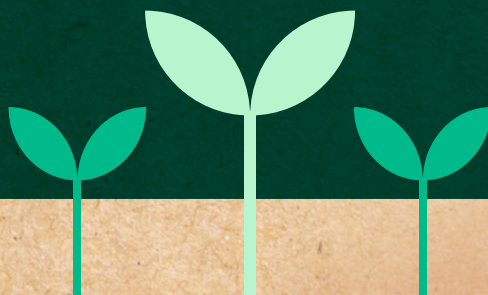


Sustainability report





SUSTAINABILITY REPORT 2023



Letter to stakeholder

In the past year, the world continued to face unprecedented challenges. Once the hard times posed by the pandemic and the energy crises were over, new geopolitical conflicts have brought new complications.

In spite of this scenario, we remained committed to our goals.

2023 was a very significant year for our company. In the first few months, we changed our company name, hence celebrating an important moment in our history. This change marked the entry of the third generation into the company, bringing renewed energy and motivation to continue the journey that began over 60 years ago.

Despite the global uncertainties, we continued to invest in technology to enhance production. We expanded and optimised the layout of both our plants and completed the installation and start-up of a new corrugator machine, the third for FEPA.

This major investment has not only increased our production capacity, but also provided new employment in the area, offered new growth opportunities for our staff, and created new opportunities for our Customers. With this cutting-edge plant, we can now offer a wider range of products, including innovative packaging solutions produced with lighter papers and with even less environmental impact.

2023 was a year that also saw us engaged in numerous inter-company projects related to environmental policies. As members of the most authoritative national and international trade associations in the paper industry, and to prove our commitment to sustainability as part of our vision, we made our contribution by taking part in numerous round tables on PPWR (Packaging and Packaging Waste Regulation) issues, in packaging life cycle assessment projects, and in the creation of the new guidelines of the future Made Green in Italy certification for sustainable packaging produced in Italy.

Of the many activities carried out over the past year, we are particularly proud of those we have carried out to benefit the local area and shared with the bodies and organisations that enrich our community. We have supported valuable projects in solidarity, sports and culture. It has been a great honour for us to contribute to the creation of shared value, to enhance our relational heritage and, if possible, to improve our collective well-being.

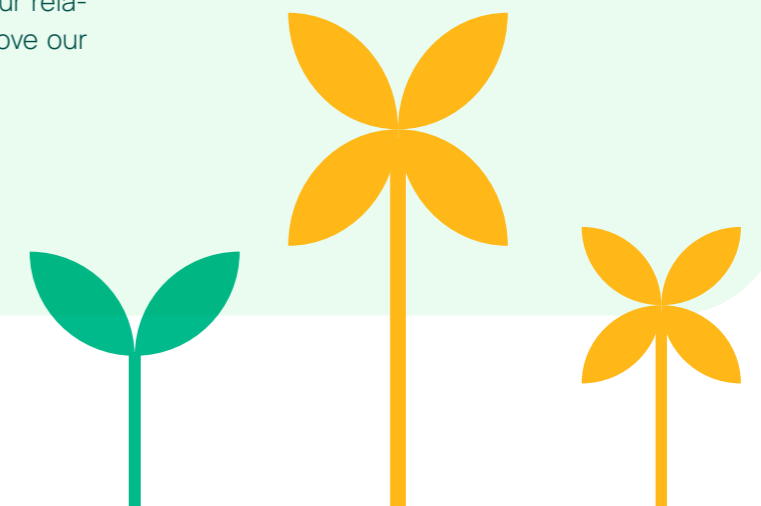
As we look to the future, we remain confident and determined. We will continue to invest in innovative and sustainable technologies, strengthen partner relationships and pursue qualitative growth.

I thank you all for your continuous support and commitment.

Together, we can face future challenges and build a better future.



FAUSTO FERRETTI,
Amministratore Delegato
FEPA SpA





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FEPA

1





1.1 A Success Story

FEPA SpA is a leading company in the Italian Market of **corrugated cardboard** packaging, which has been supplying, large industrial companies and large -scale retail market with **high-quality packaging** for over 60 years.

Thanks to **constant and significant investments in technological innovation and research and development** of its own packaging, the history of FEPA is a concrete example of successful family-run entrepreneurship, characterized, in recent years, by continuous economic growth that has allowed it to reach a produc-

tion capacity of approximately 480 million square meters per year.

FEPA promotes corporate **environmental and social sustainability** through the integration of ESG issues into its **sustainable development** strategies and a pragmatic implementation of the business plan. The initiatives adopted are communicated in the publication of the second **Sustainability Report**.

Located in the heart of Italy's 'packaging valley', we are among the **leading corrugated packaging suppliers**.

Thanks to our integrated production, we create packaging that **guarantees product protection, visibility and sales**, with timely logistics service and strict quality control.



From Sandra to Fepa



1960

Franco Ferretti, **our founder**, opens a small shop starting the history of the Company

1998

Cart-One is born, the joint-venture that allows us to extend our services throughout the Italian territory



2004

Strengthens and consolidates the positioning in the market, as the **second production plant** is being built in the municipality of Mezzani (PR)

2022

Expansion work starts at the **Mezzani FEPA SpA site**

1985

SANDRA, an **integrated corrugated cardboard production and converting company**, is officially founded at its current headquarters in **San Polo di Torrile (PR)**. In a short time, SANDRA becomes a leading company in the sector on a national level



2006

Cart-One crosses national borders thanks to the European alliance **BLUE Box Partners**, a collaboration that allows us to meet the demands of customers throughout Europe

