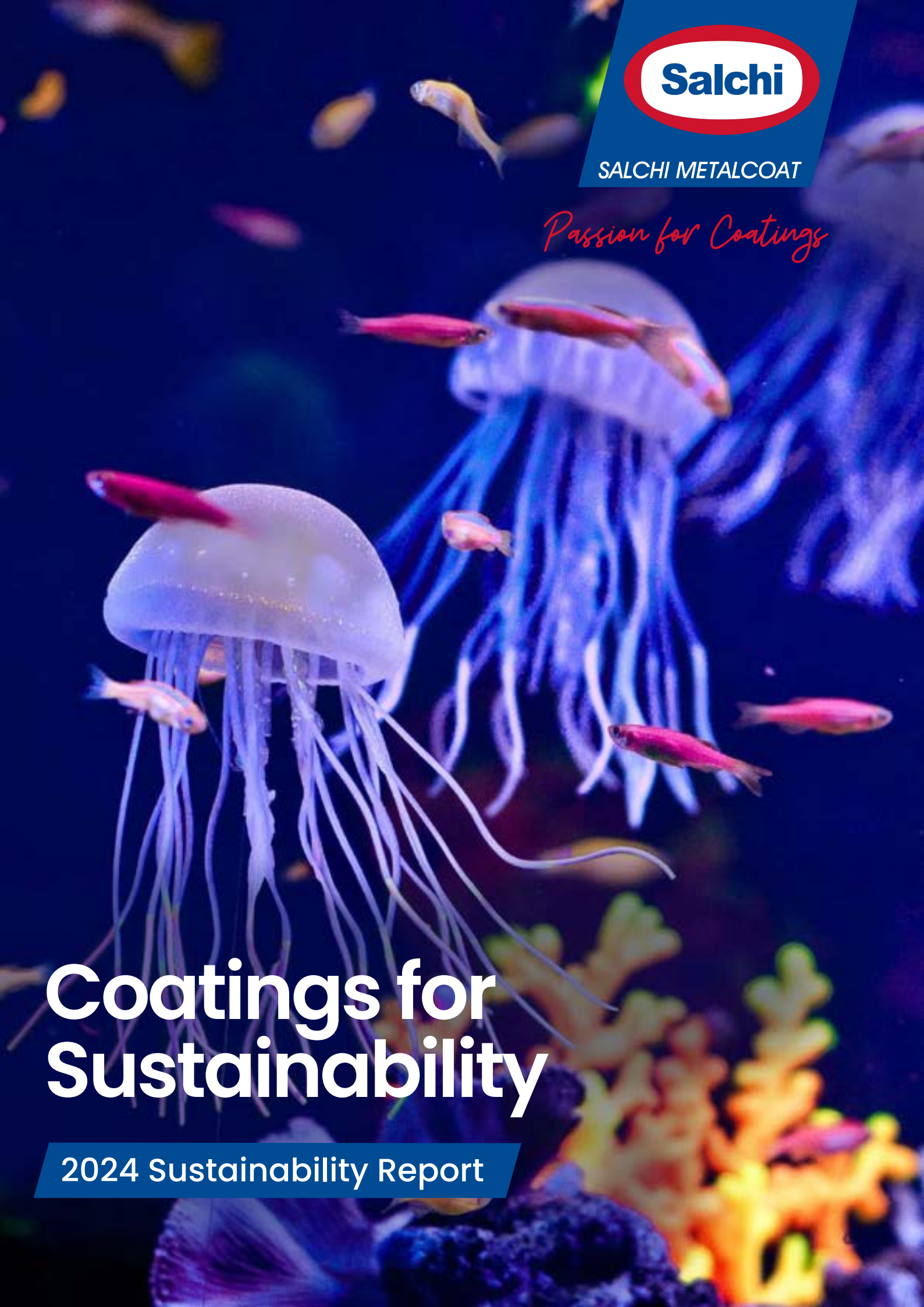

Salchi

SALCHI METALCOAT

Passion for Coatings

Coatings for Sustainability

2024 Sustainability Report

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Introduction

Letter to Stakeholders

Dear stakeholders,

the year 2024 was one of challenges and transformations for Salchi Metalcoat, faced with determination and a strong sense of responsibility. In a rapidly evolving context, we strengthened our ability to adapt by investing in safety, innovation, and the mindful management of resources.

With this Sustainability Report — prepared in accordance with the new European ESRS standards — we aim to provide a clear account not only of the results achieved, but also of the commitments that lie ahead. The measurement of emissions across our entire value chain, the growing share of renewable energy, and the improved performance in waste recovery all demonstrate the progress we are making towards a more circular and resilient model.

At the heart of our growth are our people. In 2024, our workforce grew, with a significant increase in female representation and greater balance in key positions. The achievement of the UNI/PdR 125:2022 Gender Equality Certification stands as tangible proof of our commitment to fostering an inclusive and equitable workplace.

We also intensified our training programs, reaffirming our determination to invest continuously in skills development and workplace safety.

At the same time, the innovation of our products — developed in full compliance with the most stringent regulations and with growing attention to sustainability — confirmed our reliability in the eyes of both clients and international markets.

The strength of our processes was further reinforced through structured systems of internal control and risk management, ensuring transparency, accountability, and operational continuity across the value chain, while consolidating stakeholder trust.

> “Looking ahead, we know that sustainable growth requires long-term vision as well as the ability to turn every goal into concrete action. With this same determination, we will continue building lasting value for our people, our clients, and the communities we are part of.

We thank all of you — employees, partners, customers, and communities — for the support and trust that make this shared journey possible.

Sebastiano Brenni
Chief Executive Officer
Salchi Metalcoat

History

Salchi Metalcoat traces its origins back to 1993, when it was established as a joint venture between the Italian company Salchi S.p.A., owned at the time by a Swiss industrial family (later sold in 1998 to BASF Coatings), and the German Rhenania Chemische GmbH, part of the Altana Group.

The newly created entity, then named Salchi Rhenacoat S.r.l., brought together the partners' activities in coil and packaging coatings.

Following the dissolution of the joint venture in 2004, the Company adopted the name Salchi Metalcoat and has since remained fully owned and managed by the Swiss family of industrialists.

Over the years, Salchi has expanded its operations through a series of strategic acquisitions: in 1994, the Italian coil coating division of Akzo Nobel; in 2000, the packaging and coil coating business of Siderius S.p.A.; in 2005, the repair technology for easy-open closures from Qualitech/BASF Coatings; in 2011, the metal packaging business of Rembrandtin (Vienna); and in 2017, the metal packaging portfolio and markets of Schekolin (Liechtenstein). At the same time, the Company reinforced its industrial site in Burago di Molgora (Italy).

After the inauguration of its first production unit in 1998, the site was expanded southward in 2005 through the acquisition of 20,000 sqm of land. In 2014, the Company incorporated the adjacent northern facility, formerly ALCEA Industries (2011–2014, following its bankruptcy), which had previously been owned by BASF Coatings (1998–2011) and, before that, by Salchi S.p.A. (from the 1960s to 1998). Since then, the Company has operated on nearly 90,000 sqm, increasing production capacity by restarting former BASF units and installing a new automated line for small- to medium-batch production.

> "Today, Salchi employs 177 people and concentrates all its manufacturing, R&D, and commercial activities at the Burago site.

GENERAL DISCLOSURES

Salchi voluntarily communicates its ESG (Environmental, Social and Governance) disclosures in accordance with the European Sustainability Reporting Standards (ESRS), segmenting the time horizon into short, medium, and long term:

Short -term: *the reporting period adopted for the Company's financial statements;*

Medium -term: *from the end of the short-term reference period up to five years;*

Long -term: *a time horizon longer than five years.*

The reference period for Salchi's sustainability statement is from 1 January 2024 to 31 December 2024.
Where impacts or actions are expected with a time horizon longer than five years, the Company applies an additional segmentation of the long term, in order to ensure a clear, consistent, and time-distributed representation of information.

The information included in the sustainability report provides a transparent understanding of Salchi's ESG impacts and how these affect the Company's strategic development, performance, and market positioning. In addition, following the sustainability due diligence process and the materiality assessment, significant business relationships — both direct and indirect — across the value chain, upstream and downstream, are reported, in line with the cross-cutting and topic-specific disclosure requirements of the ESRS. The statement is prepared in accordance with the principles of relevance, comparability, and verifiability.

SUSTAINABILITY GOVERNANCE

General disclosures (ESRS 2 - GOV 1, GOV 2, GOV 3, GOV 4, GOV 5)

Administrative, Management and Supervisory Bodies

Salchi Metalcoat adopts a structured, multi-level governance model, in accordance with Articles 2380 et seq. of the Italian Civil Code, ensuring effective strategic oversight and responsible management of ESG matters. The Board of Directors ("BoD"), composed of six members, holds ultimate responsibility for sustainability, promoting the integration of ESG factors into decision-making processes.
The Chief Executive Officer, supported by first-level management, defines sustainability strategies and monitors the achievement of objectives. The control system is reinforced by the assignment of the statutory audit to an independent third party, Deloitte & Touche S.p.A., ensuring transparency and reliability of the reported information.

The BoD is the Company's primary governing body. Its members are responsible for setting overall strategy, including sustainability objectives.

GOVERNANCE STRUCTURE - BoD	2023		2024	
Executive members	**Total**	**Total (%)**	**Total**	**Total (%)**
Executive members MEN	3	75	3	75
Executive members WOMEN	1	25	1	25
Non-executive members	**Total**	**Total (%)**	**Total**	**Total (%)**
Non-executive members MEN	2	100	2	100
Non-executive members WOMEN	0	0	0	0
Employees representation	**Total**	**Total (%)**	**Total**	**Total (%)**
Employees representatives	1	17	1	17
Non-employee members	5	83	5	83
Members with ESG expertise	**Total**	**Total (%)**	**Total**	**Total (%)**
Members with ESG expertise	5	83	5	83
Members without ESG expertise	1	17	1	17

CEO and Management: The CEO and executive managers implement the strategies defined by the Board and ensure compliance with sustainability obligations.

