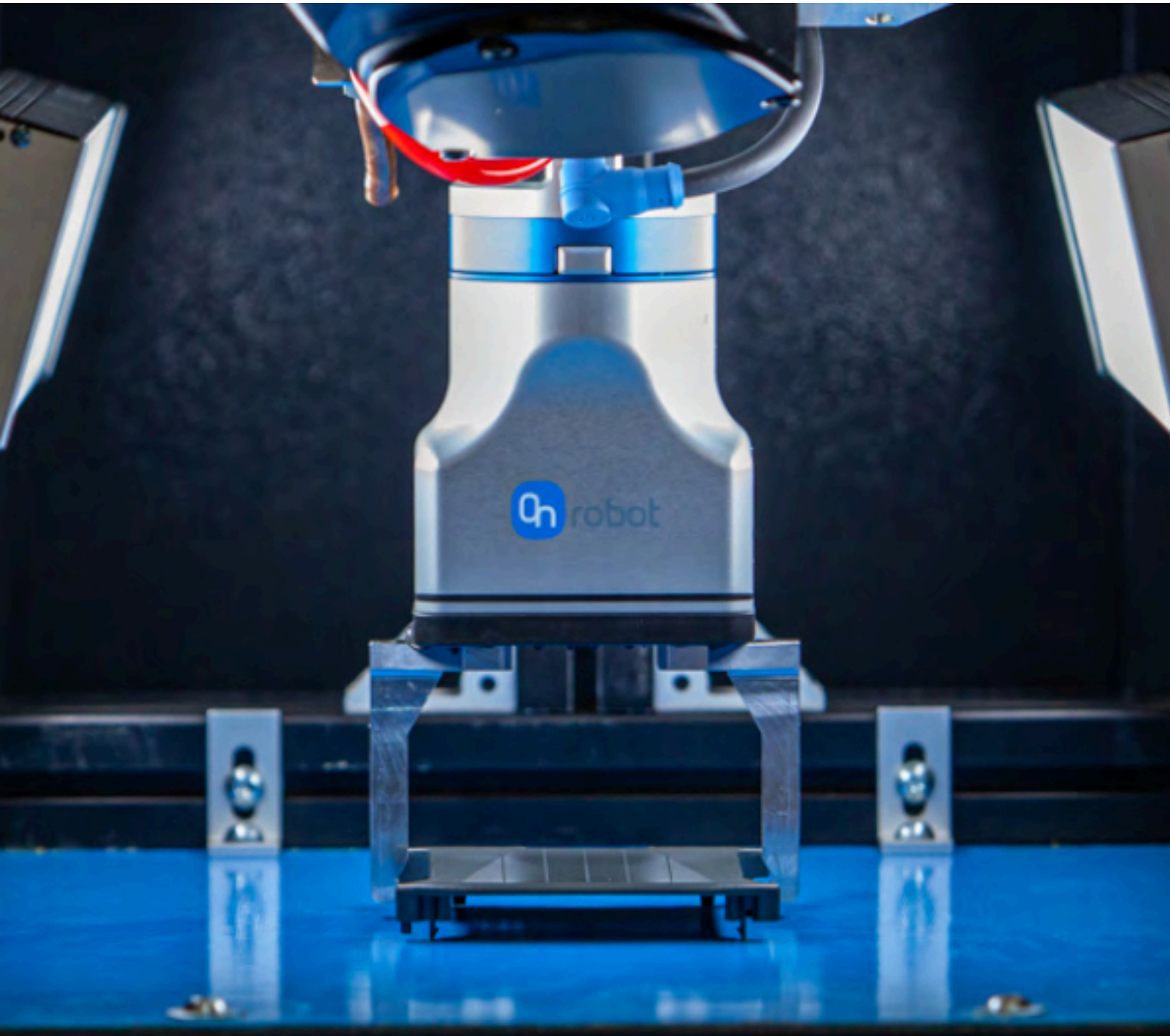
italtronic
enclosures for electronics



REPORT OF SUSTAINABILITY

italtronic

enclosures for electronics

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00.



THE WORLD OF PERDIECI

00.

THE WORLD OF PERDIECI

Perdieci is a holding company dedicated to supporting talented businesses, aiming to improve their production, logistics, and sales processes to foster their growth and market success. Through a cross-management approach, it leverages its experience and cross-functional skills to drive innovation and maximize the potential of each business. The group comprises seven companies.



STRAHL

European leader in the production of seed dryers.

ITALTRONIC

Customized creations in the electronics enclosure sector.

MOBILFER

Industrial metal shelving, mezzanines and warehouse containers.

ELMEC

Third-party production of semi-finished products in aluminum, iron, and stainless steel.

FORT

Professional agricultural, construction, and street cleaning machinery.

OMP

Stainless steel tanks for food, wine and chemical plants.

RONCATO

Carpentry, custom furniture, windows and doors.

01.



LETTER FROM THE CHAIRMAN

01.

LETTER FROM THE CHAIRMAN

Dear Readers,

It is with great pride and a sense of deep commitment that I present Italtronic's first Sustainability Report, a document that not only reflects our dedication to transparency and accountability but also demonstrates our ongoing journey toward a more sustainable future. This report, while prepared on a voluntary basis, anticipates the requirements of the European Directive 2022/2464 "Corporate Sustainability Reporting Directive" (CSRD), underscoring our commitment to being at the forefront in this crucial area.

Italtronic is a leading company in the design and production of plastic enclosures for electronics, recognized for its customized solutions and high-quality standards. We operate internationally, combining the excellence of "Made in Italy" with ongoing research and innovation, a deep understanding of plastics, and a flexible and inquisitive approach to every stage of production. Our business model has evolved from a primarily commercial structure to a production-based one, with highly structured and optimized processes, supported by significant investments and space reorganizations.

Sustainability is a fundamental pillar for us, guiding the creation of value not only for Italtronic but for all our stakeholders. Our business strategy is based on ethical principles and compliance with national and international regulations protecting people and the environment. We are proud to have obtained and maintained ISO 9001 and ISO 14001 certifications, demonstrating our commitment to quality and minimizing our environmental impact.

Throughout 2024, we conducted an in-depth dual materiality analysis, identifying nine key themes: Circular Economy, Pollution, Energy and Emissions, Business Conduct, Innovation, Supplier Relations, Health and Safety, Growth Opportunities, and Customer Stewardship. Progress and objectives in these areas are at the heart of our commitment:

- Innovation: We have automated the molding and machining phases, enabling a nearly uninterrupted production cycle and reducing human errors. We have introduced a flexible laser marking machine and are implementing advanced production planning software. Looking ahead, the adoption of a Manufacturing Execution System (MES) by 2025 will allow us to achieve real-time control and further automation.

- Circular Economy: Sprues from our production processes are recovered, reprocessed, and reintroduced into the molding cycle, reducing the need for virgin raw materials and contributing 5-10% recycled content in products without compromising UL certification. We use almost exclusively recycled paper for administrative purposes. Our goal is to increase the percentage of recycled content in products to 18% by 2027.

- Pollution: We are committed to the timely and legally compliant management of toxic waste and favor the use of FSC-certified products to reduce environmental impact. Almost all non-hazardous waste is recycled or reused.

- Energy and Emissions: We have replaced traditional lighting with LEDs and a gas boiler with heat pumps, improving energy efficiency and reducing our environmental footprint. We also source energy from renewable sources. We will work to calculate indirect emissions (Scope 3).

- People and Growth Opportunities: We value our employees, complying with SA8000 requirements and promoting diversity and human rights. We offer training programs, including an in-house Academy, and promote smart working. Our turnover rate is very low, a testament to the organization's commitment to developing its human resources. By 2027, we plan to involve 40% of staff in a climate survey and have 20% of employees with a defined career plan.

• Health and Safety: We have maintained excellent performance, recording zero work-related injuries or illnesses in the two-year period 2023-2024, thanks to ongoing training and regular machinery maintenance. Our goal is to maintain this result in the years to come.

• Supplier Relations: We consider our suppliers key players and evaluate them annually based on certifications and non-compliance. By 2027, we will require our key suppliers to sign the Code of Ethics and implement an evaluation based on socio-environmental criteria.

• Customer Management: We build strong, long-lasting relationships, offering a single point of contact for any issue, thus ensuring trust and satisfaction. We will be committed to collecting feedback through satisfaction surveys, with 200 surveys distributed by 2025.

We also used the B Impact Assessment, achieving a score of 35.8 in 2023. This tool allowed us to identify areas of strength, such as our Governance (Code of Ethics) and customer privacy management, and areas for improvement, particularly regarding the Community (diversity, inclusion) and the Environment (cohesive strategy, energy procurement, water savings).

This report is not a point of arrival, but a key milestone in our journey. It confirms our commitment to building a future where economic growth is inseparable from social well-being and environmental protection. I thank all our collaborators, partners, and stakeholders whose contributions make this journey possible.

Best regards,

Alberto Baban

Chairman of the Board of Directors of Italtronic



President Alberto Baban

02.



METHODOLOGICAL NOTE

02.

METHODOLOGICAL NOTE

[BP-1 – General criteria for preparing the sustainability statement; BP-2 – Disclosure in relation to specific circumstances]

This document represents the first Sustainability Report of Italtronic (hereinafter also “Company” or “Italtronic”), approved by the Board of Directors on 06/30/2025.

The financial statement is a communication tool that describes, in a transparent and detailed manner, the results achieved in the economic, social, and environmental fields and demonstrates the company's commitment to sustainable development, with the aim of creating value not only for Italtronic, but also for its stakeholders.

Sustainability reporting is currently voluntary, but starting in 2024, it will gradually become mandatory for large, medium-sized, and small enterprises, following the adoption in Italy of the European Directive 2022/2464 "Corporate Sustainability Reporting Directive" (CSRD). This directive provides for the adoption of European sustainability reporting standards (ESRS), which have also been published in a simplified and voluntary version for reporting by small and medium-sized enterprises (VSME ESRS).

The following standards therefore support these entities in:

- contribute to a more sustainable and inclusive economy;
- improve the management of sustainability issues and improve competitiveness and resilience in the short, medium and long term;

- facilitate access to sources of credit;
- provide information requested by value chain actors (required by the CSRD).

In this document, Italtronic has provided part of the information required by the ESRS, in compliance with the mandatory requirement introduced by the directive. This document confirms the company's commitment to developing a rigorous and credible process that fosters—through continuous consolidation—the internal organizational culture and strengthens the systems and tools for measuring and communicating the economic, social, and environmental value generated for internal and external stakeholders, the communities, and the territories served.

To provide a true representation of company management and the impacts resulting from company activity, the following have been implemented:

- applied the sustainability reporting principles set out in the most widely used international standards;
- collected data and information on the context in which the company operates;
- identified and reported the material topics, i.e. the topics identified as relevant in light of the materiality analysis.

To enable comparability of data over time and assess the company's performance, information for the current financial year has been compared with that of the previous financial year where possible; alternatively, estimates based on the best available methodologies have been used.

The scope of the information and data is the same as that of the Company's financial statements.

To prepare the document, Italtronic relied on qualified internal and external professionals. Specifically, the interdisciplinary team that participated in the preparation of the Sustainability Report included the following company representatives: Pozzer (CEO), Feriani (IT), Piron (Internal Logistics and Warehouse Manager), Rigato (Technical Manager), Carraro (Chief Commercial Officer), Bortolato (HR), Perissinotto (Mold Maintenance Manager), Codogno (Administration Manager), Semproniel (Injection Production Manager), Xausa (Supply Chain Manager), Zorzato (Finishing Manager), and Marchi (Quality Manager, Quality-Environment-Safety).

The working group leader is Diego Baban, Executive Board Member OMP & RONCATO.

The document is published annually and covers the 2024 financial year (from January 1, 2024 to December 31, 2024) compared to the 2023 data.

