local hospital, employees have been offered free heart health screenings to prevent any diseases and initiatives are promoted for an active lifestyle, such as the organisation of sports activities that also promote socialisation and a sense of belonging.



**Flexibility and work-life balance**  
IRCA promotes the flexibility and the improvement of work-life balance. This not only makes the company more competitive, but above all increases employee satisfaction.

- When possible, they are offered the opportunity to WFH, following specific rules.
- Carpooling which enables employees to optimise their commute, reducing expenses and CO<sub>2</sub> emissions while, at the same time, being a tool of socialisation between colleagues.
- Summer camps. To support families during the summer period when schools are closed, IRCA has supplemented the welfare package offering an additional financial contribution for the children of employees who attend summer camps.

**Investing in people: ZIR initiatives for 2024**  
The development of actions that best satisfy the needs of its collaborators has led ZIR to launch these initiatives:

- **Health training.** Held by medical staff on a weekly basis, it aims to increase employees' knowledge about the prevention of cardiovascular diseases, lung cancer, obesity and diabetes.
- **Diagnostic tests.** Aimed at both the women of the company, with screening for breast cancer, which led to the inclusion of some female employees in the national programme, and to the men with screening for prostate cancer.
- **Aggregation.** The company team has participated in amateur football tournaments, mountain excursions, and sport fishing competitions.
- **Safety.** Training courses conducted in collaboration with the Police aimed at preventing drug use and a course focused on discrimination and tolerance.

**Human rights**  
Respect for and the protection of human rights are at the heart of everything Zoppas Industries Group does. This commitment extends to all relationships with both employees and partners, reflecting the ethical principles that guide every action.

The dignity of individuals and the moral integrity of its employees are essential for ZIHET and are guaranteed by ensuring that everyone works under conditions of equality and respect, firmly condemning any form of pressure or violence that may violate the law or the Code of Ethics.

ZIHET is deeply committed to safeguarding essential values such as freedom, equality, the protection of labour and of trade union rights, health, safety and the well-being of the communities in which it operates. It also promotes transparency and sustainable development, in line with international directives and conventions.



ZIHET's commitment translates into adherence to important global references, such as the Universal Declaration of Human Rights<sup>5</sup>, the ILO Fundamental Conventions, the OECD Guidelines for Multinational Enterprises and the principles of the United Nations Global Compact.

To ensure the full implementation of these principles and to protect those who report violations, a “whistleblowing” channel has been put in place. This essential tool makes it possible to safely report wrongdoing or irregularities, while providing precise operational guidance and protections as a guarantee for both the whistleblower and the person reported. It is a pillar of ZIHET's organisational liability and a bulwark for the public interest.

During 2024, there were no reports of harassment, discrimination, or human rights violations and, as a result, no sanctions were imposed.

<sup>5</sup> Adopted on 10 December 1948 by the General Assembly of the United Nations.



COMMUNITIES  
CONCERNED  
4.2.1 RELATIONS WITH  
PUBLIC INSTITUTIONS  
AND COMMUNITIES

ZIHET is concretely committed to contributing to the development of the community and the urban context in the territories where it operates. To this end, it personally undertakes to offer support to programmes or initiatives in the fields of education, health or the environment, and to listen to the needs and values of local communities, also offering them direct assistance where necessary. Below are some of the projects completed in the last year.

**ZIHET Romania**

Even in 2024 the company continued its concrete commitment towards the community through the implementation of structured projects that have affected the environment and education.

- Environment. As part of the “ECO ZIR” programme, the company has organised a new reforestation initiative aimed at the ecological rehabilitation of the Dumbrăveancă habitat. The event, which saw the voluntary participation of employees and their families, made it possible to plant approximately 200 trees of various species (white poplar, oak, and ash).
- Education. Through its “Back to school” project, ZIR provided school supplies to 40 children at risk of dropping out, actively supporting their continued education. With the “Book Club” project, a company volunteer offers his or her voice, on a monthly basis, to read educational stories to Year 5 students (aged 9–11).

**ZIHET Mexico**

As part of its annual social responsibility program, ZIHET Mexico has the following projects under way:

- “Un día sin frío” [“A Day Without Cold”]. Aiming to protect the community's health and raise awareness about helping others, the initiative involves collecting and distributing blankets and duvets donated by employees to needy communities. This helps prevent seasonal illnesses and provides material support and assistance to the poorest families, helping them cope with the harsh winter temperatures.
- “Jugueton” [“Playful”]. Employees collect and donate toys to students in Rio Verde and San Luis Potosí to reduce the economic and social inequalities that, unfortunately, hinder children in these areas from a very young age.
- Other social commitments of ZIHET Mexico in the same area include sponsoring scholarships for the families of workers employed at its sites.

A new initiative, part of the social responsibility program since last year, is “I love an old man”, which aims to bring some joy and companionship to seniors, many of whom are abandoned and live in low-income nursing homes. Employees will have the opportunity to chat, play games, and spend time with seniors, providing them with companionship, entertainment, and basic necessities.





Consolidated projects for the young

In line with its strategic vision and the crucial importance attributed to continuous training and the constant search for new talents, ZIHET sees in human capital the true driving force to enhance the skills of the Group and face the challenges ahead. This awareness translates into a deep and proactive commitment in building and maintaining solid and constant relationships with a large network of schools and universities. These are not just occasional collaborations, but strategic partnerships which extend well beyond national borders, involving both renowned universities in Italy and prestigious institutes located near the Group's foreign offices.

These collaborations take various forms, all aimed at creating an effective bridge between the academic and business worlds. Our most significant initiatives include internship and work placement programs for students and new graduates, offered both as a formal part of their academic studies and as independent work experience and which offer them the opportunity to immerse themselves in ZIHET's operations, applying theoretical knowledge to real contexts and developing indispensable practical skills. In parallel, ZIHET actively promotes joint research projects, collaborating with university professors and researchers on specific topics of interest to the Group, often related to technological innovation, sustainability, or process optimisation.

There is no shortage of scholarships and degree awards, through which ZIHET financially supports paths of excellence and encourages research in strategic sectors. The company also participates in the "career day" and guidance events organised by universities, presenting itself as an attractive employer and offering professional opportunities. Another fundamental aspect is the organisation of seminars, workshops and lecture series held by ZIHET professionals directly at the institutes' premises, allowing students to gain first-hand experience and acquire a concrete perspective on the world of work. This integrated approach to training and talent development is fundamental to ensure that ZIHET continues to lead its sector, relying on a highly qualified team prepared for the evolutions of the global market.

4.3

CONSUMERS  
AND END  
USERS

4.3.1 IMPACT  
MANAGEMENT  
AND METRICS

Product quality, safety and compliance

The current market context, characterised by high competitiveness and dynamism, requires organisations to constantly search for strategies for customer acquisition and retention, through competitive differentiation.

For ZIHET, the focus on the customer is not just a principle, but an indispensable strategic commitment. A deep understanding of our customers' needs is fundamental to providing tailor-made solutions that enhance satisfaction and drive long-term loyalty.

ZIHET Group is also responsible for ensuring the safety of products throughout their entire life cycle, ensuring compliance with applicable safety guidelines at all stages of development, production and use. Comprehensive quality control of each production batch makes it possible to identify potential weaknesses and defects, providing valuable insights for error prevention and risk mitigation.

This proactive approach adopted by ZIHET ensures that the customer is always at the centre of every operational and decision-making choice, with the aim of translating their wishes and expectations into excellent and solid experiences, and long-lasting business relationships.

Regulatory compliance

In pursuit of the most rigorous environmental safety and public health standards, the organisation has, since 2022, centralised its efforts through a new Regulatory Compliance Office located at the Group's headquarters. The broad range of requirements covered by this office is designed to offer customers unparalleled support in accessing the market and optimising delivery times.