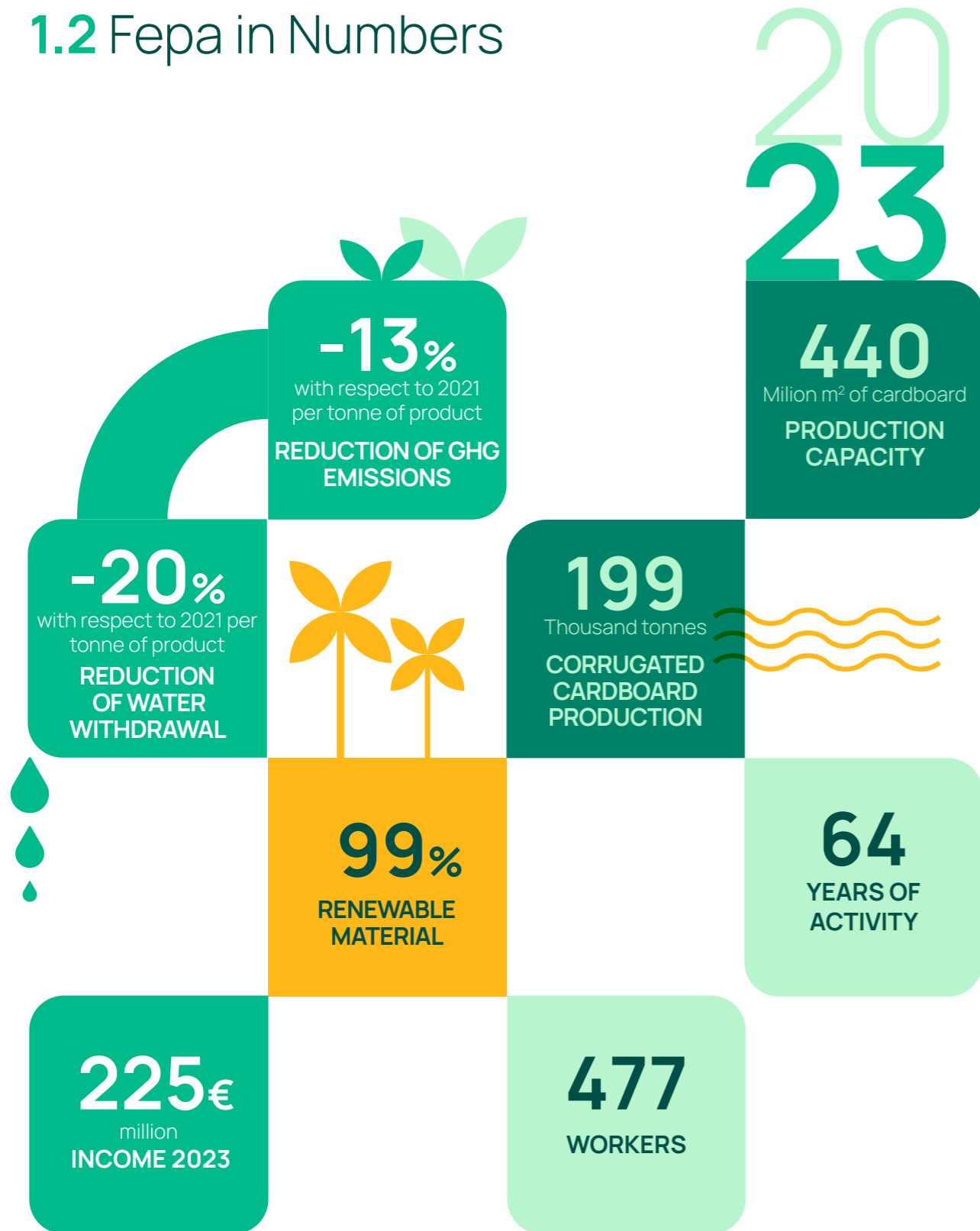


2023

Within the project to expand the Mezzani site, which starts in 2022, a third state-of-the-art BHS Flex Line corrugator with **a span of 2.8 metres is installed**



1.2 Fepa in Numbers



By installing the new BHS 2800 corrugator in the new production department and expanding and optimising the internal and external logistics space, the Mezzani site will increase its production capacity when completed (2024-2025) **from 240 to 500 million** square metres per year. The site has also achieved greater operational flexibility and a broadening of the range of products offered, including nano-wave production technology.

SAN POLO DI TORRILE SITE

Production site and head office

SURFACE AREA: **30.000 m²**

PRODUCTION CAPACITY: **160.000.000 m²**

EMPLOYEES: **285**

Technologies

- 1 Corrugator AGNATI 2500
- 3 Printing centers of which 2 are HD
- 4 Flatbed die-cutters
- 2 Case maker with up to 4 colours
- 1 Paste binder
- 2 Tubes
- 2 Digital plotters for cutting
- 1 Digital plotter for gluing

CASALE DI MEZZANI SITE

Production site

SURFACE AREA: **56.000 m²**

PRODUCTION CAPACITY: **280.000.000* m²**

EMPLOYEES: **192**

*Capacity increasing due to setting up Mezzani 2.

Technologies

- 1 Corrugator BHS 3350
- 1 Corrugator BHS 2800
- 1 Digital printing center
- 1 Printing center with 7 colours HD
- 1 Flatbed die-cutter
- 3 Rotary die-cutters
- 3 Casemaker with up to 4 colours

- PRODUCTION SITE
- LOGISTIC HUB



FEPA operates through **2 integrated production plants** and additional logistics hubs located in strategic areas to meet the demands for **assembly, transport, and distribution** of packaging to customers' hubs for final product packaging.



1.3 Mission and Principles

Obtain full customer satisfaction thanks to innovative, high-performance, and high-quality packaging solutions.

In line with its mission, FEPA has identified **six operating principles** on which to base its business, going beyond the pure logic of profit in favour of a broader spectrum and **value-oriented** approach. FEPA believes that its principles are important for achieving the highest level of quality and service, satisfying customer requests in the best possible way.

FLEXIBILITY

Flexibility of thought and action in the realization of each project allow us to meet the most diverse needs of our customers.

QUALITY

We guarantee a **high-quality standard** of the product and service throughout the supply cycle, giving the customer the opportunity to **trace the manufacturing process** from design to delivery.

SPEED

We offer **speed of response and execution** to meet customer requests in the shortest possible time.

STREAMLINED PROCESSES

We act **promptly and effectively** in decision-making processes, addressing and solving critical issues in real-time.