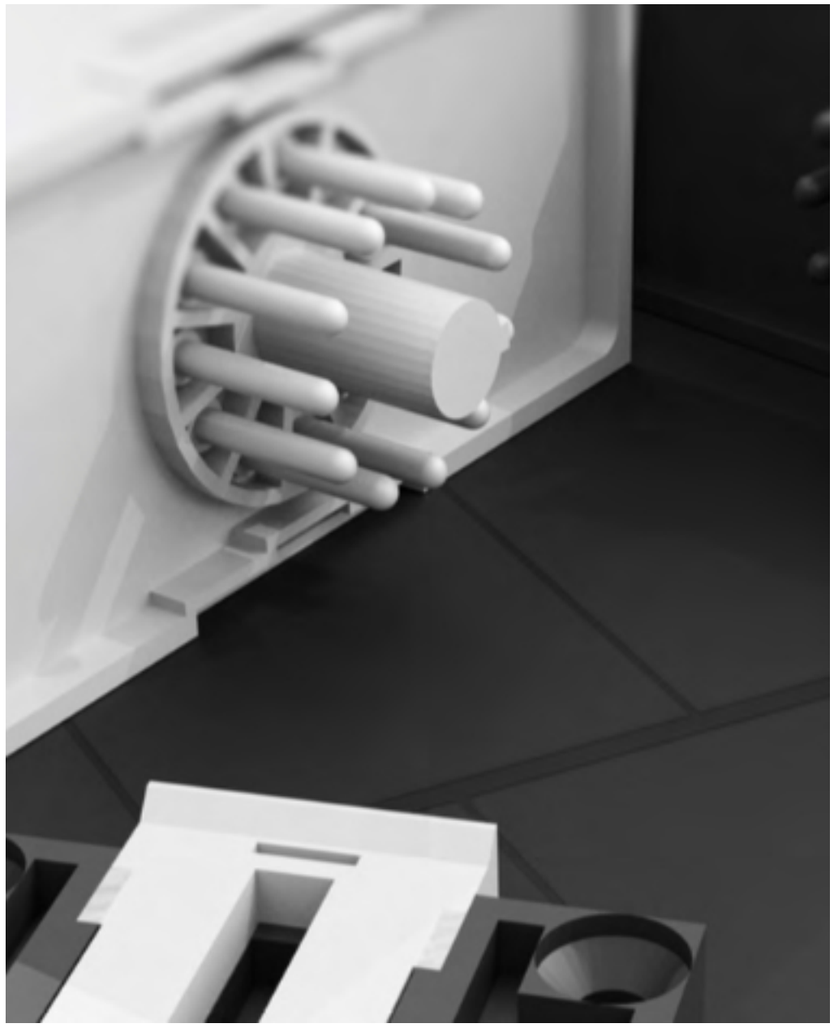
Please note that:

- employee data includes the entire company and is reported in headcount or FTE at the end of the reporting period;
- the health and safety indicators and accident data relate to the Padua plant;
- the waste data relate to the Padua plant.

A table of contents of the ESRS is provided at the end of the document with the aim of providing an overview of the indicators reported and the related reference pages.

The key performance indicators used are those required by the adopted standards and are representative of the various areas, as well as consistent with the business and its impacts. The selection of key performance indicators to report took into account the initial materiality analysis conducted in 2024.

For the methodology used to identify material topics, please refer to the appendix at the end of this document. For detailed reporting on activities carried out and the 2024 objectives, please refer to the chapters relating to the company's material topics.



03.



GENERAL INFORMATION

03.
GENERAL INFORMATION

[SBM-1 – Strategy, Business Model and Value Chain]

Italtronic is a leading company in the design and production of plastic enclosures for electronics, having established itself over the years as a strategic partner for numerous companies. Thanks to customized solutions and the highest quality standards, Italtronic is able to meet even the most complex market demands, thanks to its in-depth knowledge of plastics, combined with the ability to interpret customer needs and respond to the most specific requirements. Italtronic's constantly evolving production chain combines the most modern Industry 4.0 management processes with decades of experience, thus ensuring the excellence of each product. From design to production, every phase is meticulously managed, with the goal of providing customers with competitive, high-performance solutions. The product catalog offers a wide range of solutions, from the smallest enclosures to the most complex panels, both standard and custom. Furthermore, thanks to the flexibility of its production process and extensive experience in plastics processing, the company is able to implement highly customized projects, meeting the specific needs of each client. Italtronic is able to guarantee this type of service thanks to constant research and innovation, which allows the company to identify new technological solutions and improve its products. This flexible and curious approach is reflected in every phase of production, from the choice of materials to the production techniques, to the reuse of waste and the search for new applications.

Born and raised in one of Italy's most dynamic industrial districts, Italtronic is now an international company, with its products available worldwide through a network of local and direct distributors. The company proudly represents the excellence of Made in Italy, combining tradition and innovation to offer cutting-edge solutions.

DOUBLE MATERIALITY ANALYSIS

[SBM-2 – Stakeholder interests and opinions; SBM-3 – Relevant impacts, risks, and opportunities and their interaction with the strategy and business model; IRO-1 – Description of the process for identifying and assessing relevant impacts, risks, and opportunities]

The creation of the Materiality Matrix and the dual materiality analysis is the result of a codified methodological process. This section objectively and systematically describes this process. During the participatory meeting involving internal and external stakeholders, both Italian and international, participants were presented with a dataset consisting of thirty-eight items derived from the preliminary analysis.

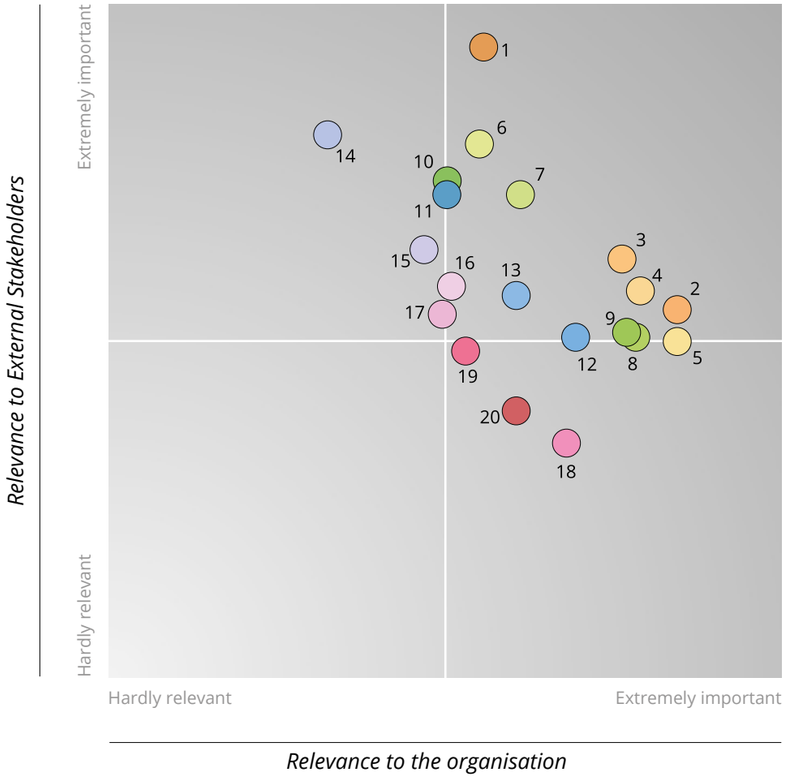
This analysis combines the following sources:

- the updated B Impact Assessment reported to the organization;
- interviews with owners and designated contacts;
- statistical, technical and scientific sources collected through the PESTEL organizational environment analysis process to acquire political, economic, social, technological, environmental and legal elements.

The data included in the set can be defined as evidence, meaning facts that can be observed and/or measured objectively. Their selection is designed to ensure the presence of the most representative values for the organizational reality analyzed, its territorial context, the relevant production sector, and the economic situation under consideration.

During the item evaluation process, the stakeholders involved (both internal and external) have the right to report new elements of knowledge that are stated in the form of evidence, inserted into the dataset and then evaluated on a par with the pre-inserted items.

ITALTRONIC'S MATERIALITY MATRIX



Legend

1. Italtronic has long-standing relationships with its customers
2. Italtronic can insert up to 25% recycled material into its products without losing its UL certification.
3. The sprues obtained from the presses are recovered, reground and reworked to be immediately reintroduced into the moulding cycle
4. Italtronic has a management system inspired by MOG231
5. Italtronic is ISO 9001 and ISO 14001 certified
6. Italtronic uses almost exclusively recycled paper
7. Italtronic has introduced LED lighting in its factory
8. Thanks to the automation of production, the moulding and mechanical processing work 6 days a week, even at night, without needing to be supervised.
9. Toxic waste is managed promptly and according to the law
10. The Italtronic laser marker is designed for automatic control and allows marking of a piece on multiple sides, which is not possible with a traditional marker.
11. Machine maintenance is carried out on a regular basis by specifically trained operators
12. A gas boiler was replaced with heat pumps
13. Most of the packaging is FSC certified
14. Italtronic is implementing software that will allow the planning of two of the six CNC machines
15. Italtronic customers appreciate having a single interface (Italtronic solves any problems and not a third party)
16. The company's turnover is very low
17. Every year suppliers are evaluated on the basis of the certifications they hold, the company structure, and the number of NCs reported.
18. Italtronic is organizing an internal Academy for the development of staff skills
19. The company has a code of conduct but suppliers are not obliged to sign and respect it
20. Parts produced by incorporating sprues generally have 5-10% recycled material within them.

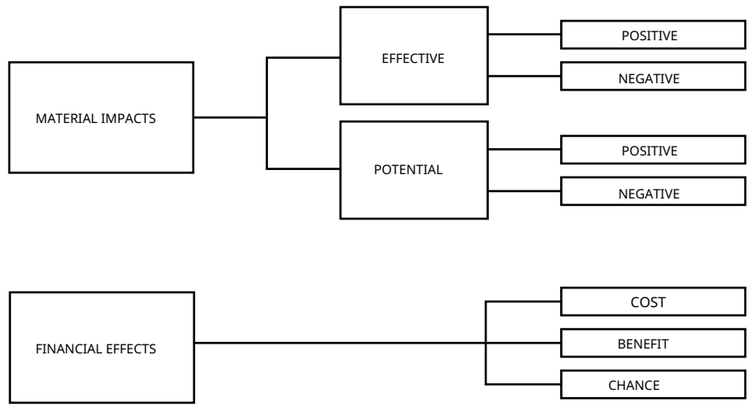
The data collected during the Mosaic session were subsequently clustered and schematized.