Food contact materials

Business continuity and consumer health protection are guaranteed by meticulously supervising activities, from production to the management of ever-evolving regulations.

The process involves the periodic screening of over 80 regulatory requirements and market standards. This strict approach, combined with experience in the sector and consolidated collaboration with trusted external partners, guarantees continuous product compliance and provides customers with a first-class market access service.

Substances in products

ZIHET gives priority to product safety, particularly with regard to chemical content, through active collaboration with external bodies, industry associations, suppliers, and customers. The compliance system adopted adheres to the main European regulations, such as REACH and RoHS.

ZIHET also offers its customers an advanced chemical traceability service. This goes beyond what is established by current regulations and also includes the monitoring of substances reported by non-European regulations (e.g., Proposition 65, TSCA) and specific industry standards (e.g., Railway Industry Substance List, GADSL).



This comprehensive strategy guarantees transparency, safety and compliance for our customers' products, globally.

#### Priority regulatory issues

ZIHET is a key player in shaping the regulatory landscape by actively participating in the drafting of key regulations, such as the Regulation on packaging and packaging waste (EU) 2025/40, the Drinking Water Directive (EU) 2020/2184, the restrictions on PFAS under the REACH Regulation and the Ecodesign for Sustainable Products Regulation (EU) 2024/1781.

The achievement of this goal arises both from having established strategic collaborations with reference sector associations (including APPLIA Italia and the Italian Packaging Institute), and by collaborating to conferences and specialised technical committees. This lets ZIHET express its views on essential regulatory platforms and to actively contribute to the development of cutting-edge best practices for the industry.

#### CRM

Customer satisfaction is an element that impacts the sustainability of the business: not only is it necessary to understand their needs but it is equally important to be able to maintain a lasting and proactive relationship over time.

With these core tenets, in 2024, Zoppas Industries introduced important improvements to its Customer Relationship Management system (CRM). These updates are designed to capture more complete and detailed data. Now, thanks to these advances, the company will be able to manage customer relationships more effectively, conduct more in-depth and precise analyses, and take strategic decisions based on concrete information.

Furthermore, with a view to increasing its usability, ZIHET has planned an internal audit of the CRM system for 2025,



laying the foundation for further optimisation of data quality. The goal is to extend this improvement process also to foreign subsidiaries, ensuring cutting-edge customer data management globally.

#### Research and development activities

2024 saw intense activity in Research and Development, with the aim of consolidating ZIHET's role as a technological benchmark in its sector and generating value for all stakeholders.

In particular, R&D activity has focused on the evolution of heating technologies towards flexible, efficient solutions, aimed at advanced heat management and designed according to product platform development logic.

Environmental sustainability as a key dimension within R&D, recognised as an enabling factor of product innovation in the medium to long term. It has been translated into a methodical approach to evaluating, monitoring and improving the environmental impact of products. In the first stage the focus was placed exclusively on the carbon footprint, calculated on the entire product portfolio using a proprietary evaluation model, standardised and applied across all production sites globally.

Today, in a proactive perspective in response to customer requests for clear and shareable environmental data, an activity plan is under way to extend these analyses to Life Cycle Assessment.

The goal is to build a robust and validated approach according to recognised standards (ISO 14067 for product carbon footprint data), thus making the communication of environmental performance increasingly transparent, reliable and useful for dialogue with stakeholders. This evolution not only meets market expectations, but also results in a competitive advantage for the company.

2024 also saw the emergence of a broader, more holistic vision, one that recognises the circular economy as the guiding principle for our design and development. In this scenario, the group developed a proprietary tool (with reference to ISO 59040) aimed at concretely integrating the principles of circularity from the early stages of product conception and development.

The goal is to provide real-time insights into key aspects such as repairability, reuse and recyclability, to support design teams in making increasingly informed and sustainable decisions in line with the emerging regulatory scenario (Ecodesign for Sustainable Products Regulation). In parallel with the studies on innovative materials, attention has been increased towards eco-compatible aspects, capable of combining performance and reduced environmental impact.

Projects aimed at developing tools for measuring product sustainability have been recognised as initiatives consistent with the environmental and energy management



systems (ISO 14001, ISO 50001) adopted by the company. Their added value lies in their ability to support a structured evaluation of the actions taken to reduce the environmental impact, providing reliable and useful data both for continuous monitoring and for identifying opportunities for improvement.

A preliminary assessment has been initiated to integrate circular economy principles into packaging. Although this is still an early stage, the company has begun initial technical and strategic assessments to explore more sustainable design solutions, with the goal of further exploring and structuring this area in the coming years.

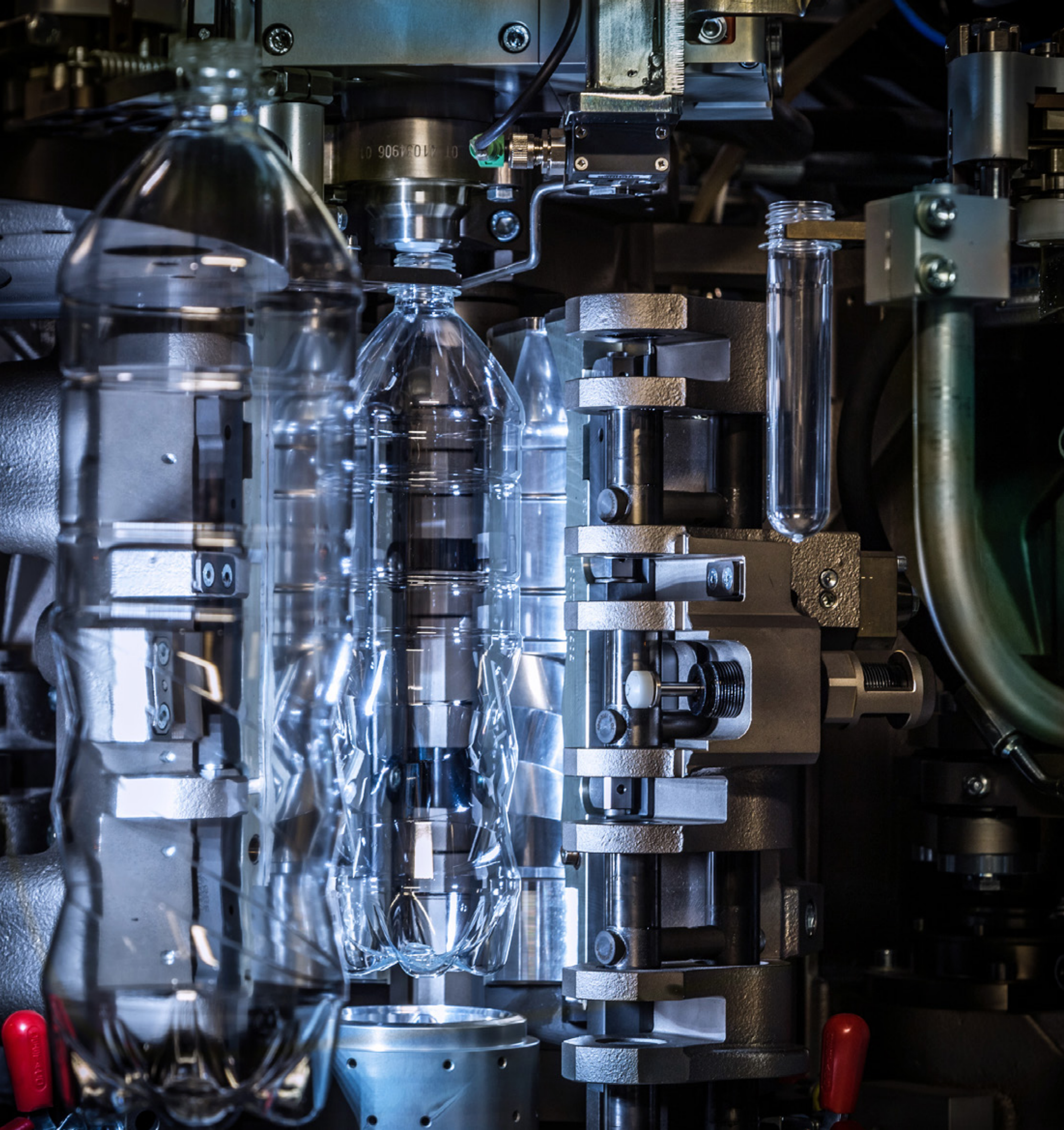
#### 4.3.2 PARTICIPATION IN TRADE FAIRS AND EVENTS