COMPETITIVENESS

We remain competitive in the **packaging sector** thanks to a path of constant growth, investing every year in training, research and development, as well as in technological updates.

TERRITORY AND ENVIRONMENT

We adopt sustainable development policies to protect the **well-being of people** and the **environment** in which the company operates, working to neutralize the environmental impact associated with production processes and **promoting the economic and social prosperity** of the surrounding communities.

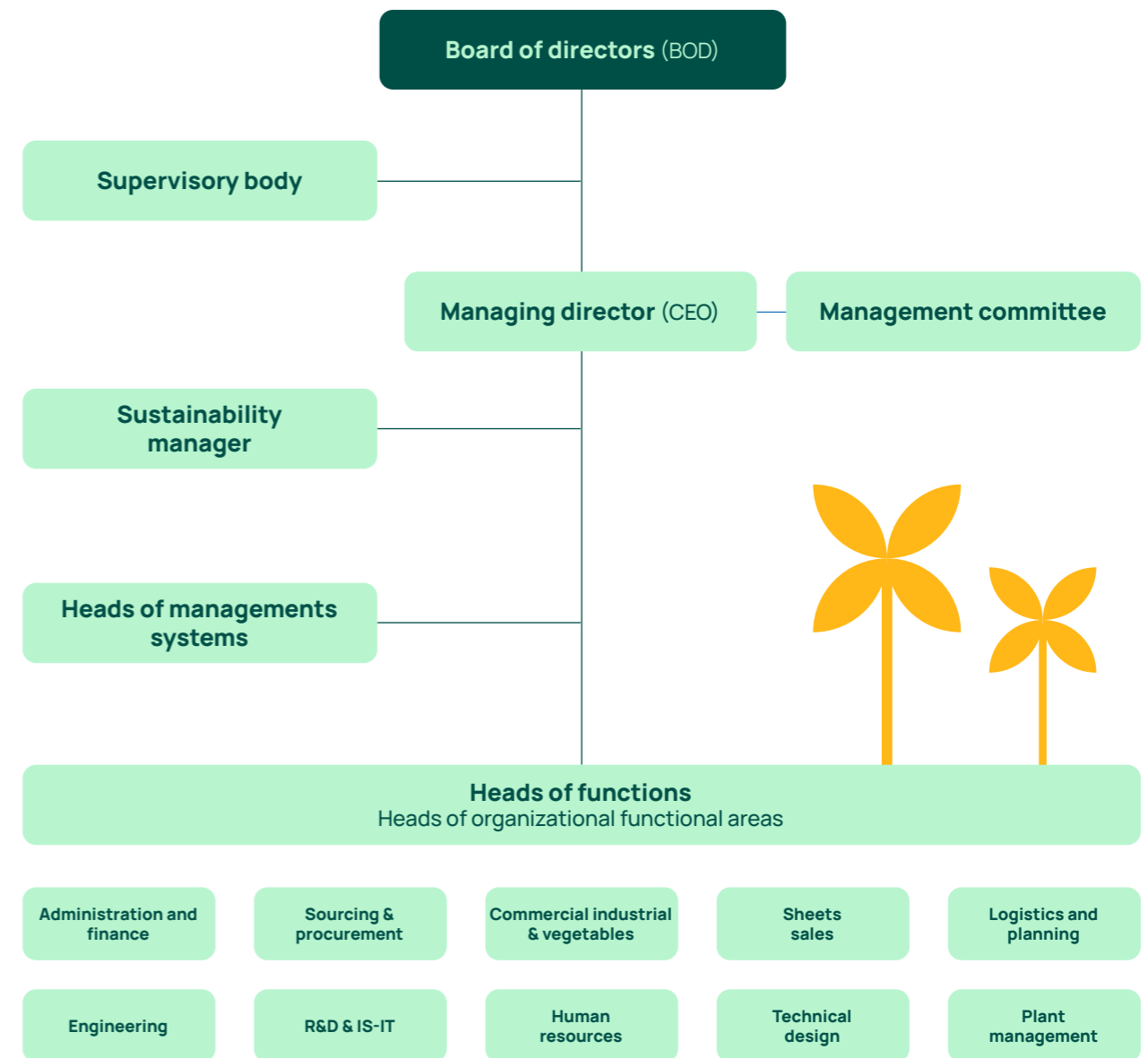
Our principles are our guide to driving business beyond the simple logic of profit, adopting a **shared value and sustainability-oriented approach** and ensuring quality along with responsibility at every stage of our work

1.4 Responsible Governance

We implement a strong, efficient and transparent governance system to achieve our organisational vision and drive progress towards meaningful goals of change.