GOVERNANCE STRUCTURE – Executive management	2023		2024	
Executive members	**Total**	**Total (%)**	**Total**	**Total (%)**
Executive members MEN	3	50%	3	50%
Executive members WOMEN	3	50%	3	50%
Non-executive members	**Total**	**Total (%)**	**Total**	**Total (%)**
Non-executive members MEN	0	0%	0	0%
Non-executive members WOMEN	0	0%	0	0%
Employees representation	**Total**	**Total (%)**	**Total**	**Total (%)**
Employees representatives	6	100%	6	100%
Non-employee members	0	0%	0	0%
Members with ESG expertise	**Total**	**Total (%)**	**Total**	**Total (%)**
Members with ESG expertise	6	100%	6	100%
Members without ESG expertise	0	0%	0	0%

The Sustainability Committee, composed of members of the Board and executive management, oversees sustainability governance, monitors impacts, and provides recommendations for improvement.

GOVERNANCE STRUCTURE – Sustainability Commitee	2023		2024	
Executive members	**Total**	**Total (%)**	**Total**	**Total (%)**
Executive members MEN	1	25%	1	25%
Executive members WOMEN	3	75%	3	75%
Non-executive members	**Total**	**Total (%)**	**Total**	**Total (%)**
Non-executive members MEN	0	0%	0	0%
Non-executive members WOMEN	0	0%	0	0%
Employees representation	**Total**	**Total (%)**	**Total**	**Total (%)**
Employees representatives	3	75%	3	75%
Non-employee members	1	25%	1	25%
Members with ESG expertise	**Total**	**Total (%)**	**Total**	**Total (%)**
Members with ESG expertise	4	100%	4	100%
Members without ESG expertise	0	0%	0	0%

	2023	2024
Percentage of variable remuneration linked to sustainability objectives and/or impacts - BoD	ND	50%
Percentage of variable remuneration linked to sustainability objectives and/or impacts – Executive management	ND	21%
Percentage of variable remuneration linked to sustainability objectives and/or impacts – Sustainability Committee	ND	42%

The governing bodies receive regular updates on ESG impacts, risks and opportunities, ensuring their integration into strategic and operational decisions. Relevant functions provide information in proportion to the materiality of the topics, enhancing awareness and enabling active involvement in strategic discussions.

Sustainability governance is supported by formal policies, measurable targets and advanced monitoring tools, allowing continuous evaluation of effectiveness and timely adjustment of strategies in line with results and regulatory developments.

During the reporting period, the governing bodies discussed priority ESG topics including decarbonisation, energy efficiency, health and safety, product responsibility and supply chain sustainability. The link between ESG performance and variable remuneration, already in place, was formalised in 2024 and applies to the Board of Directors, management and the Sustainability Committee.

Sustainability Due Diligence

In line with the EU Corporate Sustainability Due Diligence Directive (CSDDD), Salchi applies a structured, ongoing process to identify, prevent, mitigate and, where necessary, remediate actual and potential adverse impacts on human rights and the environment across its value chain.

This due diligence is embedded in corporate strategy, shaping the business model, operations and commercial relationships. It is carried out in accordance with the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises.

CORE ELEMENTS OF DUE DILIGENCE	PARAGRAPHS IN SALCHI'S SUSTAINABILITY STATEMENT
a) Embedding Due diligence in governance, strategy, and business model	1.1.1 Administrative, management and supervisory bodies 1.2.1 Market position, strategy, business model, and value chain 1.2.2 Our products
b) Engaging with affected stakeholders in all key steps of the Due diligence	1.3.2 Stakeholders 1.4 Impacts on sustainability development goals (SDGs) **Policies:** 2.1.1 Climate change adaptation and mitigation 2.1.2 Energy and emissions 2.2.1 Pollution of air, water, and soil 2.3.1 Water management 2.4.1 Impact on habitat 2.5.1 Resource and waste management 3.1.1 Own Workforce 3.1.2 Health and safety 3.1.3 Diversity and inclusion 3.1.4 Training and development skills 3.1.5 Adequate wages and collective bargaining 3.2.1 Territory-related impacts 3.3.1 Product quality 3.3.2 Consumer health and safety 4.1.1 Corporate culture 4.1.2 Supplier relationship management 4.1.3 Anti-Corruption and protection of whistleblowers
c) Identifying and assessing adverse impacts	1.3.1 Impacts, risks, and opportunity management 1.3.2 Stakeholders 1.3.3 Double materiality
d) Take action to address those adverse impacts	1.4 Impacts on the SDGs **Actions:** 2.1.1 Climate change adaptation and mitigation 2.1.2 Energy and emissions 2.2.1 Pollution of air, water, and soil 2.3.1 Water management 2.4.1 Impact on habitat 2.5.1 Resource and waste management 3.1.1 Own Workforce 3.1.2 Health and safety 3.1.3 Diversity and inclusion 3.1.4 Training and development skills 3.1.5 Adequate wages and collective bargaining 3.2.1 Territory-related Impacts 3.3.1 Product quality 3.3.2 Consumer health and safety 4.1.1 Corporate culture 4.1.2 Supplier relationship management 4.1.3 Anti-Corruption and protection of whistleblowers
e) Tracking the effectiveness of these actions and communicating	1.4 Impacts on the SDGs **Objectives:** 2.1.1 Climate change adaptation and mitigation 2.1.2 Energy and emissions 2.2.1 Pollution of air, water, and soil 2.3.1 Water management 2.4.1 Impact on habitat 2.5.1 Resource and waste management 3.1.1 Own workforce 3.1.2 Health and safety 3.1.3 Diversity and inclusion 3.1.4 Training and development skills 3.1.5 Adequate wages and collective bargaining 3.2.1 Territory-related impacts 3.3.1 Product quality 3.3.2 Consumer health and safety 4.1.1 Corporate culture 4.1.2 Supplier relationship management 4.1.3 Anti-Corruption and protection of whistleblowers **Metrics:** 2.1.2 Energy and emissions 2.2.1 Pollution of air, water, and soil 2.3.1 Water management 2.4.1 Impact on habitat 2.5.1 Resource and waste management 3.1.1 Own workforce 3.1.2 Health and safety 3.1.3 Diversity and inclusion 3.1.4 Training and development skills 3.1.5 Adequate wages and collective bargaining 4.1.3 Anti-Corruption and protection of whistleblowers

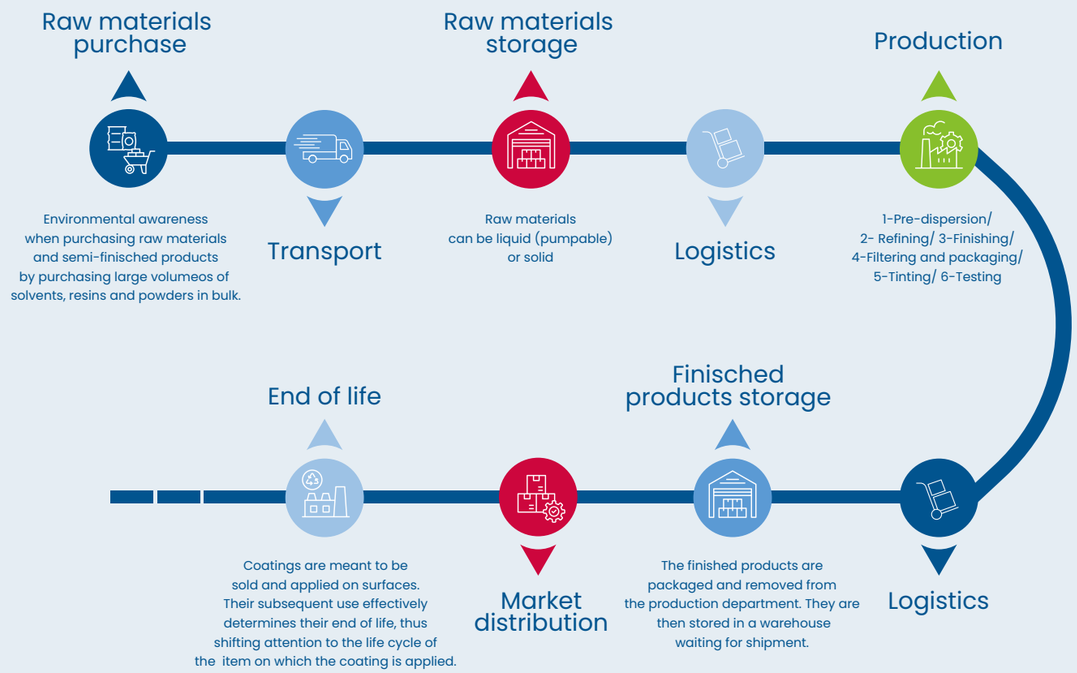
SUSTAINABILITY STRATEGY
General disclosures (ESRS 2 - SBM-1, SBM-2, SBM-3)

Salchi outlines its corporate strategy by identifying the factors that may affect sustainability, the business model and the value chain. The analysis integrates insights emerging from stakeholder engagement.
In line with the ESRS standards and the objectives of the 2030 Agenda, the Company sets out its transition policies towards a more sustainable economy, reporting on the initiatives adopted to reduce negative impacts and enhance positive ones, both social and environmental.

Market Position, Strategy, Business Model and Value Chain

Salchi's value chain encompasses the activities related to the development of coatings for the pre-coated metals sector and for industrial and food packaging (coil, foil, packaging), as well as the upstream and downstream stages of the process: from formulation design, to production, through to distribution.

The Value Chain



OUR PRODUCTS

Products for Metal Packaging

Coatings for food cans: internal and external coating systems for all kind of packaging, formulated in compliance with to the most stringent national and international food contact regulations, and suitable for any kind of food, including the most aggressive. The range includes coatings for the protection of the sealing of cans and their repair (so-called electrocoating systems).