In 2024, Zoppas Industries continued to strengthen its global presence by participating in the main sector trade fairs worldwide. Each trade show is a strategic opportunity to build and strengthen new partnerships, engage with key industry stakeholders, and expand the professional network, as well as to increase brand awareness. The company has achieved important visibility and promising feedback thanks to participation in major international and cross-industry events, such as AHR, Achema, Semicon, CMEF, MCE, Farnborough and Innotrans.

Of note is the participation, also as co-organiser, in Space Meetings Veneto. This aerospace industry event has achieved not only regional, but also national and international significance, recording significant numbers in the 2024 edition with the participation of over 3,000 people, 150 buyers, and 5,000 B2B meetings.







SIPA

Technological and sustainable packaging solutions, tailor-made to meet specific needs and goals.



VISION, MISSION AND VALUES

SIPA is highly specialised and a technological partner whose primary goal is to offer its customers innovative and competitive solutions for every specific need.

VISION



Use all our creativity, our courage and our unique expertise to innovate beverage packaging by making it zero-impact. Find better, technologically advanced solutions to anticipate our customers' needs, bringing their ideas and visions to life.

MISSION



Always being at our customers' side, being a point of reference for all their packaging needs. We help them with the utmost expertise, with all the attention they need, and with broad flexibility in creating excellent, efficient, green, and innovative production solutions. Able to push their business beyond their expectations.

CUSTOMER ENGAGEMENT



We build authentic relationships based on understanding our customers' needs.

FLEXIBILITY AND CUSTOMIZATION



The attention, care, and flexibility needed to work on new and innovative, fully customised projects.

SUSTAINABILITY AND TRANSPARENCY



Attention to every aspect of the production process.

INNOVATION AND COURAGE

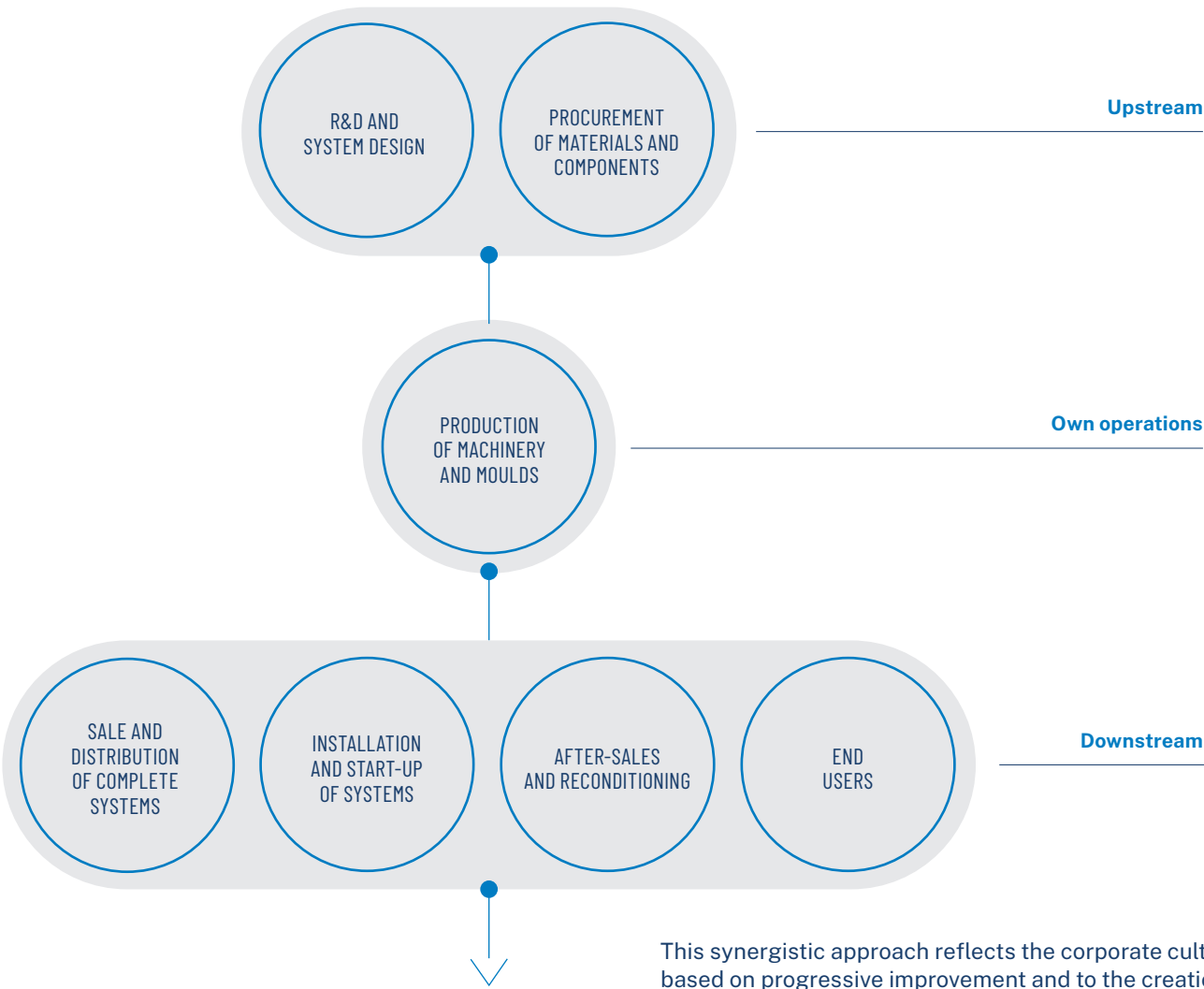


The courage and proactivity needed to bring something new to life, realising customers' ideas and visions.

THE VALUE CHAIN

For SIPA, sustainability is a fundamental principle which permeates the entire value chain, manifesting itself through the collaboration with its stakeholders during the development of innovative solutions and in encouraging the adoption of new technologies and circular economy business models.

The customer is constantly at the centre of this process: their needs, expectations and aspirations form the foundation of every project, commercial initiative and industrial strategy.



This synergistic approach reflects the corporate culture based on progressive improvement and to the creation of added value. SIPA sources mechanical components, mould steels, automation systems, and digital technologies. The production process begins with the customised design of PET packaging solutions, moving on to the manufacture of moulds, machines, and complete production lines, also through specialised suppliers and R&D centres.

SIPA's main customers operate in the food & beverage, cosmetics, pharmaceutical, and chemical sectors. Distribution takes place through international branches and an extensive network of after-sales service centres. The company supports customers throughout the entire life cycle of their machines, offering training, maintenance, technology updates, and retrofit services. The end users are manufacturers who use SIPA solutions to produce sustainable PET packaging.