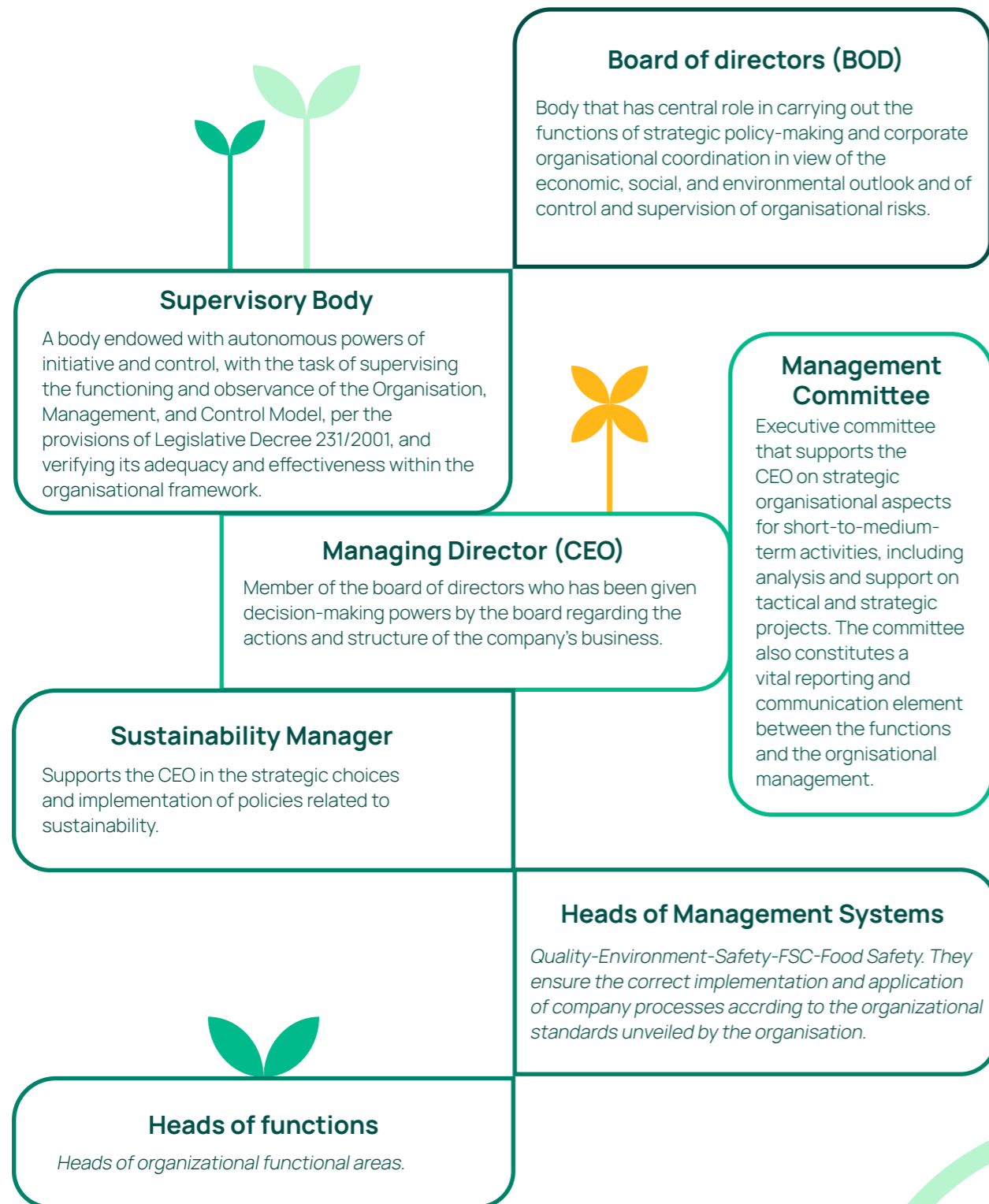
FEPA S.p.A. is a single-member joint-stock company with a traditional system of administration and control, where the Board of Directors guides the company's management. The governance system of FEPA S.p.A. (GRI: 2-9) is characterized by a business model aimed at ensuring **transparency, efficiency, and accountability**.

FEPA is committed to guaranteeing an ethical business model, **pursuing the value of legality** by managing its corporate processes through the adoption of an ethical code and an Organisational Model pursuant to Legislative Decree 231.





Since 2023, FEPA has introduced the position of **ESG Sustainability Manager** into its workforce. This role, working in a cross-sectoral and synergistic manner with management and the various corporate departments, aims to support governance in defining effective strategies for **achieving sustainability goals** and ensuring the integration of a **sustainable approach throughout all organisational processes**.



1.5 Values and the Control System

The Code of Ethics defines the core values that guide FEPA's business and Social Responsibility.

THE VALUES OF OUR CODE OF ETHICS

PROTECTION OF THE PERSON

In applying the principles of ethics and responsible management, we are committed to ensuring respect for human rights, ensuring a safe and welcoming working environment, and preventing discriminatory behaviour of any kind.

ENVIRONMENTAL PROTECTION

Through the continuous improvement of our environmental performance, we aim to achieve sustainable development and harmony between ecology and business activity and to contribute to the well-being of all.

ETHICAL BUSINESS MANAGEMENT

Ethics, integrity, and responsibility govern our business, helping us to protect consumers and prevent business risks, with particular reference to anti-money laundering and anti-corruption issues.

In 2023, FEPA updated its Legislative Decree 231 organisational model to comply with the provisions of Legislative Decree No. 24 of 10/03/2023, by implementing a digital platform for the **whistleblowing reporting system**. This upgrade provides maximum protection for whistleblowers, ensuring traceability and **timely handling of reports, while fully respecting confidentiality**

FEPA has adopted a structured Organisational Model in accordance with Legislative Decree 231, which is integrated and coordinated with the Voluntary Management Systems relevant to Quality, Food Safety, Environment and FSC.

Through the Organisational Model, FEPA has developed a process for mapping risks, activities carried out, and the business context in which it operates. This allows FEPA to identify the best organisational practices to guarantee the transparency, integrity, and solidity of its business. The Organisational Model represents a fundamental tool to support strategies for **preventing and assessing** corporate risks such as corruption, environmental crimes, money laundering, and labor exploitation.

Within the Organisational Model, FEPA has formally adopted the Code of Ethics to define the values that the Company recognizes, accepts, shares, and considers fundamental to ensure the proper functioning, reliability, and reputation of the Company. The objective of the Code of Ethics is to **promote unambiguous guidelines of conduct and to consolidate the moralization and efficiency of the Company both in internal and external relations**. In addition to actively training its employees on these issues, FEPA conveys and shares its ethical values with business partners, requesting their signature.

The values conveyed by the Code of Ethics of FEPA define the rules of conduct to be followed at the basis of the "sustainable development", such as respect for human and labor rights, the fight against corruption, and environmental protection.

Both the Organisational Model and the Code of Ethics are an integral part of FEPA's structure and therefore must be **recognized and respected by all company personnel as well as by external collaborators**, who are required to ensure behaviour in accordance with shared corporate principles and protocols.