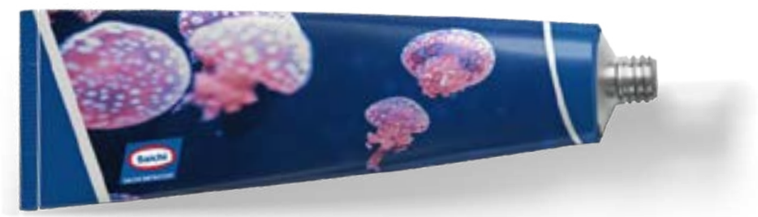
Coatings for closures and caps: solutions for both food and beverage closures, for the internal protection and external decoration of products. The range includes all the main technologies available on the market and the products are designed to guarantee an aesthetic and distinctive result, while preserving the food or beverage fillers.

Coatings for General Line: coating systems suitable for interior protection and durable decoration for the General Line market. The coatings have a high resistance to fillers. The range includes solutions for all major applications.

Coatings for Aerosol Monobloc & Tubes: the offer includes state-of-the-art solvent-, water- and UV-based coatings in a variety of finishes. The systems produced are suitable for the food, pharma, cosmetics and chemical industries, and are also available for application on plastic and glass.

Coatings for Fancy Can: these products adapt to all kinds of shapes and provide beauty and colour, as well as the most distinctive tactile effects. The range includes different technologies and can be used for any type of metal can, whether for cosmetics or chemicals.

Metal decorating inks: the range includes inks suitable for all types of printing, whether conventional, UV or UV-LED, and can be applied to any type of metal packaging. The high quality of the colours ensures outstanding and durable printing results.



Products for Coil and Foil

Outdoor Solutions: we offer a range of coatings systems for application on steel and aluminium coils suitable for any requirement: its primers, back and top coats are designed to withstand the most extreme weather conditions, lasting over time and thus preserving the initial aesthetic and protective characteristics.

Indoor Solutions: coating systems based on the most stringent technical specifications of the household appliance market and other indoor solutions. High bending flexibility, a wide gloss range, high resistance to aggressive chemicals and superior surface hardness make our coatings a benchmark for the home indoor market.

Coatings for Foil: coatings systems for thin aluminium packaging. The wide range provides solutions that guarantee excellent product protection. The experience gained in the food packaging sector, coupled with the in-depth knowledge of coil coating application technology, allow us to work synergistically on solutions for the food, pharma and aluminium closure markets, while complying with the most stringent food regulations.

INNOVATIVE PRODUCTS

Biomoco® Products:

A range formulated with sustainable raw materials from renewable or natural sources (including food industry by-products not intended for human consumption), designed to deliver equivalent performance to traditional coatings. For the packaging sector, three new solutions for aluminium tubes and a complete cycle for crown corks have been developed, produced and applied in line. For the coil sector, the range has been extended with the application of BIOMOCO® rough-finish coating for an industrial roof.

Salnex® Products:

UV and UV-LED technology coatings, formulated to require significantly less energy during application and curing compared to traditional systems. Salchi works closely with customers and suppliers to further develop this product line.

Development of Formulations in Line with the Latest International Regulations

A significant share of Salchi's research is dedicated to the development of products compliant with the latest European and international health, safety and environmental regulations. This is an ongoing effort, particularly in the Packaging coatings segment for the food industry.
Examples include the formulation of products free from bisphenols, methyl isobutyl ketone (MIBK), butyl glycol and melamine resins, as well as the search for pigments and additives compliant with FDA requirements for use in food-contact coatings. For all food-related products, R&D has focused on replacing bisphenol-based formulations and derivatives.
The Coil segment, especially applications on thin aluminium (foil), is likewise impacted by the need to continuously adapt to evolving European regulations. In recent years, both the Packaging and Coil R&D laboratories have worked on solutions free from per- and polyfluoroalkyl substances (PFAS) and tin-based catalysts.

Development of Electron-Beam (E-BEAM) Technology Products

Both the Packaging and Coil divisions have undertaken assessments aimed at developing coatings based on Electron-beam technology. The objective is to respond to new market demands by reducing energy consumption and eliminating organic solvents from formulations.

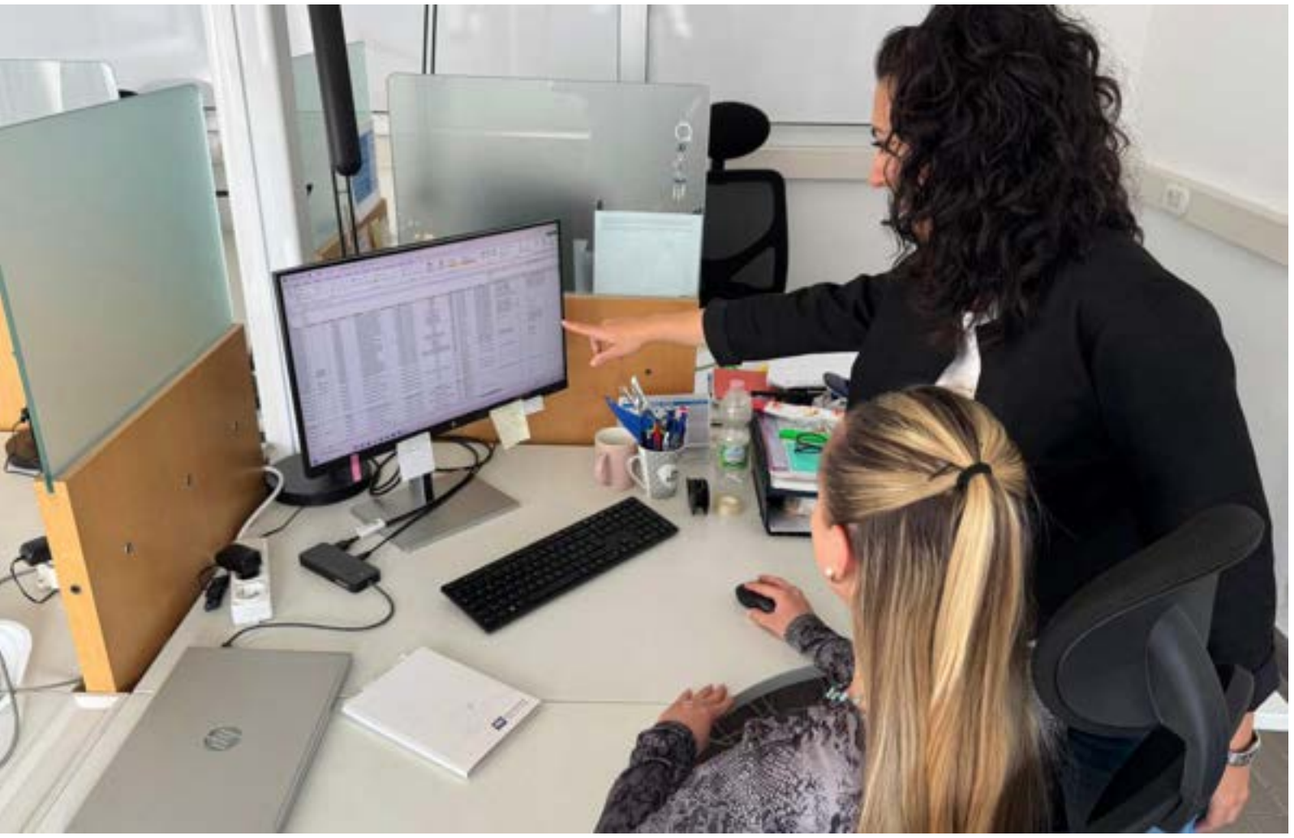
IMPACTS, RISKS AND OPPORTUNITIES
General disclosures (ESRS 2 - IRO -1, IRO-2)

Impacts, Risks and Opportunities

The materiality assessment began with an analysis of both the internal and external context, including a detailed mapping of stakeholders across the value chain.

A peer benchmark was also carried out to compare practices with similar companies. Building on this analysis, Salchi identified its most significant impacts, involving key corporate functions and integrating the results with the existing risk management process. This allowed for the definition of material topics.

At financial level, the active involvement of the BoD and executive management enabled the identification of ESG-related risks and opportunities arising from the external environment, with potential implications for equity, cash flow, access to finance and cost of capital over the short, medium and long term.

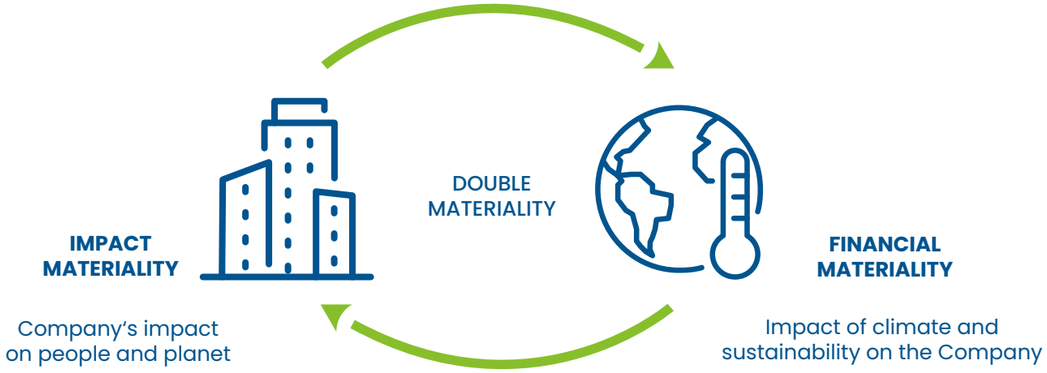


Stakeholders

Salchi has implemented a structured stakeholder engagement process to ensure that expectations are reflected in corporate strategy. The Company continuously analyses its operating context to identify stakeholders and foster an open and responsible dialogue.

Double Materiality

Under the Corporate Sustainability Reporting Directive (CSRD), sustainability reporting must follow the principle of double materiality. This requires companies to consider both the impact perspective — the organisation's effects on society and the environment — and the financial perspective.
Through this approach, Salchi has defined its priority material topics, which form the basis for measurable objectives, targeted strategies and continuous monitoring of progress.