THE PRODUCTS

SIPA is a recognised leader in the manufacture of machinery and complete lines for PET packaging. For 40 years SIPA has been designing, producing and selling on the world market all the technologies for the production, filling and secondary packaging of PET containers, from preform to final product, for beverages, foods, detergents, cosmetics and pharmaceuticals. In particular, the company offers the following products:

- **Container design and development.** Expertise in the design of PET preforms and bottles for various applications.
- **Moulds.** Production of injection and blow moulds.
- **Preform production systems.** Injection press for the production of PET preforms (XFORM and XTREME).
- **Bottle production systems.** Linear (SFL) and rotary (XTRA, SFR) stretch blow moulders for PET bottles, and integrated single-stage systems (ECS FX, ECS SP) that transform resin directly into finished containers.
- **Sincro Bloc.** Integrated blowing, filling and capping systems to optimise production efficiency.
- **Filling systems.** Complete range of monoblocks for filling bottles.
- **Process.** Solutions for product preparation (e.g. MASSBLEND, XTHERM).
- **Secondary packaging.** Palletisers, robotic handling systems, and case packing systems.
- **Complete lines.** Turnkey solutions for bottling a wide range of products, including food products (mineral water, fizzy soft drinks, juices, tea, isotonic drinks, milk and dairy products, edible oils, alcoholic beverages) and non-food products (cosmetics, detergents, pharmaceuticals, chemicals).

Certifications and rating

SIPA is fully convinced that sustainability, embracing environmental, social and ethical aspects, are a pillar essential for a conscious business activity. This is why it has undertaken a process of in-depth evaluation of its sustainability performance, collaborating with two of the most authoritative organisations globally: Ecovadis and Sedex. The contribution of these partners is fundamental: it helps the company understand where to intervene to improve and pushes it to find innovative solutions to increase awareness and achieve the best industry standards. One of the first concrete actions aims at calculating the carbon footprint, examining every stage of the entire production cycle. This analysis is the starting point for creating a decarbonisation strategy, transparently and unequivocally demonstrating the company's to a more sustainable future.



TABLE \_01  
CERTIFICATIONS AND RATING

	ISO 9001:2015	ISO 14001: 2015	ISO 50001: 2018
Applied management systems	●	●	on-going







03\_

## SIPA ENVIRONMENTAL DISCLOSURE

A concrete commitment to reducing impacts and consumption, safeguarding resources, and ensuring processes comply with environmental regulations.



3.1

UE  
TAXONOMY

3.1.1 THE REGULATORY  
FRAMEWORK

As part of the policies to achieve Europe’s 2050 carbon neutrality target, the European Commission considered it essential to introduce a classification system for economic activities that would consider their impact on climate change.

Through the EU Taxonomy Regulation (Regulation (EU) 2020/852) and related delegated acts, the EU aims to promote the transition towards a sustainable economy.

As defined by Delegated Regulation (EU) 2021/2178 (Disclosures Delegated Act), subject companies must publish Turnover, CapEx, and OpEx KPIs, with respect to eligibility and alignment with the Taxonomy objectives.

The proposals related to the so-called “Omnibus package” aimed at simplifying sustainability regulations and strengthening the Union’s competitiveness, presented by the European Commission on 26 February 2025, include a revision of the applicability of the CSRD, with knock-on effects on the delegated acts linked to it.

In this context, it is expected that the scope of Taxonomy reporting will be reduced and its structure will be simplified in terms of requirements and the presentation of summary KPIs for environmentally sustainable activities.

3.1.2 ANALYSIS  
CONDUCTED

Starting from the previous financial year, SIPA has initiated an internal process aimed at identifying its economic activities potentially within the scope of the Taxonomy Regulation, with the goal of ensuring adequate preparation for the obligations it entails.

In light of the ongoing regulatory evolution, this process will be completed once the specific requirements and application methods of the Taxonomy Regulation are made available.

3.2

CLIMATE  
CHANGE

3.2.1 IMPACT  
MANAGEMENT

Aware of the need to act responsibly, SIPA is committed to integrating sustainable practices into all its activities, with the aim of preserving the surrounding ecosystem for future generations.

By analysing risks and potential impacts (including financial ones), SIPA works to seize the opportunities offered by the ecological transition, supporting its customers with eco-friendly and highly energy efficient technological solutions.

Projections indicate a future increase in global greenhouse gas emissions, particularly due to rising temperatures and the resulting increased use of air conditioning systems. SIPA, with a deep awareness and recognising the urgency of environmental sustainability in its operations,

implements various strategies and measures aimed at mitigating the environmental impact and optimising energy efficiency. Perhaps the most important one involves the introduction of electricity consumption monitoring devices in production units, to improve the energy management of packaging production systems.

SIPA’s commitment to the environmental field has been shown to be consistent, effective and quantifiable over time. The company has consistently focused its efforts on a more responsible use of raw materials and an overall reduction in consumption. This dedication has led to the application of the environmental management system in compliance with the ISO 14001:2015 standard.

Currently, all SIPA production facilities located throughout the country benefit from a energy supply that is guaranteed 100% from renewable sources, a decisive step towards full environmental sustainability consistently with the company’s sustainability strategy.

In order to mitigate the emission impact generated by its company fleet, in 2022 the company launched the project for the reconversion of the car fleet with lower impact models. This initiative was made possible through collaboration with a specialised external company, which conducted an in-depth analysis of the behaviour of company vehicle users. This process resulted in the formulation and implementation of a company policy favouring the adoption of electric and hybrid technologies (Plug In or Full-HYBRID).



To maximise the efficiency of energy consumption, SIPA:

- monitors its environmental performance on a monthly basis to ascertain whether the actions undertaken are in line with the expected objectives and, in the event of discrepancies, allow for prompt corrective action;
- has started a process that will lead it to implement an energy management system compliant with the ISO 50001:2018 standard.

In conclusion, the company has undertaken the mapping of its carbon footprint. This project will be fundamental to develop a decarbonisation plan aligned with the objectives of containing global warming within critical thresholds and achieving net zero by 2050.

Eco-design

SIPA is a pioneer in designing solutions for more sustainable plastic packaging. A commitment pursued by a dedicated team, with constant innovations to reduce the environmental impact of its machines and the packaging it produces. Thanks to a circular vision, it designs technologies able to create value from post-consumer resources, reduce consumption and CO<sub>2</sub> emissions and contribute to building a more sustainable future for all. The three main objectives on which the company focuses its work are:

- Reducing raw materials. SIPA is focused on a more rational consumption of PET, giving its customers the opportunity to produce lighter containers, removing material where not necessary, so as to reduce the consumption of raw materials. All this without compromising any mechanical property or aesthetic feature of the container.
- Increasing the use of recycled materials. SIPA is among the pioneers of the “circular” approach aimed at using recycled material while re-interpreting new technologies capable of giving new life to post-consumer resources to reintroduce them into the system. All SIPA plants are designed for the production of containers using PET recycled up to 100%, but the company has also developed an innovative system which, starting from the flakes of washed bottles, recycles them and once again produces preforms for food use: all of this combined in a single plant.
- Reduction of consumption. The company pursues a sustainable innovation programme through continuous technical upgrades aimed at minimising the environmental impact of machines, increasing their efficiency and reducing at the same time energy, compressed air and water consumption.

3.2.2 METRICS

To ensure that targets are achieved, the CO<sub>2</sub> emitted by the production units is constantly monitored and compared with key indicators. The results of this analysis make it possible to identify and apply solutions to optimise energy efficiency, also by integrating the latest technologies related to smart factory principles.