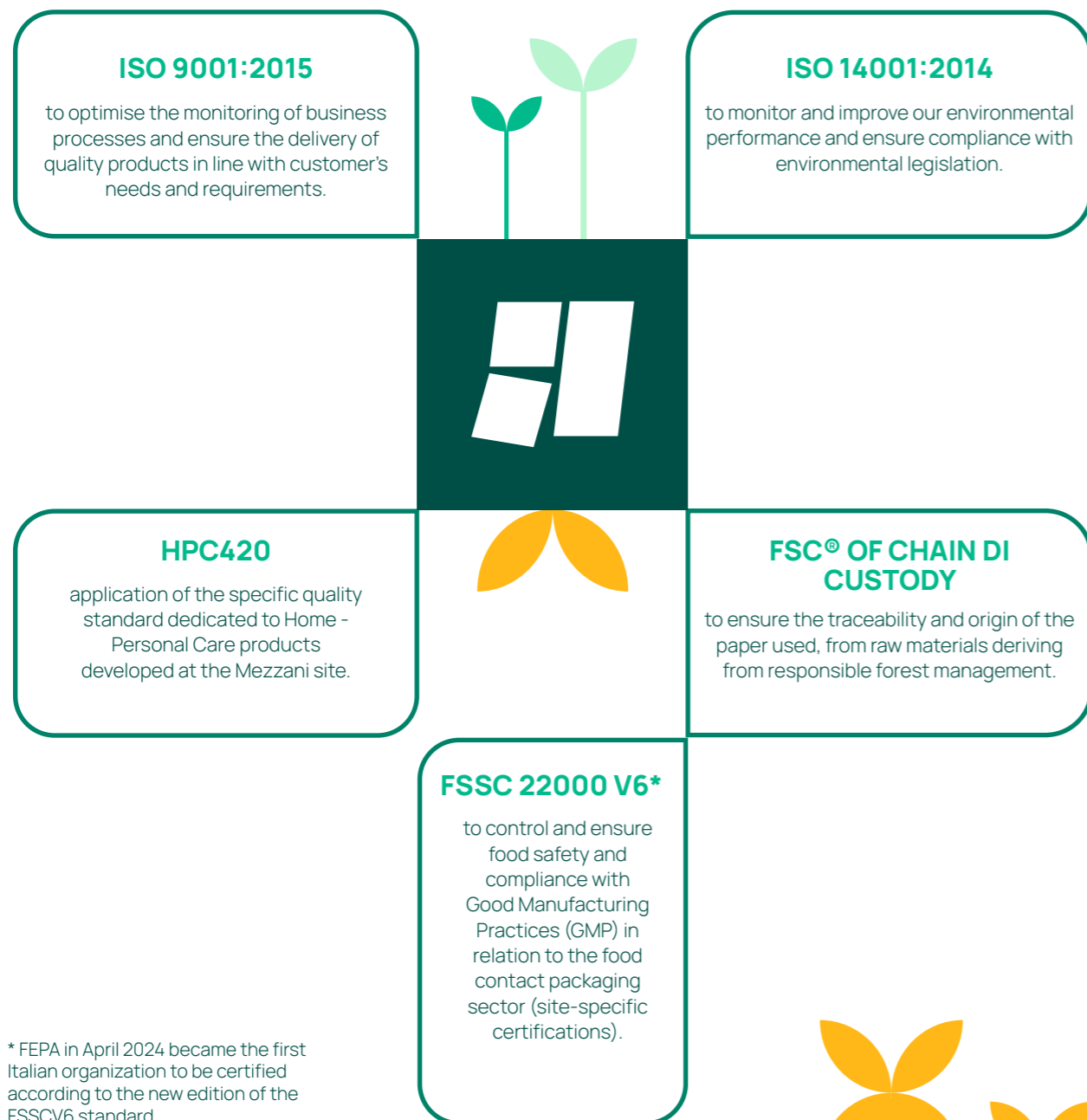
Through our training activities, we ensure knowledge of FEPA's Organisational Model 231 and Code of Ethics



1.6 FEPA Certifications

Our commitment to sustainability is also achieved through obtaining and maintaining specific voluntary certifications

In order to ensure the **quality and sustainability of its business**, FEPA has embarked on a certification process aimed at guaranteeing the same efficiency and safety parameters along the entire production chain, such as the traceability of the raw materials used, the improvement of environmental performance and the guarantee of environmental compliance.



* FEPA in April 2024 became the first Italian organization to be certified according to the new edition of the FSSC V6 standard.

On a regular basis, FEPA chooses to be audited externally on ethical issues and internal working conditions, including the **SMETA 4 Pillars** (last audit in 2022), an external audit based on high-quality verification protocols focused on four theme areas.

(Ethical Trade Initiative) and the Best Practices of the SMETA Guidelines by the organization.

The results are shared through the web-based portal SEDEX (Supplier Ethical Data Exchange), which offers the possibility to make information accessible in a secure and controlled way, sharing it among customers participating in the initiative.

Passing the SMETA verification certifies compliance with current legislation and adherence to the ETI Code

The 4 pillars of a SMETA

- 1. LABOUR STANDARDS
- 2. HEALTH & SAFETY
- 3. THE ENVIRONMENT
- 4. BUSINESS ETHICS



RISKS ANALYSIS

Through its certified management systems and collaboration with process managers and external experts, FEPA Management carries out **targeted assessments** and analyses of organisational risks for each company dimension, covering **five main areas**:

Areas of evaluation				
231 and ethics	Food quality and safety	Environment	Health and Safety	Financial management
CONTEXT AND PROCESS ANALYSIS	LEGAL	REPUTATIONAL	BUSINESS CONTINUITY	RESOURCES AND PERSONNEL