POLICIES, ACTIONS, TARGETS
General Disclosures (ESRS 2 - Policies DC-P; Actions DC-A)

The materiality assessment conducted by Salchi identified ESG and financial impacts, resulting in the following analysis:

ESRS	Material Topic	Sub-topic	Impact management	SDG	Actions	Target	Reference
ESRS E1	Climate change	Climate change adaptation	Adaptation to potential physical hazards and transition risks		-Seismic risk assessment through facility mapping -Monitoring and reinforcement of riverbank protections -Implementation of mitigation measures to prevent risk of flooding, as part of mitigation plan -Staff training on the topics of the 2030 Agenda for Sustainable Development, aimed at improving environmental awareness -Monitoring of emission control regulations -Research and evaluation of the Company's assets for low-emission technologies -Monitoring regulations for areas that could become protected land -Consultations with corporate stakeholders	2024-2025 Annual	pag. 30
		Climate change mitigation Energy and emissions	Energy efficiency improvement Energy monitoring to highlight efficiency gains Corporate emissions accounting		-Installation of high-efficiency equipment - Revamping of production systems to improve energy monitoring and efficiency - Calculation of Scope 1, 2, and 3 emissions	2024-2026 Annual	pag. 31
ESRS E2	Pollution	Pollution of air, water and soil	Monitoring of pollutants		-Surveillance of ISO 14001 certification -Internal audit program -Use of renewable energy and biomass where possible to reduce dependence on fossil fuels -Continuous detection and measurement of substances of concern in the environment and products -Regular maintenance of industrial systems to prevent leaks and malfunctions causing pollution -Regular air quality monitoring to ensure pollutant levels comply with legal limits -Near-miss monitoring to drive continuous improvement in quality, environment, and safety	Annual 2025 Continuous Annual Annual Continuous	pag. 34

ESRS	Material Topic	Sub-topic	Impact management	SDG	Actions	Target	Reference
ESRS E3	Water and marine resources	Water resource management	Consumption and use		-Assessment of water-efficient technologies and equipment -Educational and awareness-raising campaigns -Implementation of water conservation practices and efficiency in daily water use	Annual	pag. 36
ESRS E4	Biodiversity and ecosystems	Impact on habitat	Land protection		-Monitoring compliance with regulations on areas that may become protected zones -Monitoring the condition of the territory and identifying potential threats or negative impacts on natural habitats -Promoting awareness and environmental education to raise employee understanding of habitat conservation and encourage sustainable behaviours	Annual Continuous	pag. 37
ESRS E5	Resource use and circular economy	Resource and waste management	Waste optimisation and management		- Employee training on proper waste management and the importance of minimising waste generation across the product life cycle -Evaluation of R&D investments in technologies to reduce waste generation and/or hazardousness -Collaboration with stakeholders to develop integrated solutions for waste management and material recovery	Annual 2025 Continuous	pag. 39
ESRS S1, S2	Own workforce	Our workforce	Workforce management		-Continuous training -Promotion of flexible work policies -Corporate welfare initiatives	Continuous Annual	pag. 44
		Health and safety	Prevention of occupational diseases and workplace accidents		-Internal audit plan -Surveillance of ISO 45001 certification -Active involvement of the entire workforce in the health and safety management system -Employee training on the health and safety management system in case of changes or new hires -Ongoing company-wide training to foster a culture of safety -Near-miss monitoring to drive continuous improvement in quality, environment, and safety -Optimization of the composition and number of housekeeping teams	Annual Continuous	
ESRS S1, S2	Equal treatment and opportunities for all	Diversity and inclusion	Non-discrimination, diversity and inclusion policy		-Promotion of non-discrimination, diversity and inclusion principles inside and outside the Company -Employee training on the non-discrimination policy -Obtainment of UNI/PdR 125:2022 Gender Equality Certification -Renewal of UNI/PdR 125:2022 Gender Equality Certification -Implementation of diversity- and inclusion-focused recruitment practices	Continuous Annual 2024 2025 2024	pag. 48
		Staff training and development	Training and skills development		-Periodic assessment of competencies -Functional capabilities development and training - Promotion of professional growth - Promotion of job posting initiatives - Implementation of a performance measurement system across the entire workforce	Continuous Annual 2025/2026	pag. 51
		Adequate wages and collective bargaining	Respect for fundamental rights Equal pay for work of equal value		- Guarantee of fundamental workers' rights, including freedom of association, collective bargaining, and decent work, in line with international labor standards - Implementation of monitoring and oversight systems to ensure respect for workers' rights - Worker participation in Company decisions affecting them - Implementation of effective communication channels for workers - Assessment and management of the gender pay gap	Continuous	pag. 52

ESRS	Material Topic	Sub-topic	Impact management	SDG	Actions	Target	Reference
ESRS S3	Affected communities	Territory-related impacts	Implementation of actions towards the territory		- Promotion of the recruitment of people, suppliers, and businesses selected from within the proximity of the Company -Fostering of school-to-work programs with local education institutes -Adoption of sustainable natural resource management practices that reduce environmental impact and protect local ecosystems - Regular assessments of the social, economic, and environmental impacts of projects and investments on the surrounding area	Continuous Annual	pag. 55
ESRS S4	Consumers and end-users	Product quality	Continuous monitoring of product quality		-Design of low-impact products throughout their entire lifecycle -Maintenance and renewal of quality certifications	Continuous Annual	pag. 56
		Consumer health and safety	Continuous process monitoring Transparent communication		- Guarantee of product compliance with applicable regulations - Objective and transparent communication on significant impacts on consumer health and safety	Continuous	pag. 57
ESRS G1	Business conduct	Corporate culture	Quality, transparency and correctness of information		- Continuous updating of the Code of ethics and the 231/01 organisation, management, and control model ("MOG") - Implementation of risk management system - Disclosure to stakeholders of clear and accurate information on governance, business practices, environmental and social impacts, and financial results	Continuous	pag. 60
		Supplier relationship management	Responsible practices		- Promotion of supplier engagement meetings - Raising awareness of responsible and sustainable practices among suppliers - Building long-term partnerships with suppliers	Continuous	pag. 63
		Anti-Corruption and whistleblowing	Anti-corruption policy Protection of whistleblowers		- Implementation of an anti-corruption framework and monitoring measures - Implementation of procedures for handling complaints and reports from stakeholders (Whistleblowing)	Continuous	pag. 64

Environmental Information

ENVIRONMENTAL INFORMATION
General Disclosures (ESRS 2 - SBM-3, IRO-1)

> Salchi pursues an environmental policy aimed at minimising the impact of its operations, promoting energy efficiency, the sustainable use of natural resources and the continuous reduction and monitoring of pollutant emissions.

CLIMATE CHANGE
Climate Change (ESRS E1 - 1, 2, 3, 4, 5, 6, 7)

Adaptation and Mitigation

Salchi's objective is to anticipate the adverse effects of climate change, prevent risk-related impacts and identify related opportunities, defining strategies and policies through targeted actions.
In 2024, in relation to the identified impacts, risks and opportunities, the Company implemented the following measures:

- Strengthening site resilience: to reduce exposure to physical risks and protect corporate assets, Salchi reinforced riverbank defences, carried out seismic risk mapping, and planned further flood-prevention measures. These actions reduce the likelihood of operational disruptions.

- Enhancing safety: structural interventions were undertaken with a positive impact on worker safety, the local community and process stability. The mitigation of natural and environmental risks has strengthened the protection of people and the Company's ability to maintain operations even in critical events.

- Measuring indirect emissions (Scope 3): Salchi completed its first assessment of Scope 3 emissions and launched targeted actions to reduce indirect emissions along the value chain, including improved engagement with suppliers to obtain accurate data.

CLIMATE CHANGE ADAPTATION	ESRS E1-1, 2, 3, 4			
POLICY	TIMEFRAME	ACTIONS	TARGET	STATUS 2024
Adaptation to potential physical hazards (seismic risk)	Short term	Seismic risk assessment through facility mapping	2024-2025	Ongoing
Adaptation to potential physical hazards (hydrogeological risk)	Short, medium and long term	Monitoring and reinforcement of riverbank protections	Annual	Completed
Adaptation to potential physical hazards (hydrogeological risk)	Short, medium and long term	Implementation of mitigation measures to prevent risk of flooding, as part of mitigation plan	Annual	Completed
Adaptation to potential transition risks (policy risk, legal and reputational risk)	Short, medium and long term	Staff training on the topics of the 2030 Agenda for Sustainable Development, aimed at improving environmental awareness	Annual	Completed
Adaptation to potential transition risks (policy risk, legal and technological risk)	Short, medium and long term	Research and evaluation of the Company's assets to increase the use of low-emission technologies	Annual	Completed
Adaptation to potential transition risks (policy and technological risk)	Short, medium and long term	Monitoring of regulations concerning areas that could become protected land	Annual	Completed
Adaptation to potential transition risks (market and reputation risk)	Short, medium and long term	Consultations with corporate stakeholders	Annual	Completed

Salchi aims to provide transparent information on climate change mitigation, updating and adjusting its forward-looking estimates where necessary, in line with changes in the operating context and in accordance with ESRS 1, paragraphs 7.2 and 7.5.

The Company has set out a pathway to reduce its emissions, defining short-, medium- and long-term targets. This includes planning interventions on production systems and processes to capture potential benefits in terms of energy efficiency.

CLIMATE CHANGE MITIGATION	ESRS E1-7			
POLICY	TIMEFRAME	ACTIONS	TARGET	STATUS 2024
Energy efficiency improvement	Short term	Installation of high-efficiency equipment	2024-2025 10% reduction in tCO_2eq	Ongoing
Energy monitoring to highlight efficiency gains	Medium term	Revamping of production systems to improve energy monitoring and efficiency	2026 10% reduction in tCO_2eq	Ongoing
Corporate emissions accounting	Short term	Calculation of Scope 1, 2 and 3 emissions	Annual	Completed

Energy and Emissions

Salchi is committed to reducing greenhouse gas emissions, aligning its efforts with international targets for the transition toward a more sustainable economy.
In 2024, the Company invested in the revamping of production systems and the adoption of more energy-efficient machinery aimed at reducing electricity consumption, thereby generating a positive impact on indirect emissions from purchased energy (Scope 2).
Overall energy consumption increased from 6.729 MWh in 2023 to 8.365 MWh in 2024 (+24%), a variation attributable to higher production activity during the year.
Total electricity consumption in 2024 amounted to 4.812.592 kWh (4.812,6 MWh), of which:

- 2.406.296 kWh (2.406,3 MWh, 50%) were sourced through contracts with Guarantees of Origin (GOs), certifying their renewable origin;
- an additional 889.786 kWh (0,89 GWh, approx. 18,5%) derived from non-GO renewable sources, calculated using a renewability coefficient of 36,96%.