TABLE \_01  
CO<sub>2</sub> EMISSIONS

Year	Ton CO <sub>2</sub> e Scope 1 <sup>1</sup>	Ton CO <sub>2</sub> e Scope 2 <sup>2</sup> MB	Ton CO <sub>2</sub> e Scope 2 <sup>3</sup> LB	Scope 1-2 MB total	Scope 1-2 LB total
2022	625.07	–	2,638.99	625.07	3,378.88
2023	592.00	–	2,218.52	592.00	2,810.52
2024	640.88	–	2,294.38	640.88	2,935.26

TABLE \_02  
ENERGY CONSUMPTION

Energy consumption (MW)	2024	2023	2022
Electricity	8,841.45	8,645.82	8,914.88
Solar power	–	–	–
Methane gas	3,352.57	3,107.54	3,318.02

TABLE \_03  
ENERGY INTENSITY

	2024	2023	2022
Energy intensity MW/k€ net revenue	0.039	0.043	0.057

TABLE \_04  
ELECTRICITY FROM RENEWABLE SOURCES<sup>4</sup>

Anno	%
2022	100
2023	100
2024	100

<sup>1</sup> Scope 1 emissions refer to the use of gas. The commonly recognised factor was used for the transformation, namely 2.05 kg CO<sub>2</sub>e/mc.

<sup>2</sup> For a more detailed analysis of emissions falling within Scope 2 (electricity), the emission factors of the individual countries where the Company's production sites are located were considered. The value is zero when the company purchases certified “total green” energy.

<sup>3</sup> Scope 2 location-based emissions were calculated using the emission factor provided by ISPRA, relative to the reference year considered.

It should be noted that the result is determined using the individual national conversion factors (market-based method) where the Company operates with its production sites, a comprehensive list of which is detailed in point 1.2 (Reporting Boundary - general part).

<sup>4</sup> The ratio between the total electricity used (purchased + self-consumed from the solar PV system) and the total green energy used (purchased from certified renewable sources + self-consumed from the solar PV system).



3.3

WATER,  
BIODIVERSITY,  
AND ECOSYSTEMS  
  
3.3.1 IMPACT  
MANAGEMENT

A decarbonisation pathway will be established once the mapping of greenhouse gas emissions along the entire value chain (upstream and downstream) is complete.

Often manifesting itself through extreme weather phenomena, climate change is at the root of uncertain water availability, with regard to both the quantity and the regularity of its presence.

SIPA carefully manages the water resources used in its production processes; supply is guaranteed both by connection to the aqueduct and by drawing water from artesian wells.

By studying new initiatives, the company is focused on reducing the consumption of this precious natural resource, establishing measurable annual targets and ascertaining the quality of waste water through chemical-physical analyses conducted by certified external laboratories, ensuring compliance with environmental regulations. The main activities include:

- the installation of a system of channels to collect rainwater from the surrounding areas, which is subjected to chemical-physical treatment before discharge, with the aim of minimising environmental impact and ensuring compliance with safety and sustainability regulations;
- the installation of a water treatment system capable of optimising operations with targeted programmes tailored to the different areas where water is used, extending the life of the installations and improving the overall efficiency of the system.

SIPA, through these advanced technological solutions, demonstrates its commitment to sustainability, contributing to safeguard resources, preventing thus any possible form of contamination, safeguarding biodiversity and protecting ecosystems.

3.3.2 METRICS

TABLE \_06  
WATER RESOURCES

Year	Total withdrawal m³	Supplied by aqueduct m³	Water intensity m³/k€ net revenue
2022	20,180	20,180	0.095
2023	18,021	18,021	0.067
2024	18,213	18,213	0.058

Note: The areas where SIPA sites are located are not subject to water stress.

3.4

USE OF RESOURCES  
AND CIRCULAR  
ECONOMY  
  
3.4.1 IMPACT  
MANAGEMENT

**Strategic procurement for a sustainable future**  
SIPA's purchasing department is the heart of the company's procurement, managing all production materials, including logistics, installation, and plant start-up services. The materials are broken down into direct, essential for production and repetitive consumption, and indirect, essential for business operation but not incorporated into the final product, with purchases based on needs and projects.

**“Sustainable” purchasing revolution**  
Since 2023, SIPA has undertaken a significant transformation, introducing a new supplier selection process which focuses on sustainability. A self-assessment questionnaire dedicated to environmental criteria has made it possible to evaluate all new suppliers, highlighting any critical issues and areas for potential improvement. To further strengthen sustainability in its supply chain,

SIPA has launched an ambitious “Sustainable Purchases” project in strategic collaboration with EcoVadis, one of the world leaders in the assessment of compliance of these aspects. The partnership aims to build a growth model based on the continuous improvement of sustainability practices.

The goal is proactive supplied involvement, especially with reference to those at medium-high risk. SIPA is committed to:

- Drawing up customised improvement plans by developing ad hoc strategies to optimise sustainability performance.
- Offering training and support by providing suppliers with the tools and knowledge needed to implement sustainable practices.
- Reporting the results by monitoring progress through future audits and dedicated reporting.

**Sustainability pillars in the supply chain**  
The involvement of the value chain (upstream and downstream) is further supported by several key initiatives:

- **Sustainable purchasing policy:** implementation of a policy that includes rigorous environmental and social criteria. Suppliers must comply with a Sustainability Code of Conduct, which is integrated into contracts to ensure compliance with these standards.
- **Risk screening:** a careful analysis of spending categories makes it possible to identify and evaluate high-risk suppliers.
- **Dissemination of the Code of Conduct:** 242 major suppliers have already signed the Code, and, from 2023, the evaluation of new partners includes sustainable business management.
- **Specific Monitoring:** it monitors suppliers to verify both their use of materials from conflict areas, using the Conflict Minerals Reporting Template (CMRT<sup>5</sup>), and their compliance with REACH standards for chemical products. This process ensures we meet all regulatory requirements.

<sup>5</sup> Conflict minerals reporting template.



- **Contractual clauses:** inclusion of sustainability improvement clauses in contracts, providing support to partners by organising workshops based on measurable objectives.
- **Circular economy:** stipulation of contracts for the purchase of recycled or FSC-certified paper and cardboard packaging<sup>6</sup>.
- **Low-impact logistics:** application of guidelines for optimising logistics in terms of reducing CO<sub>2</sub> emissions. Such guidelines envisage:
  - The adoption of the so-called “milk run” principle, a method of delivering goods in which a vehicle picks up loads from several suppliers to group them and transport them in a single consignment.
  - The optimisation of the supply process between China and Europe to have a high saturation factor of individual cargo units (fewer trips) and to intensify the use of rail or sea services, which have a lower impact than air transport.

**The digital future of procurement**  
2025 will see a further evolution of the purchasing area: following the implementation of a new Enterprise Resource Planning (ERP), a new tool dedicated to purchasing management will be introduced which will guarantee:

- More rigorous contract management with particular attention to supplier compliance.
- Lean operational processes, focused on activities with higher added value.
- Significant reduction of paper use and office materials, contributing to a more sustainable working environment.

<sup>6</sup> FSC certification is an international, independent, third-party certification specifically for the forestry sector.



DIAGRAM \_01  
TYPE OF MATERIALS  
PURCHASED

Steels/aluminum



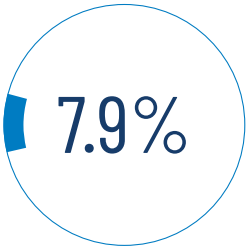
Machined components  
(subcontract work)



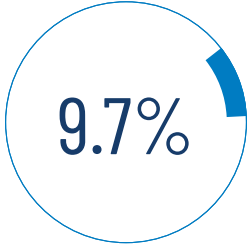
Injection  
equipment



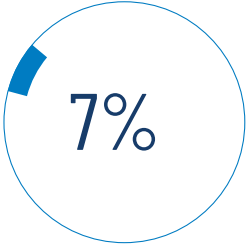
Mechanical  
components



Equipment for  
filling lines



Pneumatic  
components



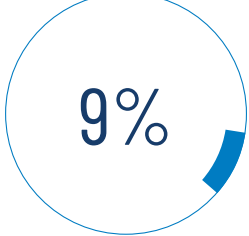
Other material



Welded components  
(subcontract work)



Electrical components



Auxiliary material



Hydraulic components





Conflict minerals

Conflict minerals, more broadly referred to as “conflict commodities” or “conflict resources,” are commodities such as raw materials and natural resources sourced from specific regions of the world where ongoing conflict or high-risk conditions prevail.