ITEM	TYPE	MATERIAL THEME
Every year suppliers are evaluated on the basis of the certifications they hold, the company structure, and the number of NCs reported.	*Force*	RELATIONSHIPS WITH SUPPLIERS
Italtronic can insert up to 25% recycled material into its products without losing its UL certification.	*Opportunity*	CIRCULAR ECONOMY
Parts produced by incorporating sprues generally have 5-10% recycled material within them.	*Opportunity*	
Italtronic uses almost exclusively recycled paper	*Opportunity*	
The sprues obtained from the presses are recovered, reground and reworked to be immediately reintroduced into the moulding cycle	*Force*	
Italtronic is organizing an internal Academy for the development of staff skills	*Opportunity*	GROWTH OPPORTUNITIES
The company's turnover is very low	*Force*	
Most of the packaging is FSC certified	*Opportunity*	POLLUTION
Toxic waste is managed promptly and according to the law	*Opportunity*	
Italtronic has a management system inspired by MOG 231	*Opportunity*	BUSINESS CONDUCT
Italtronic is ISO 9001 and ISO 14001 certified	*Opportunity*	
The company has a code of conduct but suppliers are not obliged to sign and respect it	*Threat*	
A gas boiler was replaced with heat pumps	*Opportunity*	ENERGY AND EMISSIONS
Italtronic has introduced LED lighting in its factory	*Force*	
Italtronic customers appreciate having a single interface (Italtronic solves any problems and not a third party)	*Opportunity*	CUSTOMER MANAGEMENT
Italtronic has long-standing relationships with its customers	*Opportunity*	
Thanks to the automation of production, the moulding and mechanical processing work 6 days a week, even at night, without needing to be supervised.	*Opportunity*	INNOVATION
Italtronic is implementing software that will allow the planning of two of the six CNC machines	*Opportunity*	
The Italtronic laser marker is designed for automatic control and allows marking of a piece on multiple sides, which is not possible with a traditional marker.	*Opportunity*	
Machine maintenance is carried out on a regular basis by specifically trained operators	*Force*	HEALTH AND SAFETY ON SITE OF WORK

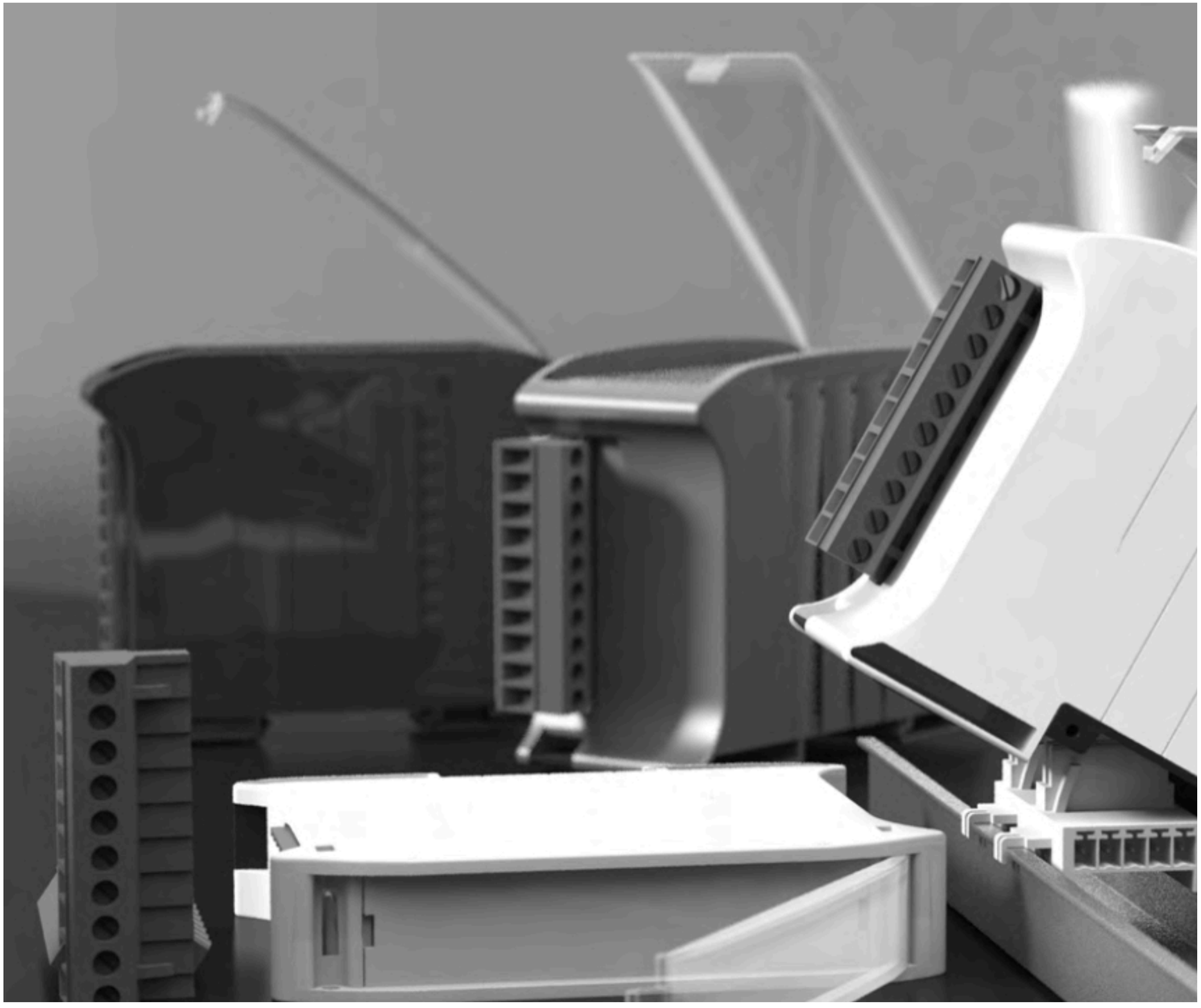
This process has therefore allowed us to identify nine material themes, listed below:

1. RELATIONS WITH THE SUPPLIERS
2. ECONOMY CIRCULAR
3. OPPORTUNITY OF GROWTH
4. POLLUTION
5. CONDUCT OF THE BUSINESSES
6. ENERGY AND EMISSIONS
7. MANAGEMENT OF THE CUSTOMER
8. INNOVATION
9. HEALTH AND SAFETY ON WORKPLACE

Sustainability issues were then processed and analyzed by assessing the company's material impacts, actual or potential, positive or negative, on people or the environment in the short, medium, and long term, and from a financial perspective, whether these issues cause, or can reasonably be expected to cause, significant financial effects for the company. This occurs when a sustainability issue generates risks or opportunities that significantly impact, or can reasonably be expected to significantly impact, the company's development, financial position, financial results, cash flows, access to financing, or cost of capital in the short, medium, or long term.



04.



IMPACT MATERIALITY

04.
IMPACT MATERIALITY

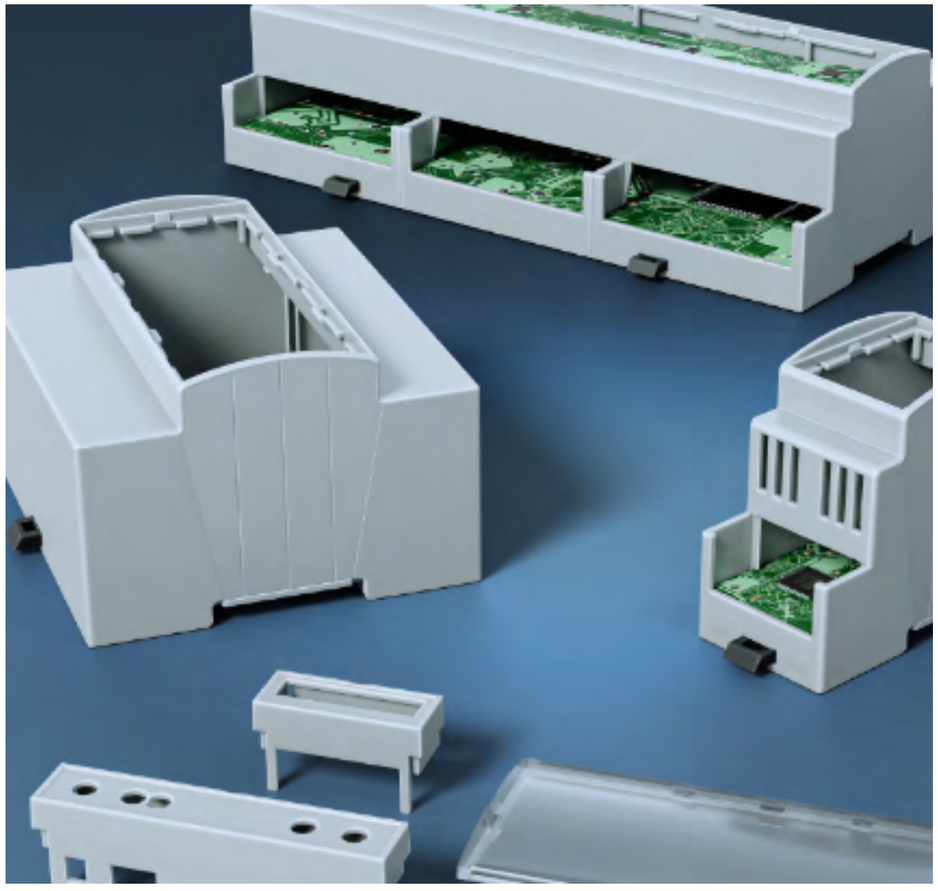
From this perspective, a topic is considered relevant if it has concrete impacts:

- Real or potential in the short, medium or long term;
- Linked to the company's direct operations or those attributable to its value chain (Up-Stream: upstream, e.g. suppliers; Down-Stream: downstream, e.g. distributors).

The extent of the impact is assessed according to the following parameters.

- Scale: severity of injury (e.g. fatal accident vs. minor injury);
- scope: extent of damage (e.g. number of people or area affected);
- Irrecoverability: whether or not the damage can be repaired.

The analysis can be quantitative or qualitative.



ACTUAL IMPACTS

LEGEND

P = FLOW RATE

Describes the magnitude of the impact (e.g., the number of individuals affected or the extent of environmental damage)

S = SCALE

Describes the Scale/Severity of the impact (e.g. the extent of the disruption to access to basic necessities or freedoms, such as education, livelihoods, etc.)

I = IRREMEDIABLE CHARACTER

Only for Negatives: Describes the extent to which the impact can be remedied (e.g. through compensation or restitution, the possibility of restoring the exercise of the right in question to affected persons, etc.)

UPSTREAM = UPSTREAM PROCESSES

Activities performed by suppliers, such as the procurement of raw materials or components required for production

DIRECT = INTERNAL PROCESSES

Activities related to the production, operational management and transformation of materials into finished products

DOWNSTREAM = DOWNSTREAM PROCESSES

Activities involving distributors and customers, such as distribution, consumption of the service/product and its end-of-life management

The score assigned ranges from 1 to 5.

THEME MATERIAL	TYPE IMPACT	IMPACT	p	S	THE	TOTAL	CHAIN OF THE VALUE
RELATIONSHIPS WITH THE SUPPLIERS	Positive	Italtronic evaluates its suppliers annually on the basis of the certifications held, the company structure, the number of NCs reported, with positive impacts on the practices adopted by the companies involved, which are encouraged to improve their performance.	2	3		12%	UpStream Direct
ECONOMY CIRCULAR	Positive	The integration of recycled material into the parts produced by regrinding the sprues reduces the need to extract new raw materials, with direct environmental benefits.	3	3		18%	UpStream Direct
OPPORTUNITY OF GROWTH	Positive	The company turnover is very low, so the employees have more experience and greater familiarity with company processes, which allows for greater awareness in waste reduction and more efficient management of resources	4	2		16%	Direct
ENERGY AND EMISSIONS	Positive	Italtronic has introduced LED lighting in its factory, thus achieving a reduction in energy consumption and a decrease in CO2 emissions.	3	3		18%	Direct
HEALTH AND SAFETY ON THE PLACE OF WORK	Positive	Regular maintenance of the machines carried out in the company has impacts positive in environmental terms (fewer malfunctions) but also socially (fewer accidents)	4	4		32%	Direct

POTENTIAL IMPACTS

LEGEND

P = FLOW RATE

Describes the magnitude of the impact (e.g., the number of individuals affected or the extent of environmental damage)

S = SCALE

Describes the Scale/Severity of the impact (e.g. the extent of the disruption to access to basic necessities or freedoms, such as education, livelihoods, etc.)

PA = PROBABILITY OF OCCURRENCE

Estimate of the possibility of an event occurring, expressed as a percentage

I = IRREMEDIABLE CHARACTER

Only for Negatives: Describes the extent to which the impact can be remedied (e.g. through compensation or restitution, the possibility of restoring the exercise of the right in question to affected persons, etc.)

UPSTREAM = UPSTREAM PROCESSES

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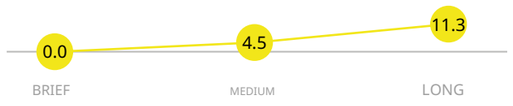
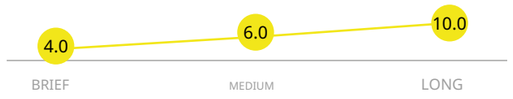
Activities involving distributors and customers, such as distribution, consumption of the service/product and its end-of-life management

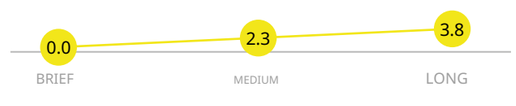
The score assigned ranges from 1 to 5.