In total, renewable electricity amounted to 3.296.082 kWh (3.296,1 MWh), representing 68,5% of overall electricity consumption, while non-renewable electricity accounted for 1.516.510 kWh (1.516,5 MWh, 31,5%).

METRICS	ESRS E1-5	
Energy consumption and mix	**2023**	**2024**
(1) Fuel consumption from coal and coal products (MWh)	-	-
(2) Fuel consumption from crude oil and petroleum products (MWh)	273	381
(3) Fuel consumption from natural gas (MWh)	2.534	2.171
(4) Fuel consumption from other non-renewable sources (MWh)	-	-
(5) Consumption from nuclear products (MWh)	-	-
(6) Consumption of purchased or acquired electricity, heat, steam, and cooling from non-renewable sources (MWh)	2.076	1.517
(7) Total non-renewable energy consumption (MWh) (sum of items 1–6)	4.883	5.069
Share of non-renewable sources in total energy consumption (%)	**73%**	**61%**
(8) Fuel consumption from renewable sources (biomass, biogas, non-fossil fuel waste, renewable hydrogen, etc.) (MWh)	-	-
(9) Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources (MWh)	1.846	3.296
(10) Non-purchased self-generated renewable energy (MWh)	-	-
(11) Total renewable energy consumption (MWh) (sum of items 8–10)	1.846	3.296
Share of renewable sources in total energy consumption (%)	**27%**	**39%**
Total energy consumption (MWh) (sum of lines 7 and 11)	**6.729**	**8.365**

The gross greenhouse gas emissions reported under ESRS E1-6 refer to Scope 1 and are intended to provide an understanding of the Company's direct impacts on climate change. In 2024, direct and indirect emissions (Scope 1 and 2) increased significantly:

- Scope 1: +32% compared to 2023 (from 523 a 689 tCO_2eq);
- Scope 2 (Market-based): 1.100 tCO_2eq. In 2024, unlike in 2023, the Company decided to purchase part of its electricity from renewable sources certified through Guarantees of Origin (GO), mitigating the impact of higher consumption. To account for this, the market-based method was applied, which differs from the approach used in 2023.

Total Scope 1+2 emissions for 2024 therefore amounted to 1.789 tCO_2eq (market-based). The share of electricity sourced from renewables increased, helping to contain emission intensity per MWh consumed and partially offsetting the overall environmental impact.

METRICS	**ESRS E1-6**	
GHG EMISSIONS – Scope 1 e 2	**2023**	**2024**
Scope 1 emissions (tCO_2eq)	523	689
Scope 2 emissions - market based (tCO_2eq)	-	1.100
Scope 2 emissions - location based (tCO_2eq)	1.012	1.516
Total Scope 1 + Scope 2 (market based)	-	**1.789**
Total Scope 1 + Scope 2 (location based)	**1.535**	**2.205**

For the first time in 2024, Salchi carried out a detailed calculation of Scope 3 emissions, which amounted to 199.515 tCO_2eq, representing 98.88% of total emissions. This highlights the scale of the Company's indirect value chain impact.

- **Purchased goods and services** (119.904 tCO_2eq -60% of Scope 3);
- **End-of-life treatment of sold products** (51.787 tCO_2eq);
- **Transport and distribution** (upstream + downstream) (21.300 tCO_2eq).

METRICS

GHG EMISSIONS – SCOPE 3	2024
Scope 3 emissions (total) (tCO_2eq)	**199.515**
Purchased goods and services	119.904
Capital goods	3.048
Fuel- and energy-related activities (not included in Scope 1 or 2)	478
Upstream transport and distribution	11.391
Waste generated in operations	2.559
Business travel	125
Employee commuting	314
Downstream transport and distribution	9.909
End-of-life treatment of sold products	51.787

In total, Scope 1, 2 and 3 emissions amounted to 201.304 tCO_2eq (market-based). This result is consistent with companies operating in the same sector as Salchi. The objective for the coming years will be to further improve data accuracy, in order to obtain more reliable results and to monitor progress over time.

POLLUTION
Air, Water and Soil Pollution (ESRS E2 – 1, 2, 3, 4)

Air, Water and Soil Pollution

Salchi has adopted an integrated and structured approach to managing pollution, based on continuous assessment of environmental risks and the impacts that may arise from its production activities.

Since 2006, the Company has operated under an Environmental Management System certified to UNI EN ISO 14001, which considers the entire product life cycle and is grounded in preventive risk analysis. Environmental protection is also embedded within the Organisational Model established under Legislative Decree 231/01.

Salchi implements rigorous measures to monitor and control hazardous substances, with the goal of safeguarding both human health and the environment. Actions include the use of technical systems to contain emissions, targeted interventions on wastewater and waste management, as well as ongoing compliance monitoring, including verification of Seveso thresholds and adherence to the Integrated Environmental Authorisation (AUA).

To support these activities, the Company applies a structured internal audit plan designed to verify the effectiveness of implemented environmental measures and compliance with applicable regulatory requirements.

POLLUTION OF AIR, WATER, AND SOIL	ESRS E2-1, 2, 3			
POLICY	TIMEFRAME	ACTIONS	TARGET	STATUS 2024
Monitoring of pollutants	Short, medium, long term	Surveillance of ISO 14001 certification	Annual	Completed
Monitoring of pollutants	Short, medium, long term	Internal audit program	Annual	Completed
Monitoring of pollutants	Short, medium, long term	Use of renewable energy and biomass where possible to reduce dependence on fossil fuels	2025	Ongoing
Monitoring of pollutants	Short, medium, long term	Continuous detection and measurement of substances of concern in the environment and in products	Continuous	Ongoing
Monitoring of pollutants	Short, medium, long term	Regular maintenance of industrial systems to prevent leaks and malfunctions causing pollution	Annual	Completed
Monitoring of pollutants	Short, medium, long term	Regular air quality monitoring to ensure pollutant levels comply with legal limits	Annual	Completed
Monitoring of pollutants	Short, medium, long term	Near-miss monitoring to drive continuous improvement in quality, environment, and safety	Continuous	Ongoing

Salchi ensures operational safety and environmental sustainability through monitoring systems, continuous risk assessment, incident and near-miss analysis, ongoing training for employees and contractors, and cooperation with local authorities and the community.

WATER
Water and Marine Resources (ESRS E3 - E3-1, 2, 3, 4)

Water Resource Management

Salchi uses water sourced from the municipal supply, primarily for civil purposes, with wastewater discharged into the public sewer system. The Company also draws groundwater from a well, used for irrigation and as a fire-fighting reserve.
The Company recognises the importance of this resource and is committed to its efficient use. Planned actions include the installation of low-flow devices in Company restrooms and regular maintenance of water infrastructure. Awareness campaigns will also be conducted across the workforce to minimise waste and promote responsible water use.

WATER RESOURCE MANAGEMENT	ESRS E3-1, 2, 3			
POLICY	TIMEFRAME	ACTIONS	TARGET	STATUS 2024
Consumption and use	Short, medium, long term	Assessment of water-efficient technologies and equipment	Annual	Completed
Consumption and use	Short, medium, long term	Educational and awareness-raising campaigns	Annual	Completed
Consumption and use	Short, medium, long term	Implementation of water conservation practices and efficiency in daily water use	Annual	Completed

In 2024, the Company's water withdrawal remained broadly stable compared to the previous year, increasing slightly from 8.304 m³ to 8.375 m³ (+0.8%). Net water consumption also showed a modest rise, from 7.404 m³ to 7.475 m³.
At the same time, there was a significant improvement in the source mix: potable water use decreased by 14% (from 6.545 m³ to 5.624 m³), while groundwater withdrawal increased sharply by 115% (from 859 m³ to 1.851 m³).

METRICS	ESRS E3-4	
Water	**2023**	**2024**
Total water withdrawn (m³)	**8.304**	**8.375**
Total water consumed (m³)	**7.404**	**7.475**
Potable water	6.545	5.624
Groundwater (well)	859	1851
Total water stored (m3)	**900**	**900**
Firefighting reservoir (groundwater source)	900	900
Total water discharged (m3)	**6.545**	**5.600**
Potable water to public sewer	6.545	5.600

BIODIVERSITY AND ECOSYSTEMS
Biodiversity and ecosystems (ESRS E4 - 1, 2, 3, 4)

Habitat Impact

Salchi's operational site covers approximately 90.000 sqm in the municipality of Burago di Molgora (MB), within an industrial area that includes other production facilities and nearby residential settlements. The site lies close to the Molgora stream but is not located in areas classified as ecologically or landscape sensitive, nor does it interfere with natural habitats, fragile ecosystems or sites of environmental, archaeological or cultural relevance. Based on the assessments carried out, no significant direct or indirect impacts on biodiversity have been identified in connection with the activities at the plant.