These minerals include tin, tantalum, tungsten (collectively known as 3TG), and gold. They are widely used in electronic devices, including potential components used in manufactured goods.

SIPA is aware that the extraction, trade, handling and export of minerals from conflict-affected and high-risk areas can have serious negative impacts on the financial and social value of its products, processes and supply chain.

Recognising its own responsibility in supporting human rights and preventing conflict and in respect of existing legislation and regulatory initiatives aimed at keeping conflict minerals out of industrial supply chains, in compliance with the Code of Ethics, SIPA is focused on aware procurement to guarantee that it has not contributed to the financing of “armed groups”.

In addition, SIPA implements actions to prevent waste generation in its internal operations and along the value chain. These measures include internal policies favouring the sustainable use of resources and the circular management of materials. SIPA actively involves suppliers and customers in the waste management process, ensuring that external activities also comply with the defined environmental and safety standards.

In line with its strategic guidelines aimed at scrupulous management of all environmental aspects, the company is recording significant progress, in particular in the management of waste destined for recovery, with consequent reduction of the volume sent for disposal.

This management is accompanied by a strategy aimed at the reuse of certain types of materials which, in the absence of this approach, would be disposed of as waste. The path undertaken by SIPA aims to minimise the overall environmental impact through a careful management of its own waste, while simultaneously ensuring compliance with environmental regulations and the promotion of sustainable industrial practices.

3.4.2 METRICS

Waste

SIPA closely monitors the life cycle of its products and pays strict attention to the separation of the waste volumes generated in its plants by type. Of valuable support is the application of an environmental management system compliant with the international standard ISO 14001 which makes it possible to manage waste rationally and efficiently.

Thanks to a highly management specialized, the waste is segregated by type in special storage areas that they prevent rainwater runoff. These areas are constantly monitored to preserve the characteristics of the materials and minimise spills, reducing drastically the potential environmental pollution. Furthermore, a rigorous selection of external partners ensures full compliance with mandatory environmental regulations.

The main waste generated by the company is plastic. SIPA is progressively increasing the use of preforms made from recycled rather than virgin material: this granule can be mixed with its virgin counterpart, thus giving rise to a strategy focused on five pillars of circularity: reducing, reusing, and recycling materials, alongside dedicated collection and recovery systems.

TABLE \_07  
WASTE PRODUCTION (TON)

Year	Hazardous <sup>6</sup>	Non-hazardous	Total	Recycled	Δ <sup>7</sup>
2022	201.50	1,394.50	1,596.00	1,399.00	87.66%
2023	257.80	1,790.60	2,048.40	1,699.20	82.95%
2024	290.20	2,190.83	2,481.03	2,481.03	100.00%

<sup>6</sup> Hazardous waste is a portion of waste that is either recycled or disposed of.

<sup>7</sup> Ratio between recycled waste and total waste produced.





04\_

## SIPA SOCIAL DISCLOSURES

We promote ethics, respect, and equal opportunities by applying fair selection criteria, providing training, ensuring safety, and offering welfare to improve the workplace.



4.1

OWN  
WORKFORCE  
  
4.1.1 IMPACT  
MANAGEMENT

SIPA, a company of Zoppas Industries Group, adopts an integrated approach to the management of environmental, social and economic impacts, inspired by the principles of responsibility, transparency and sustainable development.

**Ethics and Responsible Governance**  
SIPA, a company of Zoppas Industries Group, adopts an integrated approach to the management of environmental, social and economic impacts, inspired by the principles of responsibility, transparency and sustainable development. As part of its values, the company has adopted a Code of Ethics compliant with Legislative Decree. 231/2001, extended to all internal and external stakeholders. The Code promotes behaviours based on integrity, loyalty, fairness and respect, guiding every subject involved towards a responsible corporate culture.

SIPA believes that respecting people and their differences is fundamental for corporate success and well-being. This is why it actively promotes gender equality and inclusion at the top and in decision-making, recognising their value for effective management. This commitment is an integral part of the corporate strategy to empower human capital, ensuring excellent performance based on talent and long-term sustainability.

**Human Resources and inclusion**  
SIPA considers people its own strategic engine and places the focus of its action on the empowerment of human capital. The company is committed to ensuring an inclusive, equitable and diverse work environment.

Gender equality and inclusion in decision-making processes are key elements to strengthen leadership and organisational cohesion.

Sharing is a hallmark of SIPA's work and a precious opportunity to celebrate our achievements together.

**Personnel selection process**  
The selection of personnel within the company is guided by the principles of the Code of Ethics, which ensure an evaluation based solely on professional and individual skills.

SIPA commits to eliminate any form of discrimination that could affect the entire professional life cycle, from onboarding to training and growth.

This approach is fundamental for guarantee gender equality and promote empowerment and the involvement of minorities in the workplace.

The personnel selection and recruitment process consists of 6 main steps:

- Receiving the hiring request
- CV management
- Candidate selection
- Offer formulation and recruitment
- Definition of the induction plan for new hires
- Evaluation of the probationary period and confirmation

The choice of collaborators is therefore exclusively based on skills and suitability for roles, reflecting SIPA's commitment to personnel management that promotes equal opportunities.





TABLE \_01  
DISTRIBUTION OF PERSONNEL  
BY PROFESSIONAL CATEGORY

Professional Figure <sup>1</sup>	2024			2023			2022		
	Woman	Man	Total	Woman	Man	Total	Woman	Man	Total
Manager	0	14	14	0	16	16	0	17	17
White collar	97	425	522	101	389	490	92	364	456
Blue collar	14	319	335	0	308	308	0	304	304
Total	111	758	869	101	713	814	92	685	777

TABLE \_02  
BREAKDOWN OF PERSONNEL  
BY TYPE OF CONTRACT

Contract type	2024			2023			2022		
	Woman	Man	Total	Woman	Man	Total	Woman	Man	Total
Open-ended	104	725	829	90	687	777	88	662	750
Fixed-term	7	33	40 <sup>2</sup>	11	26	37	4	23	27
Total	111	758	869	101	713	814	92	685	777
Full time	97	747	844	84	708	792	68	678	746
Part time	14	11	25	17	5	22	24	7	31
Total	111	758	869	101	713	814	92	685	777

TABLE \_03  
DISTRIBUTION OF  
EMPLOYEES BY AGE GROUP

Age range	< 20	21÷30	31÷40	41÷50	51÷60	>61
Woman	0	16	28	26	34	7
Man	5	96	144	191	260	62
Total	5	112	172	217	294	69

TABLE \_04  
EMPLOYEE TURNOVER IN 2024

2024				
Total employees	New hires	Terminated	Positive turnover rate	Negative turnover rate
Total	131	66	16.11	8.12

4.1.2 METRICS

**Composition, collective bargaining coverage, diversity.** Table 01 shows the distribution of personnel by job category (Manager, White collar, Blue collar), broken down by gender and reference year.

Table 02 presents the breakdown of personnel by contract type (permanent and fixed-term) and working time (full-time and part-time), with details by gender.

Table 03 summarises the distribution of employees by age group, divided by gender, with totals indicated for each group.

Table 04 reports the main data on staff turnover for the year 2024: total number of employees, hires, departures, positive turnover rate, and negative turnover rate.