MATERIAL THEME	TYPE IMPACT	IMPACT	p	S	pa	THE	TOTAL	CHAIN OF THE VALUE
ECONOMY CIRCULAR	Positive	Use recycled materials in production and offices It could reduce Italtronic's overall carbon footprint	4	4	100%		32%	Direct DownStream
OPPORTUNITY OF GROWTH	Positive	Italtronic is organizing an internal Academy for the development of staff skills and this could increase the attractiveness of the company and increase the staff involvement and satisfaction	3	3	75%		14%	Direct
POLLUTION	Positive	Much of the packaging used by Italtronic is FSC certified, meaning it comes from sustainably managed forests; this offers the possibility of reducing the impact on air, water, and soil, promoting a more efficient use of natural resources.	4	4	100%		32%	UpStream Direct
CONDUCT OF THE BUSINESSES	Positive	The certifications held, as well as the organizational model, can determine new growth opportunities for the company as it complies with socio-environmental regulations and requirements.	3	4	75%		18%	Direct
	Negative	Italtronic does not ask its suppliers to sign the code of conduct, which could therefore lead to them resorting to practices that are unfair towards workers and harmful to the environment.	3	4	75%	No	18%	Upstream
ENERGY AND EMISSIONS	Positive	Replacing a gas boiler with a heat pump can result in significant energy savings for your business.	3	3	75%		14%	Direct
MANAGEMENT OF THE CUSTOMER	Positive	The fact that Italtronic interfaces with customers, and not third parties, reduces the risks associated with incorrect communications or misunderstandings between multiple parties, increasing customer loyalty.	2	3	75%		9%	Direct DownStream
INNOVATION	Positive	Automating production allows for more precise and repeatable processes, which leads to a reduction in waste or defects in products.	4	4	100%		32%	Direct

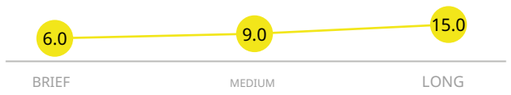
FINANCIAL MATERIALITY

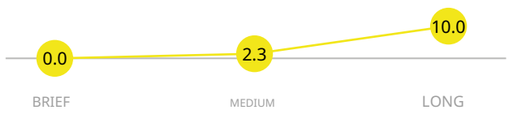
1 • RELATIONSHIPS WITH SUPPLIERS				
Impact	Scenario Analysis 1 			
	Supplier assessments and resulting quality improvements could reduce costs associated with errors, and increased transparency in ESG practices can contribute to greater investor and stakeholder attention.	Costs	Benefits	chance
Short term	Greater transparency and interaction with suppliers can lead to a more stable network of business and production partners, better able to respond to market and supply chain challenges.	3	3	50%
Medium term	A more careful approach to supplier selection and management reduces the risk of dependencies on unreliable suppliers, which could cause delays or disruptions in production.	2	4	75%
Long term	Adopting transparency and quality practices with suppliers helps reduce legal and reputational risks, resulting in lower legal costs, especially in the event of disputes or claims related to the supply chain.	1	4	75%

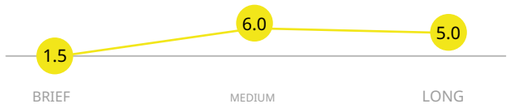
2 • CIRCULAR ECONOMY				
Impact	Scenario Analysis 1 			
	The integration of recycled material into production, thanks to the regrinding of the sprues, allows for a reduction in procurement costs and makes the company less vulnerable to price fluctuations.	Costs	Benefits	chance
Short term	The use of recycled material through regrinding allows for the reduction of costs associated with the purchase of virgin raw materials, thus allowing for the containment of production costs.	1	3	100%
Medium term	Adopting circular economy practices allows Italtronic to stand out as an innovation leader in the industry, which improves brand perception and increases customer engagement.	1	3	100%
Long term	By adopting circular practices, the company could expand its business model by creating new markets for its recycled products.	1	3	100%

3 • GROWTH OPPORTUNITIES				
Impact	Scenario Analysis 1 			
	The low turnover rate has a positive financial impact because it reduces the costs associated with training new staff	Costs	Benefits	chance
Short term	Low turnover means that employees gain greater experience and familiarity with business processes, generating greater operational efficiency and, therefore, increased productivity, with positive impacts on the short-term balance sheet.	2	2	75%
Medium term	Since turnover is low, Italtronic can strategically invest in continuous staff training to develop skills in a targeted manner, rather than focusing on basic courses for new hires.	2	3	75%
Long term	Low turnover supports long-term economic sustainability by reducing workforce volatility, allowing the company to focus on more stable and predictable growth strategies.	2	3	75%

4 • ENERGY AND EMISSIONS				
Impact	Scenario Analysis 1 			
	Installing a heat pump and LED lights leads to reductions in operating expenses and a positive economic return in the long term, thanks to energy savings and reduced maintenance needs.	Costs	Benefits	chance
Short term	Maintenance of the intervention already carried out	1	2	100%
Medium term	Maintenance of the intervention already carried out	1	3	100%
Long term	Maintenance of the intervention already carried out	1	3	100%

5 • CUSTOMER MANAGEMENT				
Impact	Scenario Analysis 1 			
	Italtronic's approach of managing problems internally and cultivating long-term relationships with its customers translates into economic benefits resulting from customer loyalty and more effective cost management.	Costs	Benefits	chance
Short term	Maintenance of the intervention already carried out	1	4	100%
Medium term	Maintenance of the intervention already carried out	1	4	100%
Long term	Maintenance of the intervention already carried out	1	4	100%

6 • INNOVATION				
Impact	Scenario Analysis 1 			
	Automating processes reduces the need for personnel to supervise machines, reducing labor costs and improving return on investment.	Costs	Benefits	chance
Short term	By cultivating long-term relationships with customers, the company can more easily identify opportunities for upselling or product upgrades, helping to increase the average customer value.	4	4	75%
Medium term	As retention and management of existing customers become a priority, the company can reduce spending on marketing and customer acquisition, focusing on retaining existing customers and expanding sales within the established customer base.	3	4	75%
Long term	Long-standing relationships and in-house problem management strengthen Italtronic's market position. Service quality, combined with trust and continuity in customer relationships, create a barrier to entry for new competitors.	2	4	100%

7 • BUSINESS CONDUCT				
Impact	Scenario Analysis 1 			
	The certifications held by the company represent a cost to be borne but also a protection from fines and sanctions	Costs	Benefits	chance
Short term	Some customers, especially large or institutional ones, may require suppliers to have certain certifications, which can then open up new business opportunities and guarantee competitive advantages in the short term.	2	3	75%
Medium term	The certifications held by Italtronic can lead to a reduction in operating costs that exceeds the initial cost incurred to obtain the certification.	2	4	100%
Long term	A company with recognized certifications is often preferred over non-certified competitors, creating a competitive advantage that lasts over time.	3	4	100%

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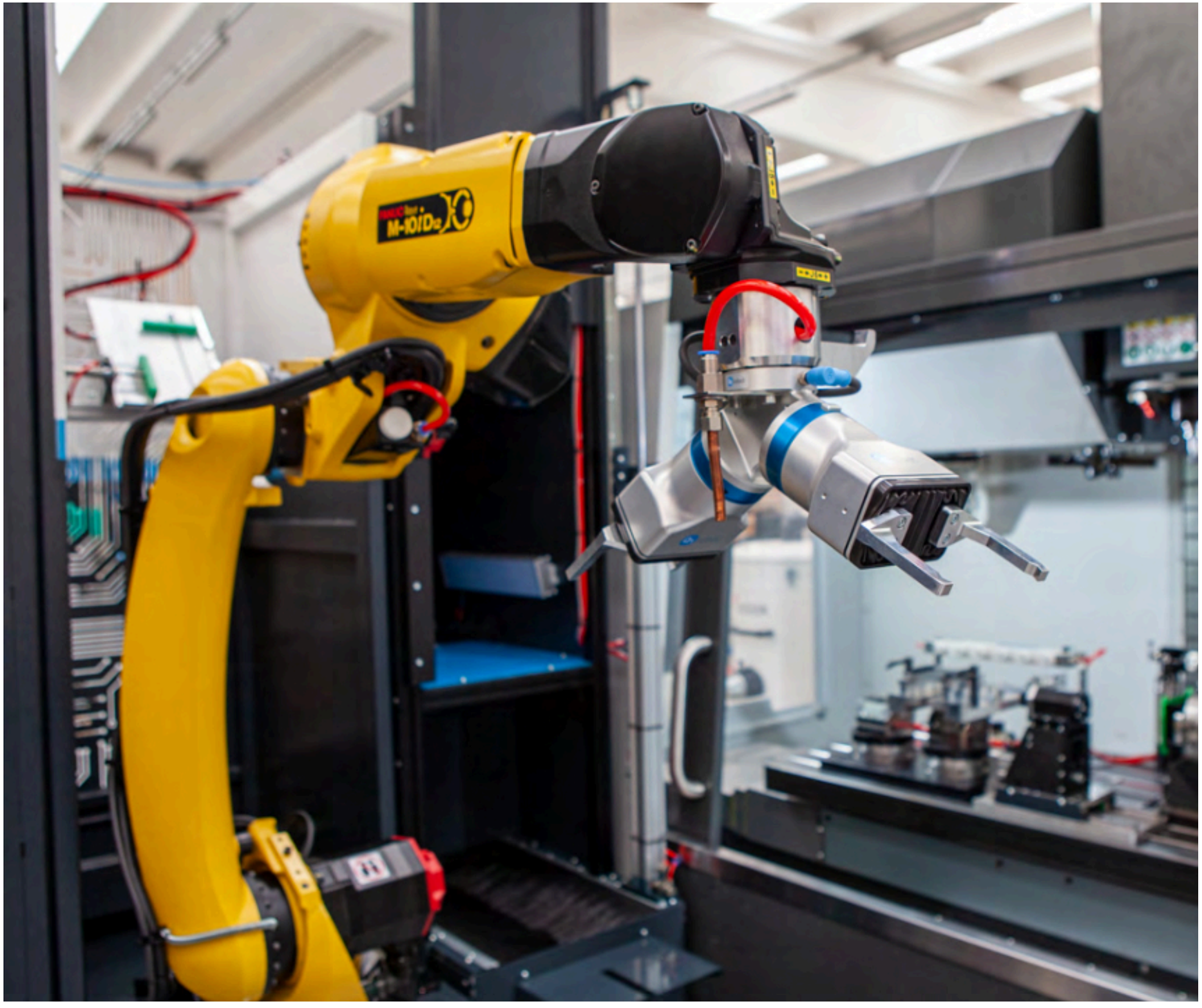


GOVERNANCE

05.

GOVERNANCE

[ESRS 2; ESRS G1]

GOV-1 – Role of the administrative, management, and supervisory bodies; GOV-2 – Information provided to the administrative, management, and supervisory bodies of the company and sustainability issues addressed by them; GOV-3 – Integration of sustainability performance into incentive systems; GOV-4 – Due diligence statement; GOV-5 – Risk management and internal controls over sustainability reporting

Italtronic Srl's corporate structure includes a Board of Directors chaired by Alberto Baban, representing the company, and composed of a Chief Executive Officer and a Director.

	ROLE	DATE OF APPOINTMENT	AGE GROUP	TYPE
Alberto Baban	President of the Board of Directors	10/15/2018	50 – 60 years old	M
Giannandrea Pozzer	CEO	10/15/2018	50 – 60 years old	M
Martina Mason	Councilor	10/15/2018	50 – 60 years old	F

The Board of Directors is composed of individuals between the ages of 50 and 60, with a 2/3 male and 1/3 female representation. Board members possess all the skills and knowledge necessary to identify and manage sustainability issues and impacts within their management. They receive support from the Sustainability Working Group, coordinated by Diego Baban and representing the PERDIECI Group, and composed of the company's key department heads and the Group HR Manager.

The company is wholly owned by Perdieci Srl; the Perdici Group is a holding company dedicated to supporting talented businesses, aiming to improve their production, logistics, and sales processes to foster their growth and market success. Through a cross-management approach, they leverage their experience and cross-functional skills to drive innovation and maximize the potential of each business.