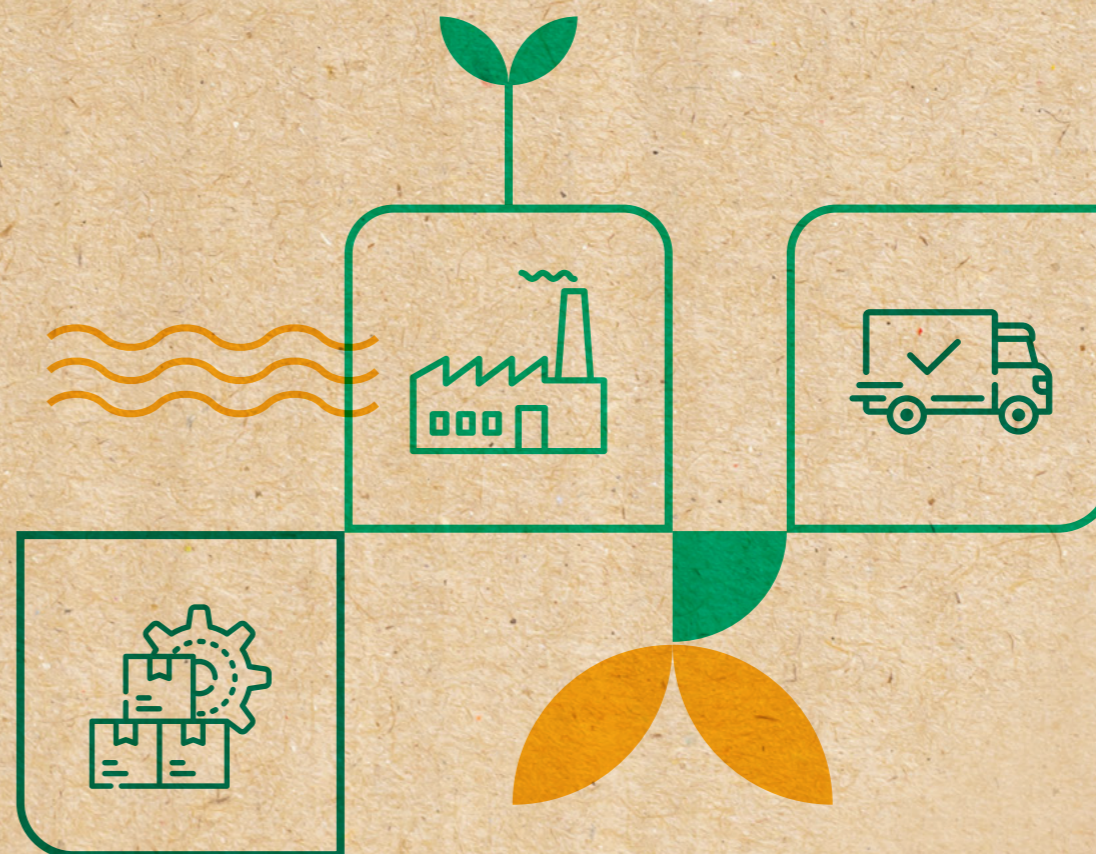
The analysis aims to define practices and control methods that lead to the monitoring and control of risks, a necessary condition for a safe and sustainable business that can respond to internal and external organisational changes, as well as to the evolution of its processes.

In the interests of transparency concerning its commitment to sustainability, FEPA analyses its rating annually via **EcoVadis**, the Platform for assessing performance in terms of Corporate Social Responsibility in the following areas: Environmental, Social, Respect for Human Rights, Sustainable Procurement



Products and Target Markets

2





2.1 FEPA products and services

We work alongside our customers with tailor-made products from the conception of the idea, with innovative designs, feasibility studies and rigorous quality control in the laboratory and at every stage of the production process.

With dedicated Design Team and Key Account, FEPA can accompany its customers along all stages of corrugated cardboard production, from the feasibility study to the production and after-sales of the required packaging. In addition, FEPA, which has always been oriented towards product innovation, has invested in a laboratory specialized in the research, development and verification of the performance of materials.

This work is dedicated to meeting the specific needs of customers and to carrying out **constant and rigorous quality control** during all phases of the packaging production process, from the selection of raw materials to the packaging and shipment of the finished product.

In response to a large and diversified market, FEPA's primary, secondary, and tertiary corrugated packaging types cover the needs of most market sectors.

PLUS OF FEPA SERVICES

PACKAGING OPTIMIZATION



Customized packaging design taking into account **functionality, aesthetics, waste reduction, space optimization, and needs related to customers' production lines.**

DELIVERY FLEXIBILITY AND SPEED



Integrated and stable production processes are achieved through the application of **Lean Manufacturing methodologies, Integrated Logistics and automatic warehouses, and TPM (Total Productive Maintenance)**. These allow for great speed, flexibility, and consistency, in compliance with the timing and requests of the customer.

FULL TRACEABILITY



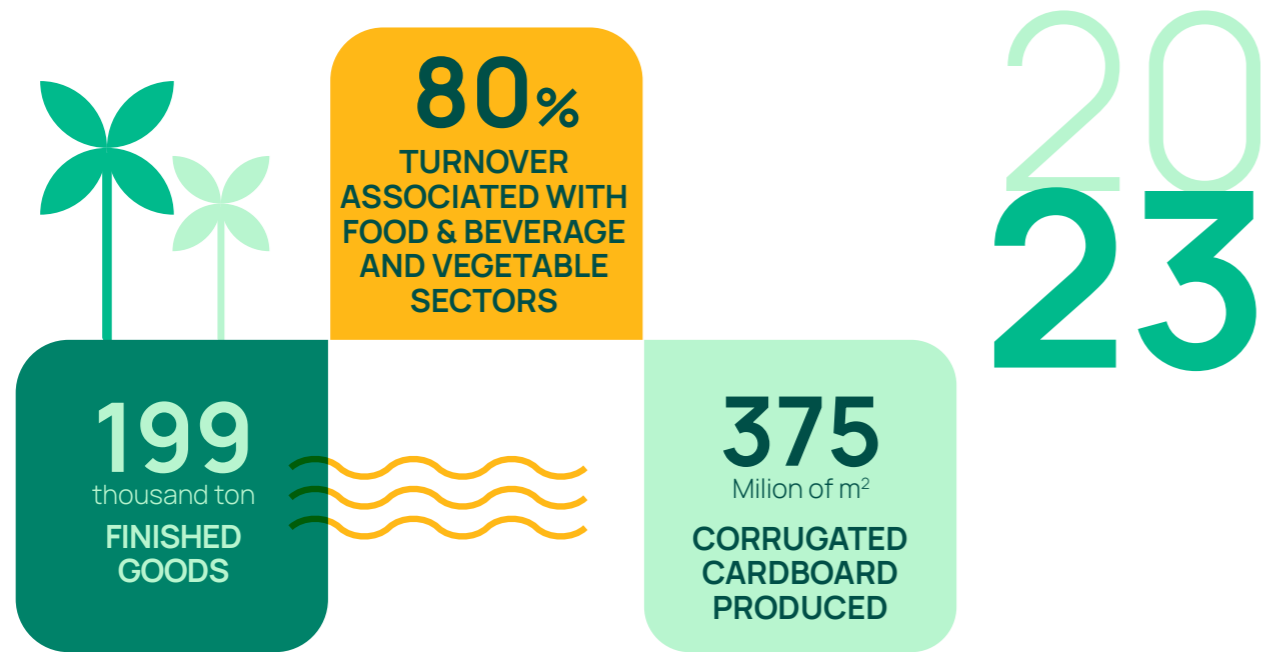
Traceability of the manufacturing process, from the single reel to the pallet of the finished product, guarantees the customer **control of the product in all its phases.**