TABLE \_05  
TRAINING HOURS  
DISTRIBUTION BY  
PROFESSIONAL ROLE

Professional figure <sup>3</sup>	2024			2023			2022		
	Woman	Man	Total	Woman	Man	Total	Woman	Man	Total
Manager	0	95	95	0	128	128	–	–	–
White collar	533	5,901	6,434	505	3,032	3,537	–	–	–
Blue collar	166	3,457	3,623	0	3,773	3,773	–	–	–
Total	699	9,453	10,152	505	6,933	7,438	–	–	–
Mean	6.30	12.47	11.68	5.00	9.72	9.13	–	–	–

<sup>1-3</sup> For the purpose of a correct comparison with the financial statements of previous years, please note that the item “Manager” refers to executives, “White collar” includes middle managers and office staff, while “Blue collar” refers to manual workers.

<sup>2</sup> The data also include agency workers under temporary employment contracts.

Training and development of skills

The development of professional skills represents a strategic priority in SIPA personnel management. During 2024, the company disbursed a total of 10,152 hours of training for its employees, as evidence of a constant commitment in training investment.

This policy responds directly to the internal needs identified, ensuring that the work environment remains productive and cutting-edge. SIPA is convinced that providing the best opportunities for specialisation and professional development is essential for individual and collective growth; this is why it continues to invest in carefully structured training programmes. The main training objectives are to:

- Improve individual and team performance
- Leverage the contribution of each person
- Facilitate dialogue between managers and workers
- Offer tools to optimise overall performance

Training includes classroom courses, on-the-job training, master’s degrees, and customised development programmes. Particular attention is paid to training on:

- New technologies, machinery and equipment
- Health, safety, the environment and quality
- Transversal and managerial skills.

For a correct comparison with previous years’ financial statements, it should be noted that the term “Manager” corresponds to the executive category, “White collar” includes middle managers and office workers, while “Blue collar” refers to the category of manual labourers.



TABLE \_04  
FREQUENCY RATE  
OF WORKPLACE INJURIES

Safety indicators				
Year	Number of work-related injuries	Hours worked	Lost Time Injury Frequency Rate (LTIFR) <sup>3</sup>	Deaths
2022	7	1,275,045	5.49	0
2023	6	1,360,544	4.41	0
2024	8	1,471,626	5.44	0

<sup>3</sup> LTIFR is the ratio between the number of events and the hours worked multiplied by 1,000,000.

Health and safety

SIPA is deeply committed to creating and maintaining a working environment that ensures the full protection and safety of its employees. In line with current regulations, the company constantly monitors health and safety data, promptly implementing all technical and organisational, preventive and corrective measures essential to offer the best working conditions.

The safety strategy is proactive: it starts with a detailed assessment of the risks of productive activities. Problem solving is applied to identify and implement effective risk reduction and mitigation actions. Continuous analysis of work-related injuries and near misses is essential for learning and for the continuous improvement of safety. The company is careful to ensure rigorous regulatory

compliance and is actively engaged in safeguarding and monitoring the health of its employees. SIPA collaborates with specialised external suppliers to ensure preventive and periodic health surveillance. To encourage well-being, employees are offered preferential rates which facilitate access to healthcare services at reduced costs.

The vision of a culture of safety cannot ignore the proactive engagement of personnel and their representatives. This is why the company regularly holds round table discussions to listen to their feedback and share company strategies. Finally, a further strengthening of the safety culture occurs through the continuing education and by raising awareness among employees, with particular attention to new hires.

Corporate welfare and organisational well-being

SIPA promotes a corporate welfare system that prioritises the well-being of people, with initiatives designed to support work-life balance, favour inclusion and improve the quality of the working environment. The services offered include family benefits, parenting support, physical and mental health initiatives, flexible benefits, and digital tools to simplify daily processes.

Digitalisation and organisational flexibility

SIPA offers its employees various welfare “packages” to best meet their needs.

- When possible, they are offered the opportunity to WFH, following specific rules.
- SIPA has introduced a new system of digital time tracking through an online application, aimed at ensuring greater flexibility and transparency in managing working hours. The system, active from June 2024 for clerical staff and from September 2024 for operational staff, has simultaneously made it possible to eliminate paper pay slips.
- **Welfare platform.** It allows beneficiaries to select from the various benefits available, such as shopping vouchers and fuel vouchers, reimbursements for transport, school expenses, household utilities and medical expenses or those that best suit their interests and personal needs.
- **Staff discounts portal.** Through this portal, employees can access a range of preferential rates and discounts for sports, culture, entertainment, shopping, and wellness.
- **Sustainable mobility.** To encourage more responsible mobility, SIPA has promoted an internal company carpooling system, which favours sharing journeys between colleagues, reducing CO<sub>2</sub> emissions and local traffic.









- **Company spaces and lunch break.** Since September 2024, the canteen premises have been completely renovated. The new environments, more welcoming and functional, are managed in line with the zero impact, zero waste policy, which includes increased separate waste collection and a reduction in food waste.
- **Free time and family.** SIPA has entered into an agreement with Gardaland to purchase discounted admission tickets for employees and their families, enhancing quality time away from work.
- **Physical and mental health.** In the context of health promotion, SIPA has participated in numerous initiatives:
  - **“Run in Pink”**, An event open to all staff, regardless of gender, promoted to promote cancer prevention and raise awareness of physical and mental well-being.
  - **“Il Mese del Cuore”** [“The Month of the Heart”]. A project focused on cardiovascular prevention, featuring free check-ups, informational sessions on risk factors, and the distribution of educational materials to promote a healthy lifestyle.
  - **Pilates Week.** A series of sessions led by qualified instructors, designed to improve posture and promote mental and physical balance.



- **Partnership with TConsulta**, a platform specialising in mental well-being, offering confidential and professional support through individual online consultations. The initiative is proof of the company's concrete commitment to protecting mental health as an essential component of overall well-being.
- Flu vaccination offered free of charge to all interested workers.

### Human rights

The company places respect for and the protection of human rights at the centre of its activities and promotes this principle also in its relations with all its partners, as well as with its employees.

In line with the ethical principles that characterise its activities, SIPA protects the moral integrity of its employees, guaranteeing them working conditions that respect personal dignity. Any form of pressure, violence or threat to induce persons to act contrary to the law and to the principles contained in the Code of Ethics is therefore prohibited.

It is therefore the Company's core tenet to recognise and safeguard the dignity, freedom and equality of human beings, to protect labour and trade union freedoms, health, safety, the well-being of the local communities in which the Organisation operates, as well as the system of values and principles on transparency and sustainable development, as affirmed by international institutions and conventions.

In this framework, the company promotes a policy aimed at the concrete implementation of the Universal Declaration of Human Rights<sup>4</sup>, compliance with the ILO Fundamental Conventions, the OECD Guidelines for Multinational Enterprises and the principles enshrined in the Global Compact of the United Nations.

With the aim of concretely implementing the regulatory provisions regarding the protection of people who, in the workplace, report violations of mandatory law and/or the Code of Ethics, SIPA has activated and promoted a reporting channel commonly known as “whistleblowing”.

The objective pursued is to describe and regulate the process of reporting violations of illicit acts or irregularities, providing the whistleblower with clear operational instructions in addition to the forms of protection provided by the Company in compliance with the regulatory provisions. It is a mechanism for revealing illegal, unethical, or dangerous practices and is considered critical to public interest and organisational accountability.

During 2024, there were no reports of harassment, discrimination, or human rights violations and, as a result, no sanctions were imposed.

<sup>4</sup> Approved by the General Assembly of the United Nations on 10 December 1948.