Italtronic has demonstrated excellent performance in terms of quality and sustainability in recent years, accompanied by a significant transformation of its business model. The adoption and maintenance of ISO 9001 certification, with no non-compliances ever detected, demonstrates the company's ongoing commitment to ensuring the high quality of its products and services. The company is also ISO 14001 certified, underscoring Italtronic's sensitivity to environmental issues and its desire to minimize the impact of its activities on the ecosystem. The company has also established an anonymous reporting system for unlawful situations and violations of European Union and Italian law, in accordance with Legislative Decree No. 24/2023, which introduced whistleblowing regulations in Italy and the resulting protection of whistleblowers. Privacy is managed in accordance with the GDPR.

Over the past five years, Italtronic has completed a profound transformation, evolving from a primarily commercial model to a fully-fledged manufacturing facility, characterized by highly structured and optimized processes. This evolution has been supported by four major reorganizations of production facilities and six significant investments, co-financed through government tenders.

The following summarizes the company's financial performance:

INCOME STATEMENT	2023	2024
Production value	10,474,284	8,692,779

DISTRIBUTED VALUE	2023	2024
Directly generated economic value	10,474,284	8,692,779
Of which operating costs	4,704,665	3,309,895
Of which wages and benefits	1,828,054	1,834,437
Of which investments in the local community	0	0

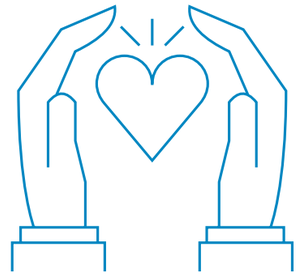
In parallel with consolidating its market position, Italtronic, in collaboration with its stakeholders, has implemented an effective communications and branding strategy, participating in industry events and giving interviews in specialized magazines, such as Plastics, increasing its visibility and recognition.



BUSINESS CONDUCT

[ESRS G1] [MDR-P Policies – Policies adopted to manage relevant sustainability issues; SBM-3 – Relevant impacts, risks and opportunities and their interaction with the strategy and model corporate]

Italtronic has always operated in compliance with national and international regulations regarding the protection of individuals, respect for diversity, and the health and safety of its employees. This is the foundation of the company's business conduct, which is therefore geared toward creating shared value for all stakeholders. Operating sustainably, contributing to the development of a more equitable and prosperous society while protecting the environment and its inhabitants, is a fundamental pillar of the organization's growth. Engaging with the various components of its value chain with respect, honesty, and transparency is a commitment of management and translates into resilient and forward-looking governance.



ITALTRONIC'S CODE OF ETHICS

RESPECT

INVOLVEMENT

HUMILITY

AVAILABILITY

HONESTY

Italtronic has developed and adopted a Code of Ethical Conduct that revolves around the following principles:

RESPECT:spontaneous observance of the rules of the relevant civilization, of education, of loyalty and the consequent rejection of lies and betrayal as well as the recognition of the rights, role, dignity, and decorum of people or things and the consequent abstention from offending or harming them;

INVOLVEMENT:involve all stakeholders in achieving company objectives;

HUMILITY:do not exalt one's own merits and recognize one's natural limits;

AVAILABILITY:be ready to collaborate;

HONESTY:Acting with integrity and justice, and in a manner consistent with commonly held moral principles. Consequently, honesty rejects deception and dissimulation in any form.

The organization's commitment to acting in accordance with these values is therefore formalized, particularly by respecting human rights, rejecting discrimination against individuals, and ensuring fair treatment for all personnel.

RELATIONSHIPS WITH SUPPLIERS

As noted in the previous paragraphs, Italtronic operates in compliance with national and international regulations and in compliance with the ISO 9001 and ISO 14001 standards. These requirements require not only internal implementation but also the involvement of its suppliers, ensuring a timely and accurate exchange of information. Over the years, Italtronic has established long-lasting relationships with its suppliers, who are considered key players in the production chain and in achieving the company's strategic objectives. To ensure compliance with quality and environmental requirements and to offer a high-level service to its customers, satisfying their requests and needs, a rigorous annual assessment of each supplier is conducted, taking into account their certifications, organizational structure, and the number of non-conformities found during certification. This assessment allows the selection and retention of highly qualified suppliers over time.

and able to share Italtronic's values and objectives, thus contributing to constantly improving environmental and social performance and the quality of the products offered.

Our performance and future goals

[MDR-A Actions – Actions and resources related to relevant sustainability issues; MDR-T Objectives – Monitoring the effectiveness of policies and actions through targets]

Italtronic intends to promote internal best practices throughout its value chain, encouraging positive change among the stakeholders with whom it collaborates. With a view to constant improvement and ever-greater alignment with sustainability principles, Italtronic is therefore committed to strengthening its relationships with stakeholders. This process includes requiring them to sign the Code of Ethics, thereby ensuring a good level of alignment between the parties' expected behaviors. Furthermore, the company intends to initiate a supplier evaluation process based on socio-environmental criteria, in order to select partners who share the organization's values and contribute to reducing the environmental impact of its value chain.

Regarding the company's incoming flows, during 2024, out of a total of approximately €1.5 million spent, 27% of the amount was allocated to the purchase of raw materials, 2.5% to external processing, and 5.45% to packaging.

Planned actions	KPI	Objective 2025	Objective 2026	Objective 2027
Develop a supplier scorecard	Percentage of suppliers evaluated	10%	50%	100%
Request to strategic suppliers to sign the Code of Ethics for acknowledgement	Percentage of suppliers who have signed the Code	10%	50%	100%

INNOVATION

[ESRS G1] [MDR-P Policies – Policies adopted to manage relevant sustainability issues; SBM-3 – Relevant impacts, risks and opportunities and their interaction with the strategy and business model]

Innovation is a key aspect of Italtronic's development; in fact, with a view to constantly improving its production processes and optimizing resources, the company has developed and introduced numerous projects in this area over the years. Among these, it is worth mentioning the automation of the molding and mechanical processing phases, which has enabled a continuous production cycle six days a week, even during night hours, and without the need for dedicated supervision. This has led to a substantial increase in production capacity, while simultaneously reducing delivery times and minimizing the risk of human error. A laser marking machine capable of offering a high degree of flexibility was also adopted: being designed for automatic control, this machine has allowed for the optimization of marking operations, ensuring a higher final product quality compared to traditional manual methods and enabling multi-sided marking of parts, a technically complex operation not possible with previous technologies. Finally, the implementation of advanced production planning software, currently being activated for two of Italtronic's six CNC machines, will further optimize work organization, reduce setup times, and increase machining precision, thus helping to strengthen the company's competitiveness on the market.

Our performance and future goals

[MDR-A Actions – Actions and resources related to relevant sustainability issues; MDR-T Objectives – Monitoring the effectiveness of policies and actions through targets]

Italtronic's innovation achievements are a concrete testament to the company's commitment to continuously evolving its production processes. Automation of the molding and machining phases has, in fact, produced tangible benefits in terms of efficiency, reliability, and operational capacity. Looking to the near future, Italtronic intends to further consolidate this path through the introduction of a Manufacturing Execution System (MES), a tool that will enable real-time control of production processes, promoting advanced automation and reducing the need for direct plant supervision. This implementation will be crucial to ensuring increasingly integrated and responsive production management, allowing for timely intervention in case of critical issues and ensuring complete traceability of activities. This represents a further step towards a digitalized, efficient, and sustainable industrial model, in line with Italtronic's long-term strategic objectives.

Planned actions	KPI	Performance 2024	Objective 2025	Objective 2026	Objective 2027
Adoption of the ESM	%	20%	35%	100%	Maintenance

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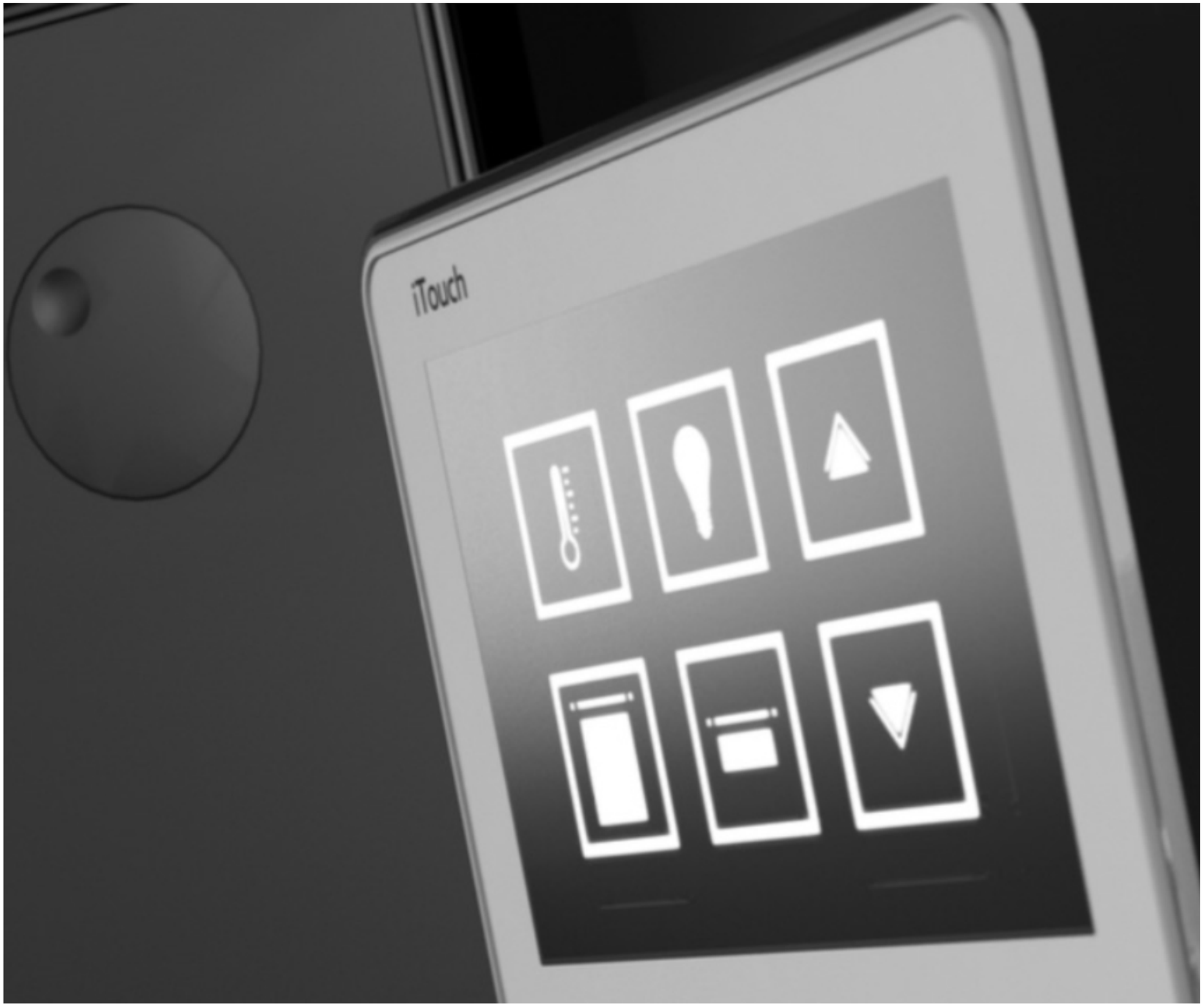


ENVIRONMENT

06.

ENVIRONMENT

[ESRS E1, ESRS E2, ESRS E5]

CIRCULAR ECONOMY

[MDR-P Policies – Policies adopted to manage relevant sustainability issues; SBM-3 – Relevant impacts, risks, and opportunities and their interaction with the strategy and business model; ESRS E5]

This topic refers to all aspects related to the procurement of raw materials, the packaging of incoming goods, the reduction of waste production, water consumption in the production process, and green purchasing policies.