	INDUSTRY						FRUIT & VEGETABLES
	Food	Beverage	HPC	Logistics	Packaging	Others	Food
American Boxes	[Green bar]						
Wrap around	[Green bar]						
Point of sales stand alone	[Green bar]						
Shelf Ready Packaging	[Green bar]						
Semi-finished products (sheets)	[Green bar]						
Trays	[Green bar]						
Plateaux	[Green bar]						

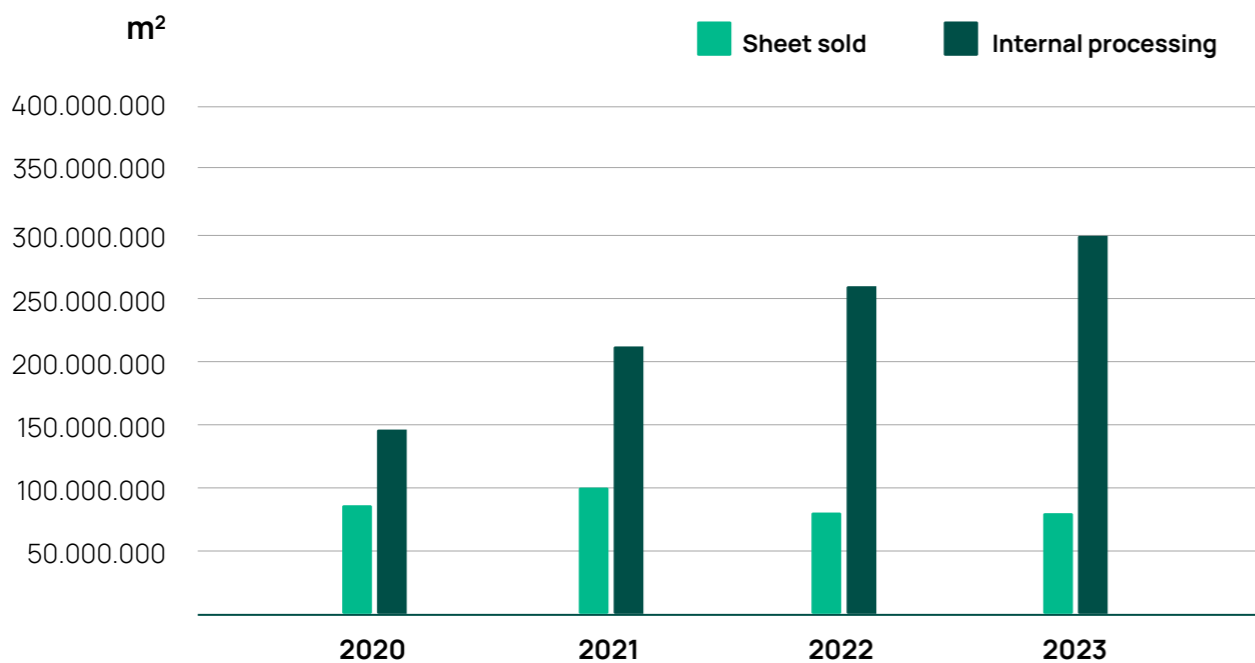
Market sector ■



Compared to 2021, corrugated cardboard production grew by 21% in 2023; of the total produced, 20% is sold as semi-finished products (“sheet”) to other companies, while 80% is used internally by FEPA for packaging.