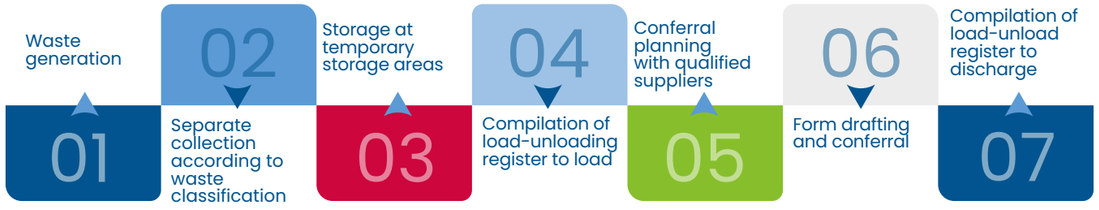
IMPATTO SULL'HABITAT	ESRS E2-1, 2, 3			
POLICY	TIMEFRAME	ACTIONS	TARGET	STATUS 2024
Land protection	Short, medium, long term	Monitoring compliance with regulations on areas that may become protected zones	Annual	Completed
Land protection	Short, medium, long term	Monitoring the condition of the territory and identifying potential threats or negative impacts on natural habitats	Annual	Completed
Land protection	Short, medium, long term	Promoting awareness and environmental education to raise employee understanding of habitat conservation and encourage sustainable behaviours	Continuous	Ongoing

As part of its environmental protection activities, the Company continued regular monitoring of the surrounding area, with particular attention to zones that could be designated as protected areas. This enables the early identification of pressures or alterations to natural habitats. At the same time, ongoing employee training and awareness initiatives have strengthened the Company's internal environmental culture, supporting the adoption of practices aligned with conservation objectives and the reduction of impacts on local ecosystems.

RESOURCE USE AND CIRCULAR ECONOMY
Resource use and circular economy (ESRS E5 – 1, 2, 3, 4, 5)

Resource and Waste Management

Salchi evaluates the environmental impact associated with the use of materials and natural resources, with a focus on reducing waste and improving efficiency in the use of raw materials. The Company manages waste through a structured system covering collection, transport and storage in dedicated temporary facilities within the plant.
This process is governed by internal procedures that regulate waste registration and the handover to authorised third-party companies for disposal operations. Waste classification is performed in strict compliance with ARERA Resolution 105/2021, through proper identification, assignment of the European Waste Catalogue (EWC) code and determination of any hazardous properties.



RESOURCE AND WASTE MANAGEMENT	ESRS E2-1, 2, 3			
POLICY	TIMEFRAME	ACTIONS	TARGET	STATUS 2024
Waste optimisation and management	Short, medium and long term	Employee training on proper waste management and the importance of minimising waste generation across the product life cycle	Annual	Completed
Waste optimisation and management	Short, medium and long term	Evaluation of R&D investments in technologies to reduce waste generation and/or hazardousness	2025	Ongoing
Waste optimisation and management	Short, medium and long term	Collaboration with stakeholders to develop integrated solutions for waste management and material recovery	Continuous	Ongoing

In 2024, total waste generation increased by 12%, from 1.425.599 kg to 1.598.339 kg, a trend linked to higher production volumes. Hazardous waste accounted for over 80% of the total and rose by 9,6%, from 1.223.757 kg to 1.342.284 kg, while non-hazardous waste grew by 26,7%, from 201.842 kg to 256.055 kg.

Over the past year, Salchi achieved progress in waste recovery activities, with a 4,3% increase (from 1.267.224 kg to 1.321.949 kg). Waste sent for disposal, however, rose by 74,5% (from 158.375 kg to 276.390 kg).

METRICS	ESRS E5-5	
Resource outflows	**2023**	**2024**
Non-hazardous waste	**201.842**	**256.055**
Disposed	22.470	37.520
Recycled	-	-
Recovered	179.372	218.535
Hazardous waste	**1.223.757**	**1.342.284**
Disposed	135.905	238.870
Recycled	-	-
Recovered	1.087.852	1.103.414
Total disposed	**158.375**	**276.390**
Total recovered	**1.267.224**	**1.321.949**
Total waste	**1.425.599**	**1.598.339**

Social Information

SOCIAL INFORMATION
General disclosures (ESRS 2 - SBM-3)

In line with European reporting standards, Salchi is committed to fostering an inclusive, fair, and safe workplace while ensuring respect for human and labor rights across its entire value chain. The Company's ongoing investment in flexibility policies, incentives, and time-management tools has led not only to an improved workplace climate but also to greater employee motivation.

OUR PEOPLE
Own Workforce, Workers in the Value Chain (ESRS S1,2 - 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17)

Our Workforce

People are at the core of Salchi's growth. The Company acts in an ethical, transparent, and responsible manner toward its workforce, ensuring a business model that values human capital, in line with nationally recognized standards (CCNL) and international frameworks (OECD Guidelines).

Salchi reports on the main characteristics of its employees with reference to gender, geographic distribution, contract type (permanent or temporary), and turnover.
In 2024, the workforce grew significantly: the total number of employees increased from 153 to 177, with female employees rising by 36%, from 41 to 56, marking an additional step toward greater gender balance.

OWN WORKFORCE	ESRS S1-1, 2, 3, 4, 5 / ESRS S2-1, 2, 3, 4, 5			
POLICY	TIMEFRAME	ACTIONS	TARGET	STATUS 2024
Workforce management	Short, medium and long term	Continuous training	Continuous	Ongoing
Workforce management	Short, medium and long term	Promotion of flexible work policies	Annual	Completed
Workforce management	Short, medium and long term	Corporate welfare initiatives	Annual	Completed

METRICS	ESRS S1-6	
Total number of employees – by gender	**2023**	**2024**
Female	41	56
Male	112	121
Other	0	0
Total	**153**	**177**

From a contractual standpoint, Salchi's workforce is marked by strong stability, with nearly all employees on permanent contracts. This reflects the Company's commitment to long-term employment relationships and to building a reliable, consistent workplace.

Full-time positions remain the prevailing arrangement, though part-time roles increased slightly from 9 to 12, reflecting the Company's readiness to support employees through flexible working options.

	2023			2024		
Contract types (headcount / FTE)	**F**	**M**	**TOT.**	**F**	**M**	**TOT.**
Temporary	1	-	1	1	-	1
Permanent	40	112	152	55	121	176
Total	41	112	**153**	56	121	**177**

	2023			2024		
Contract type (headcount / FTE)	**F**	**M**	**TOT.**	**F**	**M**	**TOT.**
Full-Time	32	112	144	44	121	165
Part-Time	9	-	9	12	-	12
Total	41	112	**153**	56	121	**177**

Employee exits decreased sharply, from 19 in 2023 to 4 in 2024.

	2023			2024		
Turn-over	**F**	**M**	**TOT.**	**F**	**M**	**TOT.**
Terminations (headcount / FTE)	4	15	19	0	4	4

At the same time, the number of agency workers increased proportionally, rising from 35 to 44.

METRICS	ESRS S1-7	
Characteristics of non-employee workers within the Company's own workforce	**2023**	**2024**
Total number of self-employed workers	0	0
Total number of workers provided by agencies primarily engaged in temporary employment	35	44

Health and Safety

> The Company is committed to promoting and fostering a culture of safety as a system of shared values, grounded in respect for individuals. This involves raising awareness of risks, encouraging responsible and proper behavior, and implementing preventive measures to protect the health and safety of all internal and external collaborators, including contractors and subcontractors working at the Company's sitee
>
> (Code of ethics 2024 – Salchi Metalcoat)

Work environments are designed to ensure employee well-being and comply with the highest health and safety standards. In addition to meeting applicable safety regulations, the Company adopts further measures to ensure that its policies are effective and fully understood by employees.
Salchi applies its Organizational and Management Model in accordance with Italian Legislative Decree 231/01 (MOG) and is certified to ISO 45001:2018. Effective safety management is ensured through:

- Adoption of an integrated risk and safety management system;
- Risk assessment and analysis of process and resource criticalities with a preventive approach;
- Monitoring and continuous updating of working methods;
- Training and communication with active employee engagement.

HEALTH AND SAFETY	ESRS S1-1, 2, 3, 4, 5 / ESRS S2-1, 2, 3, 4, 5			
POLITICY	**TIMEFRAME**	**ACTIONS**	**TARGET**	**STATUS 2024**
Prevention of occupational diseases and workplace accidents	Short, medium and long term	Internal audit plan	Annual	Completed
Prevention of occupational diseases and workplace accidents	Short, medium and long term	Surveillance of ISO 45001 certification	Annual	Completed
Prevention of occupational diseases and workplace accidents	Short, medium and long term	Active involvement of the entire workforce in the health and safety management system	Annual	Completed
Prevention of occupational diseases and workplace accidents	Short, medium and long term	Employee training on the health and safety management system in case of changes or new hires	Annual	Completed
Prevention of occupational diseases and workplace accidents	Short, medium and long term	Ongoing company-wide training to foster a culture of safety	Continuous	Ongoing
Prevention of occupational diseases and workplace accidents	Short, medium and long term	Near-miss monitoring to drive continuous improvement in quality, environment, and safety	Continuous	Ongoing
Prevention of occupational diseases and workplace accidents	Short, medium and long term	Optimization of the composition and number of housekeeping teams	Continuous	Ongoing

The safety of the entire workforce is ensured through a management system that complies with applicable regulations and recognized standards, supported by an organizational structure that is both accountable and focused on risk prevention.
In 2024, workplace accidents increased compared to the previous year, leading to a corresponding rise in lost days (from 58 to 166). The accident rate per million hours worked rose from 13 to 17, while the specific rate calculated on hours worked increased from 3.17 to 4.09.

These figures were thoroughly analyzed by the health and safety managers, who introduced an immediate action plan focused on enhanced training for all employees, with particular attention to supervisors. Additional safety objectives were also incorporated into the performance evaluation system for company personnel.

Looking ahead to 2025, the Company has optimized the composition and number of teams involved in periodic housekeeping activities, improving both execution and monitoring processes.

METRICS	ESRS S1-14	
Health and safety	**2023**	**2024**
% of people covered by a health and safety management system	100%	100%
Number of employee fatalities due to occupational diseases or workplace accidents	0	0
Number of work-related accidents	4	6
Workplace accident rate (= number of accidents / total hours worked * 1.000.000)	13	17
Number of lost days due to workplace accidents, fatalities, or occupational diseases	58	166
Number of fatalities among other workers operating on Company sites	-	-
Total hours worked (employees)	252.118	293.597
Specific injury rate (calculated on hours worked)	**3,17**	**4,09**

Diversity and Inclusion

Salchi's diversity and inclusion policy is guided by the following principles:

- equal opportunities and fair treatment in the workplace;
- non-discrimination toward employees and value chain workers in relation to employment or profession, regardless of race, color, gender, religion, political opinion, nationality, social background, or any other circumstance;
- promotion and respect of equality and equal opportunities in recruitment and selection processes, while opposing all forms of discrimination, ensuring decision-making and evaluation processes are based on objective and transparent criteria.