Italtronic, in line with the principles of the circular economy and in response to European sustainability regulations, has developed a material reuse strategy whereby sprues from production processes are immediately recovered, reworked, regrinded, and reintroduced into the molding production cycle. This ensures effective waste recycling and minimizes the environmental impact of company operations. Products manufactured using this technique, while maintaining the performance expected of products made from 100% virgin material, generally have a composition ranging from 5% to 10% recycled material, depending on the product type and technical specifications. This does not compromise product compliance with UL certification, which allows for the integration of up to 25% recycled material within products without compromising the required quality and safety.

The almost exclusive use of recycled paper for administrative and communication purposes is a further example of Italtronic's commitment to sustainability and circularity. It's important to emphasize that this choice, in addition to helping reduce the company's ecological footprint, is part of a market trend increasingly oriented toward sustainable and low-impact products.

Our performance and future goals

[MDR-A Actions – Actions and resources related to relevant sustainability issues; MDR-T Objectives – Monitoring the effectiveness of policies and actions through targets]

In the coming years, Italtronic has decided to maintain and consolidate the practices already implemented. At the same time, the company intends to adopt an increasingly integrated and systemic approach to the circular economy, extending its principles to a growing number of business processes and areas. This objective requires ongoing evaluation of production flows and procurement policies, with the aim of identifying further opportunities to reduce waste, reuse resources, and reuse end-of-life materials, thus making sustainability not a finish line, but an evolutionary path.

ACTIONS EXPECTED	KPI	PERFORMANCE 2024	OBJECTIVE 2025	OBJECTIVE 2026	OBJECTIVE 2027
Increase the % of material recycled in products that they allow	% of material deriving from the sprues	20%	25%	Maintenance	Maintenance

POLLUTION

[MDR-P Policies – Policies adopted to manage relevant sustainability issues; SBM-3 – Relevant impacts, risks, and opportunities and their interaction with the strategy and business model]

In the current context, where sustainability is a fundamental principle for responsible companies, Italtronic has developed an environmental policy based on a concrete commitment to reducing pollution and the responsible management of natural resources. The company has adopted a proactive approach aimed at minimizing the environmental impact of its operations, pursuing the goal of operating in harmony with the environment and contributing, through targeted actions, to ecosystem protection. One of the crucial areas in this regard is waste management, with particular attention to toxic waste. Italtronic stands out for its timely and legally compliant management of such waste, ensuring that every stage of the disposal process strictly complies with national and international environmental regulations. This approach, in addition to ensuring the safety and protection of the territory, also represents an opportunity to significantly reduce the risk of soil, water, and air contamination. Additionally, Italtronic has adopted a sustainable approach to its paper materials: it favors products with FSC (Forest Stewardship Council) certification, thus contributing to forest protection and responsible forestry practices. The use of FSC-certified materials not only ensures that resources are harvested sustainably, but also underscores Italtronic's commitment to reducing the environmental impact of deforestation and promoting responsible forest management.

The integration of these sustainable practices into the company strategy also extends to employee awareness and training, ensuring that good environmental practices are applied throughout every stage of the production process. Italtronic is constantly committed to optimizing its operations to reduce the amount of waste generated, promoting reuse and recycling, and favoring more efficient solutions that minimize the overall environmental impact.

Our performance and future goals

[MDR-A Actions – Actions and resources related to relevant sustainability issues; MDR-T Objectives – Monitoring the effectiveness of policies and actions through targets]

As described in the previous paragraph, Italtronic's production waste is properly sorted, collected, and disposed of. A portion of the processing waste is reintroduced into the production flow, helping to reduce the amount of waste to be disposed of externally. Based on the company's MUD, the following are the company's outgoing resource flows:

OUTGOING RESOURCE FLOWS	WASTE INTENDED FOR RECYCLING OR REUSE (KG)		DESTINED WASTE FOR DISPOSAL	
	2023	2024	2023	2024
Non-hazardous waste				
Plastic filings and shavings	604	837	0	0
Plastic waste - solidified waste of mixed plastic material	946	979	0	0
Plastic waste - plastic production waste	6,736	7,466	0	0
Aqueous liquid waste - compressor condensate	0	0	2.610	2,480
Aqueous liquid waste - press circuit water	0	0	0	870
Total non-hazardous waste	8,286	9,282	2.610	3,350

OUTGOING RESOURCE FLOWS	WASTE INTENDED FOR RECYCLING OR REUSE (KG)		DESTINED WASTE FOR DISPOSAL	
	2023	2024	2023	2024
Hazardous waste				
Waste paints and varnishes containing organic solvents or other hazardous substances	50	40	0	0
Non-chlorinated mineral engine, gear and lubrication oil wastes	0	20	30	0
Absorbents, filter materials (including oil filters), rags and protective clothing, contaminated by hazardous substances	30	30	0	0
Packaging containing residues of hazardous substances or contaminated by such substances	80	120	0	0
Aqueous liquid waste - used detergent	0	0	100	0
Total hazardous waste	160	210	130	0

ENERGY AND EMISSIONS

[MDR-P Policies – Policies adopted to manage relevant sustainability issues; SBM-3 – Relevant impacts, risks, and opportunities and their interaction with the strategy and business model]

This topic refers to energy management, energy consumption, and the production and emissions of CO2 and other air pollutants, as well as corporate policies to limit its environmental impact and contribute to the fight against climate change. Italtronic is engaged in a significant technological and organizational renewal process that has seen, among other things, the gradual replacement of traditional lighting with LEDs, both in production and offices, thus improving energy efficiency and creating more comfortable work environments. The largest gas boiler in the plant has been replaced with a heat pump, an intervention that offers the possibility of significantly reducing the company's environmental footprint. Unlike traditional boilers, which burn fossil fuels and generate CO2 emissions, heat pumps exploit the thermal energy present in the external environment to heat and cool the interior spaces. This operating principle allows for very high energy efficiency, superior to that of gas boilers, which can also translate into economic savings as well as representing a benefit for the environment.

Our performance and future goals

[MDR-A Actions – Actions and resources related to relevant sustainability issues; MDR-T Objectives – Monitoring the effectiveness of policies and actions through targets]

As part of its commitment to environmental sustainability, Italtronic has undertaken a detailed mapping of its energy consumption in recent years, with the aim of systematically monitoring the main sources of impact and the trend of energy use within the plant. In line with this vision, the company has entered into an energy supply contract that includes renewable sources, thus ensuring that energy needs are met while generating minimal direct CO2 emissions.

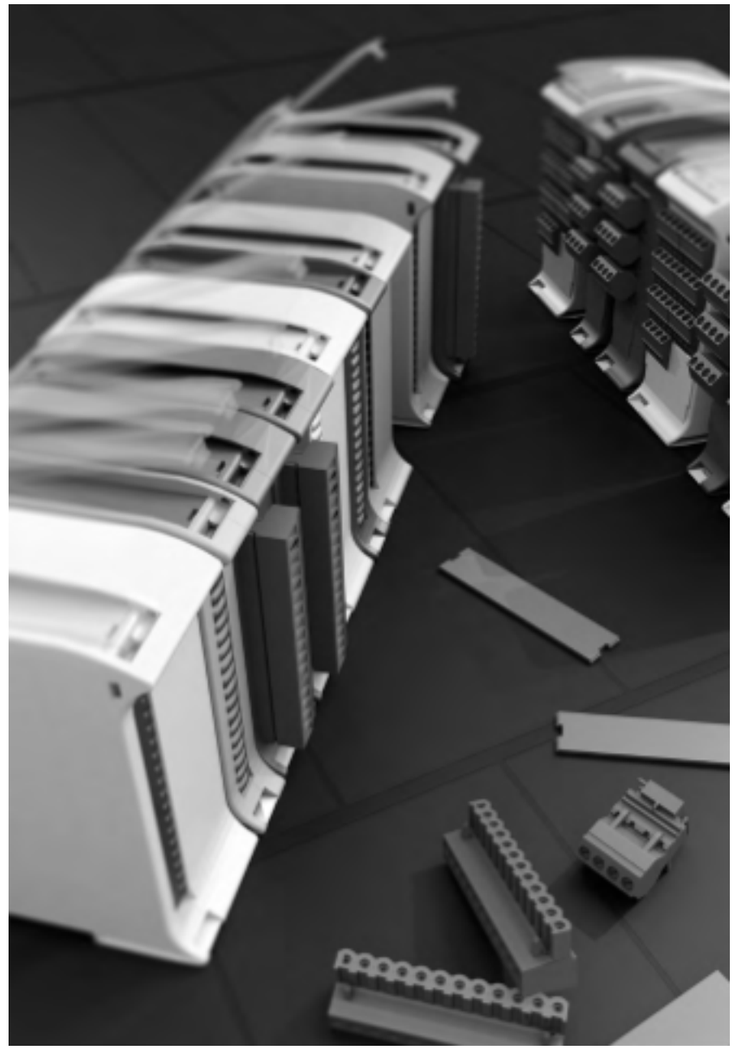
Note: the energy mix calculation was carried out using market-based values, and not location-based ones.

ENERGY CONSUMPTION AND ENERGY MIX		2023	2024
FOSSIL SOURCES	Fuel consumption from coal and coal products (MWh)	0	0
	Fuel consumption from crude oil and petroleum products (MWh)	250.34	336.67
	Natural gas fuel consumption (MWh)	104.72	99.38
	Consumption of fuels from other non-renewable sources (MWh)	0	0
	Consumption of electricity, heat, steam and cooling from fossil fuels, purchased or acquired (MWh)	0	0
	Total energy consumption from fossil fuels (MWh)	355.06	436.04
	Share of fossil fuels in total energy consumption (%)	46%	50%
NUCLEAR SOURCES	Consumption from nuclear sources (MWh)	0	0
	Share of nuclear sources in total energy consumption (%)	0%	0%
RENEWABLE SOURCES	Consumption of fuels from renewable sources, including biomass (also includes industrial and municipal waste of biological origin, biogas, renewable hydrogen, etc.) (MWh)	0	0
	Consumption of electricity, heat, steam and cooling from renewable sources, purchased or acquired (MWh)	413.5	428.79
	Consumption of self-produced renewable energy without using fuels (MWh)	0	0
	Total energy consumption from renewable sources (MWh)	413,49619	428,794995
	Share of renewable sources in total energy consumption (%)	54%	50%
TOTAL ENERGY CONSUMPTION (MWH)		768.56	864.84

GROSS GHG EMISSIONS OF SCOPE 1 AND 2 AND TOTAL GHG EMISSIONS	2023	2024
SCOPE 1 GHG EMISSIONS		
Scope 1 gross GHG emissions (tCO2eq)	98.53	123.08
Percentage of Scope 1 GHG emissions covered by regulated emissions trading systems (%)	0	0
SCOPE 2 GHG EMISSIONS		
Scope 2 gross GHG emissions based on location (tCO2eq)	0	0
Market-based Scope 2 gross GHG emissions (tCO2eq)	0	0
TOTAL GHG EMISSIONS		
Total GHG emissions (location-based) (tCO2eq)	98.53	123.08
Total GHG emissions (market-based) (tCO2eq)	98.53	123.08

The new European directive on non-financial reporting requires tracking the impacts of the supply chain, understood in a broad sense; Italtronic will therefore need to begin a structured process of evaluating and collecting data on suppliers and their respective supply chains. This process can be gradual and begin with a calculation of direct (Scope 1) and indirect (Scope 2) emissions. In this regard, the installation of LED lighting and a heat pump has certainly contributed and will contribute to reducing direct emissions and company consumption. With a view to reducing CO2 emissions, over the next year, the company will proceed with the analysis of indirect emissions and the development of a supplier qualification system.