COMMUNITIES  
CONCERNED

4.2.1 RELATIONS  
WITH PUBLIC  
INSTITUTIONS AND  
COMMUNITIES

SIPA is concretely committed to contribute to the development of the community and the urban context in the areas in which it operates. Below are some of the initiatives that have characterised the organisation's social commitment during 2024:

- **Support for inclusive mobility.** SIPA contributed to the donation of a specially equipped vehicle to Prealpi Soccorso O.d.V. This tool is essential to ensuring easier and more dignified access to services for people with disabilities, improving the quality of life for many and promoting greater social inclusion.
- **“Una sede della musica”** [“A Venue for Music”] project for the association Amici della Musica di Egle Salvadoretti. SIPA has actively supported the creation of a space dedicated to music, convinced that art is an essential vehicle for personal growth and social integration.
- **Sponsorship of the Conegliano Bike Team:** Our commitment to sport has found concrete expression in our support of the Conegliano Bike Team, promoting the values of teamwork, discipline, and healthy competition.
- **Vittorio Veneto Chamber Music Festival.** SIPA has contributed to enhancing the cultural offerings of the area by supporting the prestigious Vittorio Veneto Chamber Music Festival, an event that enriches the city's cultural life.

**Community and educational outreach**

Sipa acknowledges the importance of human capital as the most precious resource and as the determining factor for its sustainable growth. Collaborations with schools, technical institutes, Institutes of Technology (IoTs), and universities are not to be understood as occasional initiatives, but rather as strategic partnerships aimed at creating an effective and lasting bridge between academia and the business world.

**Concrete initiatives for the young**

SIPA's commitment is manifested through various initiatives, all aimed at offering young people significant opportunities for growth and learning.

- **Internship and work placement programmes.** SIPA regularly welcomes students and recent graduates for internships and work placement programmes, either as a formal part of their course of study or as a separate work experience opportunity. These programmes enables them to immediately join the dedicated teams, apply their knowledge in real projects and develop those practical skills that are essential for an informed entry into the world of work.
- **Career pathways and development.** SIPA is constantly present at career days and guidance events organised by universities. The company is there with its culture, opportunities and the values that guide it, trying to inspire and attract future talent.
- **Internal academy** to train young men and women on CNC machines.



CONSUMERS AND  
END USERS

4.3.1 IMPACT  
MANAGEMENT  
AND METRICS

• **Classroom training.** The company's most experienced professionals hold lecture series directly at the school premises. This direct interaction lets students engage with field experience, ask questions and gain authentic insights on the dynamics of the world of work.

• **Apprenticeship combining on-the-job training with formal education.** To strengthen technical training, SIPA has launched apprenticeships combining on-the-job training with formal education in collaboration with local schools. This model lets students alternate classroom training with direct experience in the company and gradual integration into the work environment.

**Product quality, safety and compliance**

The current market context, highly competitive and in continuous evolution, requires companies to address continuous challenges to attract and retain customers, constantly seeking differentiation from the competition.

For SIPA, the centrality of the customer constitutes an indispensable strategic pillar. It is crucial to have a deep understanding of customer needs in order to propose customised solutions capable of significantly increasing satisfaction and loyalty in the long term.

This strategic approach adopted by SIPA places the customer at the centre of every operational and decision-making choice, with the aim of fully grasping needs, desires and expectations, translating them into positive experiences and lasting business relationships.

SIPA aims to offer its customers the greatest possible support to adopt and comply with global regulations on environmental safety and public health. It does this not only by fulfilling local legal obligations but also by adopting international regulations and best practices. This approach ensures transparency, safety, and full compliance for products offered to customers in every market.

Particular emphasis is placed on regulations regarding food contact materials and objects (FCMs), for which consumer health is protected through compliance with mandatory regulations and rigorous controls throughout the entire production cycle. The company also commits to excluding the use of potentially hazardous substances, including through active collaboration with external bodies, laboratories, industry associations, suppliers, and clients.

The adopted compliance system adheres to the main European regulations, such as the Machinery Directive (MD), the Pressure Equipment Directive (PED), REACH, and RoHS. All technical documentation, accompanied by laboratory tests and third-party certifications, is delivered to the customer.



ECHO platform

SIPA has always been at the side of its customers with a high level of support, guaranteed by local networks, help desks and remote assistance services. To further enhance this offering, a new feature has been introduced: ECHO, a cutting-edge digital technology platform. ECHO acts as a multi-channel point of contact, embodying the concepts of the sharing economy and guaranteeing customers immediate access to a wide range of specific information: these are features, applications and solutions that process data and connect the entire ecosystem, actively generating value.

ECHO goes beyond the traditional concept of a technical portal, facilitating a dynamic collaboration between SIPA, customers and the user community. The different sections of the portal are customised according to the user's profile and interests, the type of SIPA technology installed and the type of product processed. This creates a direct connection and an exclusive communication channel with the customer, making operational business processes intuitive, smart and immediately accessible.

CRM

For a sustainable business, it is not enough to just understand the needs of customers but it is essential to build and maintain long-lasting and proactive relationships. For SIPA, CRM (Customer Relationship Management) is not just a software, but a real company philosophy which places the customer at the centre of every single operation. The CRM, enhanced in 2024 with the introduction of new features, is not considered by SIPA as a mere management tool, but rather as a strategic investment aimed at strengthening customer relationships, optimising internal operational processes and stimulating business growth in the long run.

Thanks to these advances, the company is now able to manage customer relationships more effectively, conduct more accurate in-depth and accurate analyses and take strategic decisions based on concrete and reliable information.

Research and development activities

2024 was a year of intense activity for SIPA Research and Development, consolidating its position as a technology point of reference in the sector and generating value for all stakeholders. For SIPA, innovation is about anticipating the future, turning ideas into custom solutions that improve performance, reduce energy and resource consumption, and create tangible value for its customers. This commitment translates into continuous investments aimed at developing cutting-edge technologies.

SIPA has always been at the forefront in designing solutions for more sustainable plastic packaging. A dedicated team works constantly to reduce the environmental impact of the machinery and packaging the company produces. Thanks to a circular vision, the applied technologies are designed to enhance post-consumer resources, reducing consumption and CO<sub>2</sub> emissions, and contributing to a more sustainable future.

A key focus of R&D activities is on maximising the use of recycled materials. As a pioneer of the circular economy, SIPA introduced an integrated system in 2017 that transforms recycled PET flakes in preforms for food use. In 2024, this system was further optimised by integrating EREMA recycling technology with XFORM preform production systems.

In addition, new system integrations have been developed, such as the TriBloc Synchron, which directly connects blow molding machines, labeling machines, filling machines and capping machines. This solution optimises spaces and consumption, eliminating the need for connecting tapes. Finally, the reduction of consumption remains a central theme. The development of new preform heating ovens is underway, aiming at a significant decrease of energy consumption, as well as exploring solutions for a greater compressed air recovery, contributing to ever-increasing operational efficiency.

4.3.2 PARTICIPATION  
IN TRADE FAIRS  
AND EVENTS

2024 was a crucial year for SIPA's global expansion, marked by active participation in major sector trade fairs all over the world. These events were more than just exhibitions: they were strategic opportunities for building and strengthening partnerships, starting high-level discussions with market leaders and expanding the network, while increasing the visibility of the brand.

SIPA has secured significant visibility and promising results at key trade fairs in its sectors of interest, transforming every event in a showcase offering the best cutting-edge solutions. From Propak Asia in Thailand to Expopack in Mexico, it has been firmly consolidated leadership in packaging, attracting the attention of an international audience.

SIPA's commitment was global, touching both emerging and mature markets, strengthening the presence in the beverage industry at high-level events such as CBST in China and Gulfood Manufacturing in Dubai. Furthermore, contacts on the African continent were strengthened through participation in trade fairs in Egypt, Senegal and Algeria. And, of course, a significant impact on the plastics industry at the NPE in the United States.







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