In 2024, Salchi obtained the UNI/PdR 125:2022 Gender Equality Certification, reaffirming its commitment to embedding diversity and inclusion values in employee relations across all organizational levels, as well as in partnerships throughout the value chain.

DIVERSITY AND INCLUSION	ESRS S1-1, 2, 3, 4, 5 / ESRS S2-1, 2, 3, 4, 5			
POLICY	TIMEFRAME	ACTIONS	TARGET	STATUS 2024
Non-discrimination, diversity and inclusion policy	Short, medium and long term	Promotion of non-discrimination, diversity and inclusion principles inside and outside the Company	Continuous	Ongoing
Non-discrimination, diversity and inclusion policy	Short, medium and long term	Employee training on the non-discrimination policy	Annual	Completed
Non-discrimination, diversity and inclusion policy	Short term	Obtainment of UNI/PdR 125:2022 Gender Equality Certification	2024	Completed
Non-discrimination, diversity and inclusion policy	Short term	Renewal of UNI/PdR 125:2022 Gender Equality Certification	2025	Ongoing
Non-discrimination, diversity and inclusion policy	Short term	Implementation of diversity- and inclusion-focused recruitment practices	2024	Completed

The workforce composition by age shows that the majority of employees remain in the 30–50 age group, representing 56% of the total in 2024. There was a slight increase in employees under 30, while the share of employees over 50 decreased marginally.

At the governance level, there continues to be perfect gender balance among executive management (50% men and 50% women), unchanged across both years, reflecting a tangible commitment to gender equality.

METRICS	ESRS S1-9	
Employees by age	**2023**	**2024**
Under 30	16	20
% of total employees	11%	11%
30–50	80	99
% of total employees	52%	56%
Over 50	57	58
% of total employees	37%	33%

METRICS	ESRS S1-9	
Executive management by gender	**2023**	**2024**
Female	3	3
% of total executives	50%	50%
Male	3	3
% of total executives	50%	50%
Other gender	0	0
% of total executives	0%	0%
Total	6	6

METRICS	ESRS S1-12	
Persons with disabilities	**2023**	**2024**
% of persons with disabilities	7%	7%

Family leave is guaranteed to all employees without distinction.

In 2024, no cases of discrimination were reported (ESRS S1-17), confirming an organizational climate rooted in respect, tolerance, and the appreciation of diversity.

METRICS	ESRS S1-15	
Family-leave	**2023**	**2024**
% of employees entitled to family-related leave	100%	100%

Training and Employee Development

Salchi fosters the growth of skills and professional expertise within the Company. Every day, the Company is committed to creating an environment where young talent can develop and experienced professionals can achieve fulfillment, ensuring that everyone can contribute fully to both personal and corporate goals.

Salchi continues to demonstrate a strong focus on valuing people also from a contractual, economic, and training perspective, pursuing fair, transparent working conditions in line with leading ESG standards. In 2024, the average training hours per employee increased from 45 to 49,45. This growth was partly driven by the implementation of a new management system, which required extensive, cross-functional training sessions for all staff. These initiatives helped strengthen internal skills, aligned with evolving organizational and technological processes, and reinforced the Company's ability to adapt to change.

Regarding performance measurement, during the year Salchi launched a structured evaluation system, initially targeting executives management. The medium-term goal is to gradually extend this system to all employees, ensuring integrated, objective, and transparent monitoring of performance across all organizational levels.

Employees remain a key driver in achieving the Company's objectives. Motivation, organizational well-being, and a sense of belonging make a significant contribution to Salchi's operational effectiveness. To recognize this, the Company provides a dedicated welfare platform, offering access to vouchers, participation and attendance rewards, and a wide range of services designed to improve employees' quality of life.

TRAINING AND SKILLS DEVELOPMENT	ESRS S1-1, 2, 3, 4, 5 / ESRS S2-1, 2, 3, 4, 5			
POLICY	TIMEFRAME	ACTIONS	TARGET	STATUS 2024
Training and skills development	Short, medium, and long term	Periodic assessment of competencies	Continuous	Ongoing
Training and skills development	Short, medium, and long term	Functional capabilities development and training	Continuous	Ongoing
Training and skills development	Short, medium, and long term	Promotion of professional growth	Annual	Completed
Training and skills development	Short, medium, and long term	Promotion of job posting initiatives	Annual	Completed
Training and skills development	Medium term	Implementation of a performance measurement system across the entire workforce	2025-2026	Ongoing

METRICS	ESRS S1-13	
Training and skills development	**2023**	**2024**
% of employees and/or non-employees who participated in periodic reviews of performance and career development	11%	12%
Average training hours per employee and/or non-employee	45	49

Adequate Wages and Collective Bargaining

With regard to employee remuneration, Salchi complies with collective bargaining parameters, and every employee is covered by protection against events that may interrupt or suspend the employment relationship (illness, disability or injury, maternity and parental leave, retirement).

The analysis of the gender pay gap shows substantial parity between men and women across all professional categories, with differences below 1,5% and virtually non-existent for white-collar, middle management, and executive positions. This reflects a fair and non-discriminatory pay management system, aligned with the gender equality principles promoted under the 2030 Agenda.

The ratio between the total annual compensation of the highest-paid employee and the Company's median annual remuneration is 6,9. This figure is modest compared with industry benchmarks and reflects an inclusive and transparent organizational model, in line with ESRS S1-16 indicators.

ADEQUATE WAGES AND COLLECTIVE BARGAINING	ESRS S1-1, 2, 3, 4, 5 / ESRS S2-1, 2, 3, 4, 5			
POLICY	TIMEFRAME	ACTIONS	TARGET	STATUS 2024
Respect for fundamental rights	Short, medium, long term	Guarantee of fundamental workers' rights, including freedom of association, collective bargaining, and decent work, in line with international labor standards	Continuous	Ongoing
Respect for fundamental rights	Short, medium, long term	Implementation of monitoring and oversight systems to ensure respect for workers' rights	Continuous	Ongoing
Respect for fundamental rights	Short, medium, long term	Worker participation in Company decisions affecting them	Continuous	Ongoing
Respect for fundamental rights	Short, medium, long term	Implementation of effective communication channels for workers	Continuous	Ongoing
Respect for fundamental rights	Short, medium, long term	Assessment and management of the gender pay gap	Continuous	Ongoing

METRICS	ESRS S1-8, 10, 11	
Collective bargaining, adequate remuneration	**2023**	**2024**
Employees covered by collective bargaining agreements	100%	100%
Employees receiving remuneration in line with applicable benchmarks	100%	100%

METRICS	ESRS S1-16				
Gender pay gap					
	Blue-collar workers	**White-collar workers**	**Middle management**	**Executive management**	**Total**
Difference of average pay levels between female and male employees, expressed as % of the average pay level of male employees	0,90%	0,02%	0,17%	0,24%	1,33%

METRICS	
Annual total remuneration ratio	**2024**
(annual total remuneration of the highest-paid employee / median annual remuneration of all employees, excluding the highest-paid employee)	6,9%

THE COMMUNITY
Affected communities (ESRS S3 - 1, 2, 3, 4, 5)

Territory-related Impacts

Salchi is committed to creating value within the social and territorial context in which it operates. Strengthening ties with local communities offers the Company opportunities to generate benefits in training, employability, and innovation. Salchi's social engagement also includes promoting respect for human rights and working conditions throughout its supply chain, with the goal of making it increasingly sustainable.

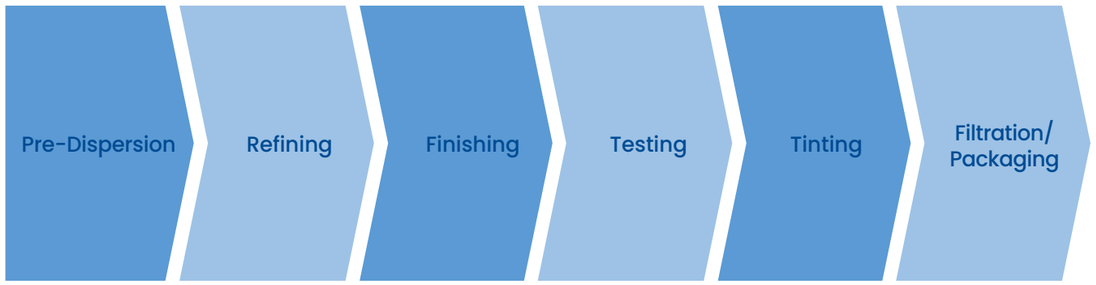
The Company has launched school-to-work programs to give young people the opportunity to experience the world of work firsthand and to share its passion for the industry. These initiatives foster stronger integration with the local community and help guide students toward a career in the chemical industry.

POSITIVE TERRITORIAL IMPACTS	ESRS S3-1, 2, 3, 4, 5			
POLICY	**TIMEFRAME**	**ACTIONS**	**TARGET**	**STATUS 2024**
Implementation of actions towards the territory	Short, medium, long term	Promotion of the recruitment of people, suppliers, and businesses selected from within the proximity of the Company	Continuous	Ongoing
Implementation of actions towards the territory	Short, medium, long term	Fostering of school-to-work programs with local education institutes	Continuous	Ongoing
Implementation of actions towards the territory	Short, medium, long term	Regular assessments of the social, economic, and environmental impacts of projects and investments on the surrounding area	Annual	Completed
Implementation of actions towards the territory	Short, medium, long term	Adoption of sustainable natural resource management practices that reduce environmental impact and protect local ecosystems	Continuous	Ongoing

CONSUMERS AND END USERS
End users (ESRS S4 - S4-1, 2, 3, 4, 5)

Product Quality

The configuration of Salchi's production lines is designed to ensure maximum process efficiency. The most frequently used raw materials are stored in tanks and silos and distributed through highly automated pipelines dedicated to each department. The production process consists of the following stages:



Salchi's formulation and production activities are continuously supported by a strong commitment to research and development. Approximately 20% of the Company's resources are dedicated to formulation and testing laboratories.
Quality control across the entire production cycle is managed within the integrated Quality–Health & Safety–Environment system, using methodologies and tools designed to meet both internal requirements and the standards set by external regulatory bodies. Specific procedures define roles and responsibilities for introducing new raw materials into the production cycle. Each new material undergoes documentary and technical checks to confirm not only its suitability for production but also compliance with national and international regulations.
Quality controls applied to the production process pursue two objectives:

1. deliver products that fully meet customer requirements;

2. minimize material waste and rework caused by non-compliance with the Company's quality standards.