PLANNED ACTIONS	KPI	OBJECTIVE 2025	OBJECTIVE 2026	OBJECTIVE 2027
Develop the calculation of emissions indirect (Scope 3)	Developing an LCA of product on managed categories internally	Preparation	50%	100%



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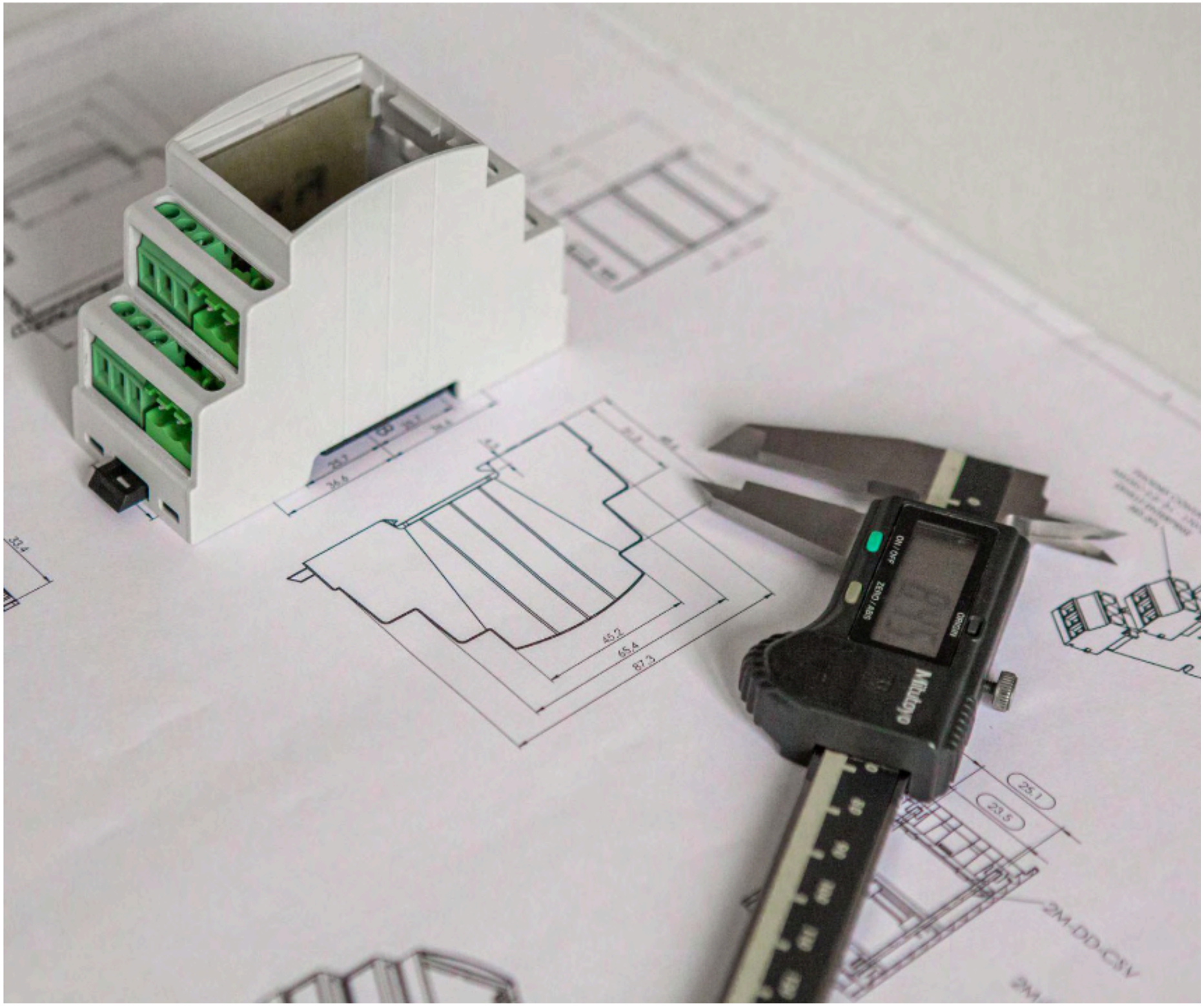


PEOPLE

07.

PEOPLE

[ESRS S1, ESRS S4]

As formalized in Italtronic's corporate policy, the company is committed to valuing and developing the people who work within its organization, considering each person a valuable resource. Italtronic is formally committed to long-term compliance with the SA8000 requirements regarding child labor, forced and compulsory labor, freedom of association, and the right to collective bargaining. The fight against discrimination and respect for diversity and human rights are among Italtronic's core values. Human resources management aims to foster the professional growth of its employees, offering training programs that enable each person to gain awareness of their role, encouraging their active participation in company dynamics. Additionally, Italtronic provides employee benefits through a form of employee reward program. Overall, it is a company where open dialogue is encouraged and where extracurricular activities are organized—for example, some employees participated in a charity running event on behalf of the company. The option of working remotely is available for the white-collar workforce; flexible working hours are currently being implemented, except for production.

CHARACTERISTICS OF COMPANY EMPLOYEES	2023			2024		
	F	M	TOTAL	F	M	TOTAL
Number of employees (in number of people/FTE)	12.25	21.8	34.05	12.75	22.8	35.55
Number of permanent employees (in number of people/FTE)	10.25	20.8	31.05	12.25	20.8	33.05
Number of fixed-term employees (in number of people/FTE)	2	1	3	0.5	2	2.5
Number of employees on variable hours (in number of people/FTE)	0	0	0	0	0	0
Number of full-time employees (in number of people/FTE)	11	21	32	11	22	33
Number of part-time employees (in number of people/FTE)	1.25	0.8	2.05	1.75	0.8	2.55

CHARACTERISTICS OF COMPANY EMPLOYEES (BY GENDER)	2023	2024
Men	22	23
Women	13	14
other	0	0
Not communicated	0	0
TOTAL EMPLOYEES	35	37

HEALTH AND SAFETY

[MDR-P Policies – Policies adopted to manage relevant sustainability issues; SBM-3 – Relevant impacts, risks, and opportunities and their interaction with the strategy and business model]

Italtronic, as part of its corporate policy, has formally committed to upholding the ethical values shared in its code of conduct and to ensuring health and safety in the workplace. In addition to complying with all applicable regulations, management has established a schedule to ensure staff are always up to date with safety training courses. Risk assessments, based on

compliance with the ISO:9001 scheme, is correctly completed and updated. Maintaining a safe work environment also involves regular maintenance of machinery, which is carried out by workers appropriately trained to perform this task. In this way, the risks associated with malfunctions and incorrect use of machinery are significantly reduced, with concrete benefits on the number of accidents and incidents.

Our performance and future goals

[MDR-A Actions – Actions and resources related to relevant sustainability issues; MDR-T Objectives – Monitoring the effectiveness of policies and actions through targets]

Over the last two years, Italtronic has maintained excellent performance in terms of worker health and safety: no accidents or work-related injuries have been recorded. The policies implemented within the company are therefore proving effective, ensuring a healthy work environment, thanks in part to the training provided on these issues and constant monitoring of production facilities.

HEALTH AND SAFETY METRICS	2023	2024
Percentage of own workers covered by the company's health and safety management system based on legal requirements and/or recognised standards or guidelines;	100%	100%
Number of deaths due to work-related injuries and illnesses;	0	0
Number and rate of recordable workplace injuries	0	0
Number of recordable cases of work-related illnesses	0	0
number of days lost due to injuries and deaths at work resulting from work-related accidents, work-related illnesses and deaths resulting from illnesses	0	0

PLANNED ACTIONS	KPI	OBJECTIVE 2025	OBJECTIVE 2026	OBJECTIVE 2027
Maintain the number of injuries at 0	Number of recordable workplace injuries	0	0	0

Growth opportunities

Italtronic places particular emphasis on developing its staff's skills, offering a wide range of training opportunities. Over the past two years, it has organized English language courses to foster the internationalization of working relationships, leadership training programs to strengthen the managerial skills of key personnel, and role-specific technical training initiatives, such as courses in foreign invoicing. Of particular importance is the introduction of an internal Academy, a strategic initiative aimed at creating a continuous and personalized growth path for all employees.

TRAINING AND PROFESSIONAL DEVELOPMENT	2024	
	WOMEN	MEN
Percentage of employees who participated in periodic performance and career development reviews	1	1
Average number of training hours per employee and by gender	24	24

It is important to note that Italtronic's turnover rate is very low: employees have considerable seniority within the company, demonstrating the organization's commitment to enhancing its human resources and promoting a corporate culture focused on professional growth and skills development, which also ensures operational continuity and the company's growth.

Our performance and future goals

[MDR-A Actions – Actions and resources related to relevant sustainability issues; MDR-T Objectives – Monitoring the effectiveness of policies and actions through targets]

Italtronic's commitment to the promotion and well-being of its employees has been reflected in the adoption of group policies, which have led to the development of a corporate code of conduct and company regulations that describe and regulate employee rights.

Over the next few years, the organization intends to conduct a corporate climate assessment to evaluate its personnel policies. Furthermore, it intends to develop a career management model to enhance its employees' technical skills, including opportunities for growth within the organization, performance evaluation tools, and training programs consistent with the career plan.

PLANNED ACTIONS	KPI	OBJECTIVE 2025	OBJECTIVE 2026	OBJECTIVE 2027
Develop an investigation of climate	Percentage of respondents on the total company population	10%	25%	40%
Develop a people model management	Percentage of people with a career plan compared to the total	3.50%	10%	20%

CUSTOMER MANAGEMENT

[MDR-P Policies – Policies adopted to manage relevant sustainability issues; SBM-3 – Relevant impacts, risks, and opportunities and their interaction with the strategy and business model]

Italtronic is a dynamic and innovative company, always attentive to the latest market trends. This innovative attitude is also reflected in the company's customer relationships: Italtronic has built solid and lasting relationships with its customers over time, knowing how to respond to their needs and nurturing these relationships to ensure mutual satisfaction. This satisfaction also comes from the ability for customers to interact with a single point of contact for problem resolution.

issues that may arise with orders or products. This practice, which eliminates the need for third-party involvement, ensures greater efficiency, smoother communication, and greater customer satisfaction. Mutual trust and the ability to adapt to the ever-changing needs of stakeholders represent a fundamental added value for Italtronic's success.

For Italtronic, customers are a driving force to continue working on product and service quality, continually seeking their satisfaction, including in terms of social responsibility, through active and transparent communication of objectives and performance, as demonstrated in this document. The company is therefore committed to ensuring compliance with applicable laws, contracts, and relevant agreements at all times, and to constantly improving its social, ethical, and environmental performance.

Our performance and future goals

[MDR-A Actions – Actions and resources related to relevant sustainability issues; MDR-T Objectives – Monitoring the effectiveness of policies and actions through targets]

The strength of its existing multi-year relationships is of great value to Italtronic, which it intends to protect and consolidate in the future. With this in mind, Italtronic has set itself the goal of initiating a structured process of listening to and assessing customer satisfaction, with the aim of gathering valuable feedback for the continuous improvement of its services and products.

PLANNED ACTIONS	KPI	OBJECTIVE 2025	OBJECTIVE 2026	OBJECTIVE 2027
Conduct a customer satisfaction questionnaire	Questionnaire No. disbursed	140	160	200
Monitor contracting	No. of contracts new	2	4	6

08.



B IMPACT ASSESSMENT

08.

B IMPACT ASSESSMENT

To assess its positioning within its sector and measure the company's impact, Italtronic used, in addition to the standards associated with the CSRD, the third-party B Impact Assessment standard. The BIA is an assessment tool that helps companies evaluate their impact on stakeholders, communities, customers, and the environment. Through an evaluation process, it highlights areas for improvement, assessing the company's business model for its ability to respond to environmental and social challenges, and finally measuring the impact of the services offered.

The B Impact Assessment results are expressed as an overall company score between 0 and 200, indicating a virtuous process starting from 80 points (from which it is also possible to obtain B Corp certification), and are detailed in five main impact areas. Specifically:



Governance:

issues relating to ethics, transparency and corporate mission, evaluating the integration of social and environmental objectives in employee performance evaluations;

Workers:

issues relating to health and safety, financial well-being, professional development, and the level of engagement and satisfaction of employees and collaborators;

Community:

issues related to inclusion, economic impact, supply chain management, and civic engagement;

Environment:

issues relating to climate change and natural resource management;

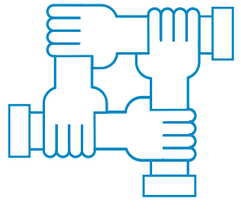
Clients:

topics related to customer interaction and improving impact.

The impact measurement process for the 2023 reporting year concluded with a score of 35.8. Italtronic's score is consistent with the positioning of a company that is using this tool for the first time and is not aiming for B Corp certification.



Below are the scores obtained in the five impact areas analyzed by the BIA:



Score 1.5

GOVERNANCE

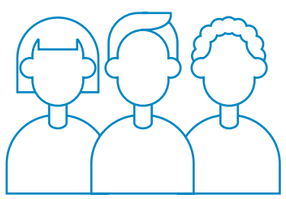
Italtronic achieves this score thanks to its Code of Ethics and the sharing of its values and mission; the level of stakeholder engagement can be improved, and specific environmental and social objectives can be assessed for management.



Score 14.7

WORKERS

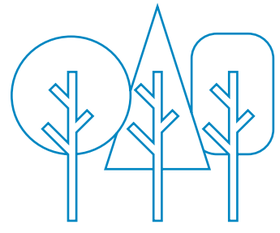
Italtronic is in line with the national score in this area; however, improvements are possible regarding parental leave and the employee skills evaluation process.



Score 9.0

COMMUNITY

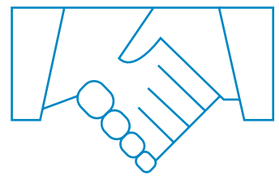
The community area achieves this score thanks to Italtronic's supply chain structure; however, there are opportunities for improvement on several fronts, starting with its commitment to diversity, inclusion, equity, and gender equality.



Score 9.4

ENVIRONMENT

Incorporating environmental considerations into Italtronic's decision-making processes, integrating the projects carried out over the years into a cohesive strategy, could be a first step toward improving performance in this area. It could also address energy procurement and various resource-saving measures (e.g., water).



Score 0.9

CUSTOMER

Italtronic scores well for its proper data privacy management; its customer service department doesn't allow for a significantly higher score.

09.



APPENDIX:

MATERIALITY AND DOUBLE MATERIALITY ANALYSIS

09.

APPENDIX: MATERIALITY AND DOUBLE MATERIALITY ANALYSIS

The dataset developed according to the criteria listed at the beginning of this report is presented to participants, synchronously or asynchronously, in order to acquire subjective assessments from each one, aimed at assigning, to each evaluated item, a unique positioning within a SWOT Matrix (Strengths, Weaknesses, Opportunities, Threats).

The SWOT Matrix takes into account three different criteria:

- EXTERNAL-INTERNAL, i.e. exogeneity or endogeneity of the element treated;
- POSITIVE-NEGATIVE, in terms of effects produced by the element in the organizational context being treated;
- RELEVANCE, or extent of such impacts.

This attribution is carried out by participants within the Mosaic – Design your Decision web application, answering six questions for each item considered.

The questions are:

Outside vs Inside

- Is the element described determined by factors external or internal to the context?
- Will the described element produce greater effects in the future or has it produced greater effects in the past?

Positive vs. Negative

- Is the element described positive or negative?
- Does the item described represent a resource to be counted on or a need/problem to be addressed?

Relevance

- How much does the described element impact the economic context?
- How much does the described element impact the context at an environmental and/or social level?

Ratings are collected using a 15-point Likert scale (-7 to +7 for External vs. Internal and Positive vs. Negative and 1 to 15 for Relevance).

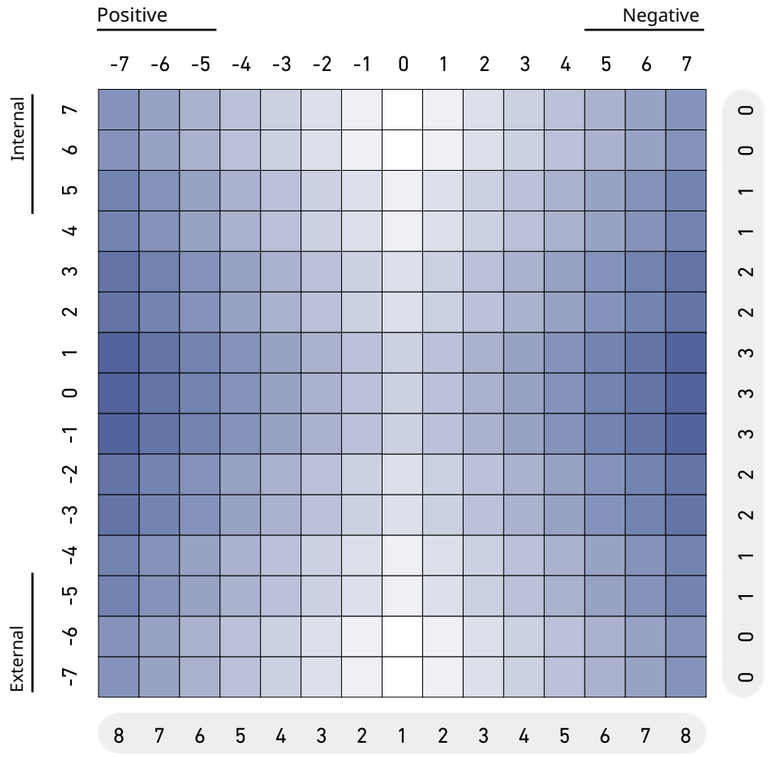
The elements evaluated as Positive and Internal are considered Strengths. The Negative and Internal elements are considered Weaknesses. The Positive and External elements are Opportunities and the Negative and External elements are Threats.

For the purposes of the Materiality Analysis, the values assigned to the items are processed according to a codified algorithm. Each item rated by a participant is converted into a raw individual materiality index by adding the values resulting from this conversion table:

External														Internal
-7	-6	-5	-4	-3	-2	-1	0	1	2	3	4	5	6	7
0	0	1	1	2	2	3	3	3	2	2	1	1	0	0

Positive														Negative
-7	-6	-5	-4	-3	-2	-1	0	1	2	3	4	5	6	7
8	7	6	5	4	3	2	1	2	3	4	5	6	7	8

Irrelevant															Relevant
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	



The conversion algorithm between the SWOT Matrix and the Materiality Matrix can be graphically represented as in the image above. As can be seen, the polarized positive or negative values and those considered to be at the boundary between internal and external to the organization are given greater weight. These elements complement the relevance elements, which carry almost double the weighting (15 points compared to 8 for the positive-negative criterion and 3 for the external-internal criterion).

It's important to note that the final question regarding the utility of the analysis was dedicated, during the survey, to obtaining opinions regarding the economic and financial impacts for the organization related to the specific item assessed. This element is considered separately when calculating the so-called Double Materiality.

The sum obtained is multiplied by 100 and divided by the maximum score resulting from the formula:

2 * MAXIMUM EXTERNAL-INTERNAL VALUE + 2
* MAXIMUM POSITIVE-NEGATIVE VALUE +
2 * MAXIMUM RELEVANCE VALUE

In the default setting, this value is equal to 52 (2*3+2*8+2*15). The algorithm can be modified within the dedicated digital dashboard in cases where there are compelling analytical reasons for altering the framework of standard assumptions. In this way, the individual material value is expressed in percentiles. The assessments expressed by Internal and External Stakeholders are therefore separated and processed separately in parallel.

Subsequently, for each item considered, and for each subgroup of participants (internal and external stakeholders) the following are calculated:

- Average of individual materiality indices (M);
- Standard Deviation of individual materiality indices (DT);
- Number of participants who rated the specific item (U).

Two standard coefficients are also considered (typically, the CR coefficient is set to 1 and the CD coefficient to 2 but they can be changed transparently for justified analytical reasons):

- Respondent number coefficient (CR);
- Dispersion coefficient (CD).

The final materiality index, disjoint between internal and external, is therefore calculated with the following function:

M + (CR * U) / (1 + CD * DT)

If only one participant rated a given item, its material value is equal to its individual materiality index. Therefore, the average individual materiality value is adjusted based on the number of users who chose to rate the item and the dispersion in the sample regarding the item's ratings. Therefore, materiality will be higher for items with higher ratings and lower for those with ratings characterized by a higher standard deviation. Coefficients can be used to amplify this adjustment effect.

Through the previous mathematical steps, each item is then associated with an internal and external materiality value. These values are finally standardized through a statistical process called Z-score calculation.

The following are considered:

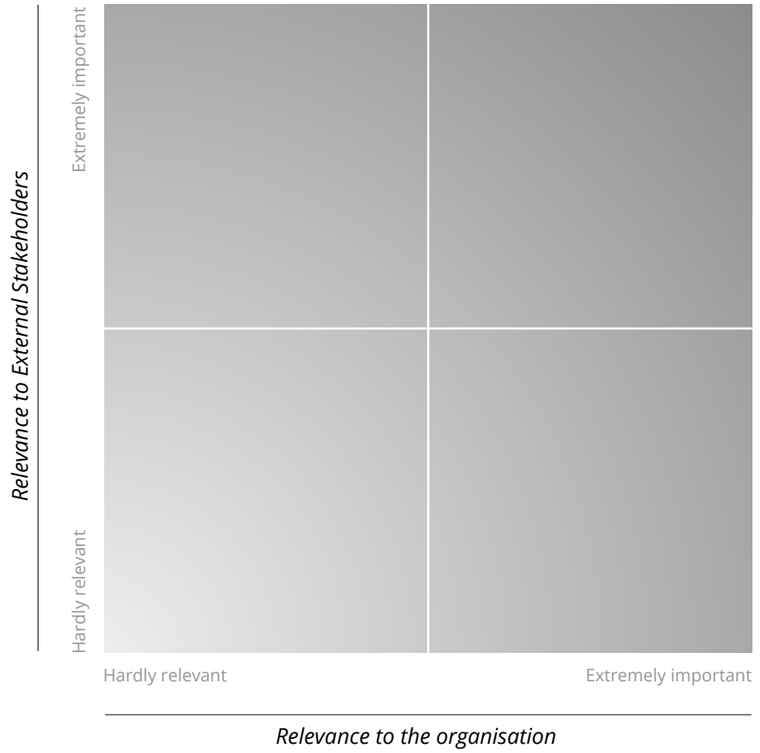
- The materiality score of an item x for stakeholders (either internal or external) (X);
- the average of the materiality scores for all the items evaluated by the stakeholders (always considered separately) (MED);
- the standard deviation of the materiality scores for all items assessed by stakeholders (always considered separately) (DEVST),

The formula for calculating the Z-score is as follows:

(X – MED) / DEVST

Therefore, the Z-score refers to the number of standard deviations of each data value from the mean, where a z-score of zero indicates the exact mean.

Standardization allows you to visualize the materiality scores of items within a Cartesian coordinate system divided into four quadrants, originating from the intersection of the mean values for internal and external stakeholders. The values for internal stakeholders are expressed on the abscissa (horizontal line) and those for external stakeholders on the ordinate (vertical line).



The top right quadrant (Q1: +;+) displays items with positive values, therefore above average, for both internal and external respondents. The bottom right quadrant (Q2: +;-) contains negative values for external respondents (below average) but positive for internal respondents. The bottom left quadrant (Q3: -;-) contains negative values for both groups. Finally, the top left quadrant (Q4: -;+) contains positive values (above average) for external respondents but negative for internal respondents.

In calculating Dual Materiality, the procedure described is replicated separately, considering only the values assigned by participants when evaluating the items in their responses to question 6. As mentioned, during the administration, participants are instructed to evaluate, on that occasion, the relevance of the item's economic and financial impact on the organization.

The general materiality Z-scores (average of internal and external stakeholder materiality), located on the x-axis, are combined with the economic-financial materiality Z-scores (average of internal and external stakeholder materiality), located on the y-axis. Q1 will thus represent the values deemed material by both internal and external stakeholders, both in general terms (considering environmental, social, and governance elements) and in economic-financial terms.

In conclusion, the entire process of measuring the materiality of the items included in the analysis dataset occurs systematically, analytically, and automatically. The data, originally collected digitally, upon assessment by stakeholders consulted within the Mosaic – Design your Decision web application, is returned in the Materiality Matrix representation, without subjective interpretation or tampering, according to the mathematical and statistical process described above. The results are therefore repeatable and verifiable by any external observer.

10.

KPI Index	page
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KPI INDEX

italtronic

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