Every product is subject to quality control throughout the different production phases to verify compliance and performance, ensuring high productivity levels and appropriate chemical-physical resistance.

PRODUCT QUALITY	ESRS S4-1, 2, 3, 4, 5			
POLICY	TIMEFRAME	ACTIONS	TARGET	STATUS 2024
Continuous monitoring of product quality	Short, medium, long term	Design of low-impact products throughout their entire lifecycle	Continuous	Ongoing
Continuous monitoring of product quality	Short, medium, long term	Maintenance and renewal of quality certifications	Annual	Completed

Consumer Health and Safety

Salchi is committed to providing customers with clear information on the raw materials used and the production standards applied, maintaining steady and constructive communication to support them in developing customized solutions. Among the values enshrined in the Company's Code of ethics, quality plays a central role—both in terms of customer satisfaction with products and services, and in strict compliance with applicable regulations, including chemical and food safety.

To ensure the safety and quality of raw materials and finished products, the Company has implemented a structured monitoring and control system, supported by both internal and external audits that periodically review all business processes. This auditing activity also extends to key suppliers, whose products and processes are assessed for compliance with Salchi's quality standards and values. The goal is sustainable growth, achieved by engaging suppliers and sharing solutions in a framework of continuous improvement.

The same approach applies to customers, with whom Salchi maintains ongoing dialogue to identify and implement improvement measures. The Company also ensures compliance with general and product-specific regulations based on product use. For products classified as Food Contact Materials, Salchi supplies solutions that meet applicable laws and Good Manufacturing Practices (GMP).

CONSUMER HEALTH AND SAFETY	ESRS S4-1, 2, 3, 4, 5			
POLICY	TIMEFRAME	ACTIONS	TARGET	STATUS 2024
Continuous process monitoring	Short, medium, long term	Guarantee of product compliance with applicable regulations	Continuous	Ongoing
Transparent communication	Short, medium, long term	Objective and transparent communication on significant impacts on consumer health and safety	Continuous	Ongoing

Governance Information

GOVERNANCE INFORMATION
General disclosures (ESRS 2 - GOV 1)

Sustainability plays a central role in Salchi's governance framework, with the Company committed to continuously improving ESG performance in line with European regulations on the management of impacts, risks, and opportunities.

GOVERNANCE, RISK MANAGEMENT AND INTERNAL CONTROL
Corporate Conduct (ESRS G1 - 1, 2, 3, 4)

Corporate Culture

Salchi's values encompass the protection of stakeholder interests and the development of efficient and reliable business practices.
The Company's governance steers its sustainability journey through four key pillars:

Particular attention is devoted to:

- product and service quality;
- environmental protection;
- hygiene;
- health and safety in the workplace.

Since 2000, the Company has operated an Integrated Management System (IMS) for Quality, Environment, and Health & Safety, certified under UNI EN ISO 9001:2015, UNI EN ISO 14001:2015, and UNI ISO 45001:2018.
The Code of ethics, revised during the year, serves as a cornerstone of Salchi's Corporate Governance system. Embedded within the MOG, it is designed to ensure business conduct that is consistent with the Company's ethical, sustainability, and performance objectives.
Aligned with both the MOG and the IMS, Salchi has established an internal control and risk management system aimed at safeguarding business continuity while upholding the principles of the Code of ethics, with the involvement of all organizational levels.

CODE OF ETHICS

For Salchi, ethical business conduct is a critical success factor. The Code of ethics defines the values underpinning the Company's Corporate Governance, including:

- Ethics and regulatory compliance;
- Health and safety, ensured through a periodically verified system referencing international standards (BS OHSAS 18001/ISO 45001), national guidelines (UNI-INAIL 2001), and internal policies for Quality, Environment, and Safety. Salchi actively promotes environmental protection in line with UNI EN ISO 14001;
- Human dignity, sustainable development, and social responsibility, reflected in the Company's commitment to physical and cultural integrity, fair working conditions, safe environments, and the rejection of discrimination. Salchi promotes gender equality, freedom of association, collective bargaining, and representation rights, while opposing child labor and forced or compulsory labor. The Company also engages with local communities to support their economic, civic, and social development;
- Transparency in accounting, administrative, and corporate responsibilities, ensuring accurate and timely disclosure in financial statements and required documentation;
- Fair competition, with operations conducted in full compliance with applicable laws on antitrust and fair market practices.

231/01 ORGANISATION, MANAGEMENT AND CONTROL MODEL

Salchi has adopted an Organisation, Management, and Control model pursuant to the Italian Legislative Decree no. 231/01 ("MOG"), which includes oversight by a supervisory body composed of an independent external professional. The MOG is structured into dedicated sections:

- Environmental section, designed to prevent environmental crimes as per Legislative Decree 121/11 and Law 68/2015;
- Safety section, aimed at preventing occupational health and safety offenses under Legislative Decree 81/08, particularly Articles 30 and 300.

RISK MANAGEMENT SYSTEM

Salchi's internal risk management framework ensures Board-level Risk Oversight. This principle requires the Board of Directors, CEO, and executive management not only to promote a risk management culture but also to define and update risk management strategies.
The approach is designed to:

establish a shared framework that accounts for relevant internal and external factors, associated processes, threats, and opportunities;

systematically monitor risks by combining the assessment of mitigation measures with performance indicators of corporate objectives, while recommending preventive and corrective actions.

The Company's objectives are time-bound and focused on:

- efficiency;
- quality management;
- productivity;
- process optimisation;
- compliance with Legislative Decree 81/08 and broader corporate governance standards (regulations, procedures, and MOG 231/01).

All relevant information is communicated transparently to stakeholders, with Salchi further strengthening its internal communication and reporting systems in 2024.

CORPORATE CULTURE	ESRS G1-1			
POLICY	TIMEFRAME	ACTIONS	TARGET	STATUS 2024
Quality, transparency and correctness of information	Short, medium, long term	Continuous updating of the Code of ethics and the MOG	Continuous	Ongoing
Quality, transparency and correctness of information	Short, medium, long term	Implementation of risk management system	Continuous	Ongoing
Quality, transparency and correctness of information	Short, medium, long term	Disclosure to stakeholders of clear and accurate information on governance, business practices, environmental and social impacts, and financial results	Continuous	Ongoing

Supplier relationship management

Salchi's sustainable development strategy necessarily extends to its suppliers, with whom values and sustainability goals are shared through ongoing dialogue. To this end, the Company has made its Code of ethics available to all suppliers via its corporate website.

Over the years, a structured supplier management process has been developed to build stable, long-term relationships. In 2024, Salchi strengthened the minimum health and safety requirements included in supplier contracts and introduced an evaluation system incorporating ESG criteria. The Company seeks to consolidate and expand relationships particularly with suppliers committed to continuous improvement in product quality, environmental protection, workplace safety, and social responsibility. These suppliers are seen as strategic partners in product innovation.

Salchi also promotes the adoption of international standards such as ISO 9001, ISO 14001, and ISO 45001 among its key suppliers.
In 2024, approximately 70 suppliers were evaluated on environmental criteria, with no significant negative (actual or potential) environmental impacts identified. In raw material procurement, Salchi prioritizes local and European supply chains: over 70% of raw materials are sourced from Italian suppliers. This approach both mitigates operational risks associated with raw material procurement and reduces environmental impacts.

SUPPLIER RELATIONSHIP MANAGEMENT	ESRS G1-2			
POLICY	TIMEFRAME	ACTIONS	TARGET	STATUS 2024
Responsible practices	Short, medium and long term	Promotion of supplier engagement meetings	Continuous	Ongoing
Responsible practices	Short, medium and long term	Raising awareness of responsible and sustainable practices among suppliers	Continuous	Ongoing
Responsible practices	Short, medium and long term	Building long-term partnerships with suppliers	Continuous	Ongoing

Anti-Corruption and Whistleblowing

Salchi operates in full compliance with Italian law and international standards on anti-corruption and business ethics. A structured compliance framework, aligned with Legislative Decree 231/2001, ensures prevention, monitoring, and accountability. Key elements include the Code of ethics, the MOG, staff training, and oversight by the Supervisory Body. In 2024, no cases of corruption were reported.

In accordance with Law 24/2023 (implementing EU Directive 2019/1937), the Company has established a whistleblowing system that guarantees confidentiality, protection, and a strict prohibition of retaliation. Employees, suppliers, and other stakeholders can submit reports through secure channels. No reports were received in 2024. The Company will continue to strengthen awareness, internal controls, and transparency.

ANTI-CORRUPTION AND WHISTLEBLOWING	ESRS G1-3			
POLICY	TIMEFRAME	ACTIONS	TARGET	STATUS 2024
Anti-corruption policy	Short, medium and long term	Implementation of an anti-corruption framework and monitoring measures	Continuous	Ongoing
Protection of whistleblowers	Short, medium and long term	Implementation of procedures for handling complaints and reports from stakeholders (Whistleblowing)	Continuous	Ongoing

METRICS		ESRS G1-4	
		2023	2024
Country	Confirmed cases of corruption or extortion	Total	Total
Italy	Number of confirmed cases of corruption or extortion	0	0
	Number of confirmed cases in which employees were dismissed or sanctioned for corruption-related incidents	0	0
	Number of confirmed incidents in which contracts with business partners were terminated or not renewed due to corruption-related violations	0	0

SALCHI METALCOAT

Passion for Coatings

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