Corrugated cardboard production



2.2 The Target Market

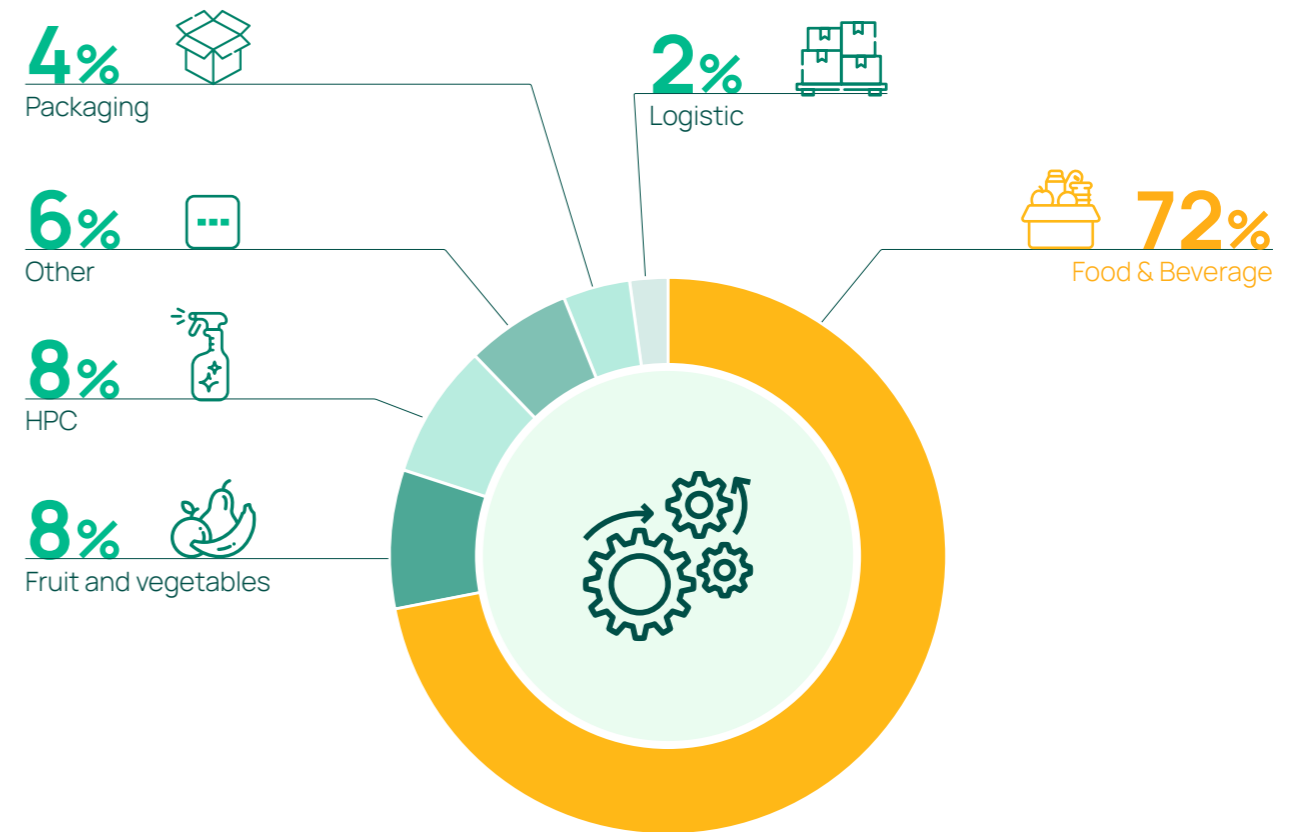
Over time, FEPA has assumed a **leadership role** in the field of corrugated cardboard solutions. Operating in two integrated production plants, FEPA has also built a widespread network of logistics hubs to ensure speed and accessibility in the distribution service to customers.

FEPA's business focuses on the production and distribution of corrugated cardboard packaging on the national **B2B** market, particularly in the regions of central

and northern Italy. Moreover, through the formation of partnerships at the national and European levels, FEPA has extended its market throughout the Italian territory and into the rest of Europe.

Among the main industrial sectors in which FEPA operates, there are Food & Beverage and HPC (Home & Personal Care).

% Turnover in 2023 for the industrial sector





2.3 Alliance and Partnership

To improve the quality of its products and expand the distribution network, thereby providing added value to its customers, FEPA has over time established strategic collaborations by activating partnerships both on the Italian territory (Cart-One) and at European level (Blue Box Partners); such partnerships enable the sharing of skills, knowledge, and relationships on an operational

level in order to improve products, convey 'good practices' and innovative ideas, and define broader industrial plans. FEPA has thus been able to grow and extend its market beyond the Italian territory by providing innovative packaging products and meeting and anticipating the evolving needs of its international customers.

Even with its choice of alliances, FEPA has chosen to form partnerships with "Family Companies" that share the same values and business models

CART ONE

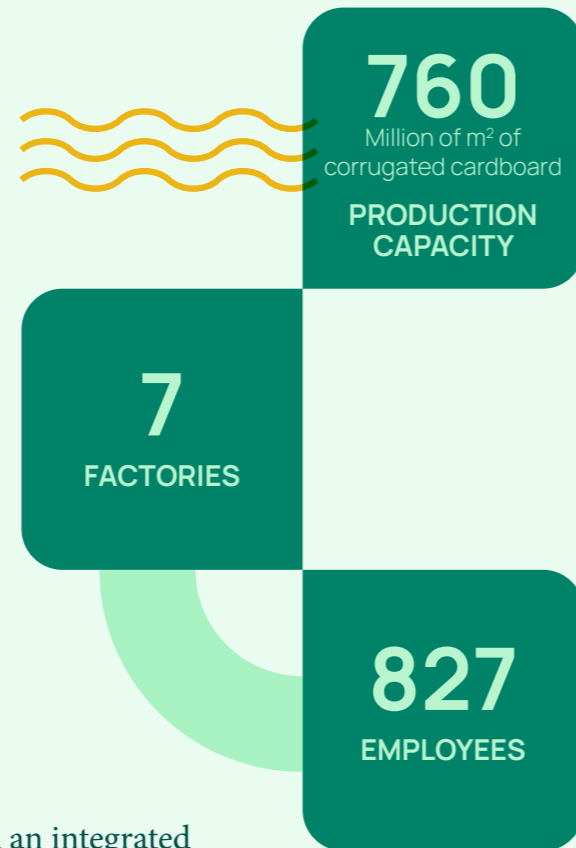
Born from the joint-venture of FEPA and the company Antonio Sada & figli, **Cart-One** is a high-quality packaging company with distribution throughout the Italian territory.

The company was created for the B2B market, to guarantee the supply of corrugated cardboard packaging to large industrial companies with multiple production centres located in the various Italian regions.

Thanks to a shared coordination, Cart-One allows companies to interface with a single partner, ensuring the same level of product and service in all production plants.

Investing in innovation, sustainable development, and care for people, Cart-One offers paper packaging that meets the specific needs of its customers, guaranteeing a wide range of packaging types, including American boxes, die-cuts, displays, and special crates. For each type, the packaging complies with the highest company quality standards, guaranteeing maximum efficiency in terms of resistance, usability, and sustainability.

In 2023, FEPA and Antonio Sada & Sons created an integrated contingency plan for Cart-One to protect customer management and business continuity.



With the creation in 2006 of **Blue Box Partners**, a European Economic Interest Grouping (EEIG) formed by four independent family businesses, through Cart-One FEPA became part of a **Europe-wide** distribution network of high-quality packaging.

Blue Box's established partner companies are among the largest European corrugated cardboard and paper packaging companies. Blue Box Partners' common goal is to become the leading provider of paper-based packaging solutions in Europe.

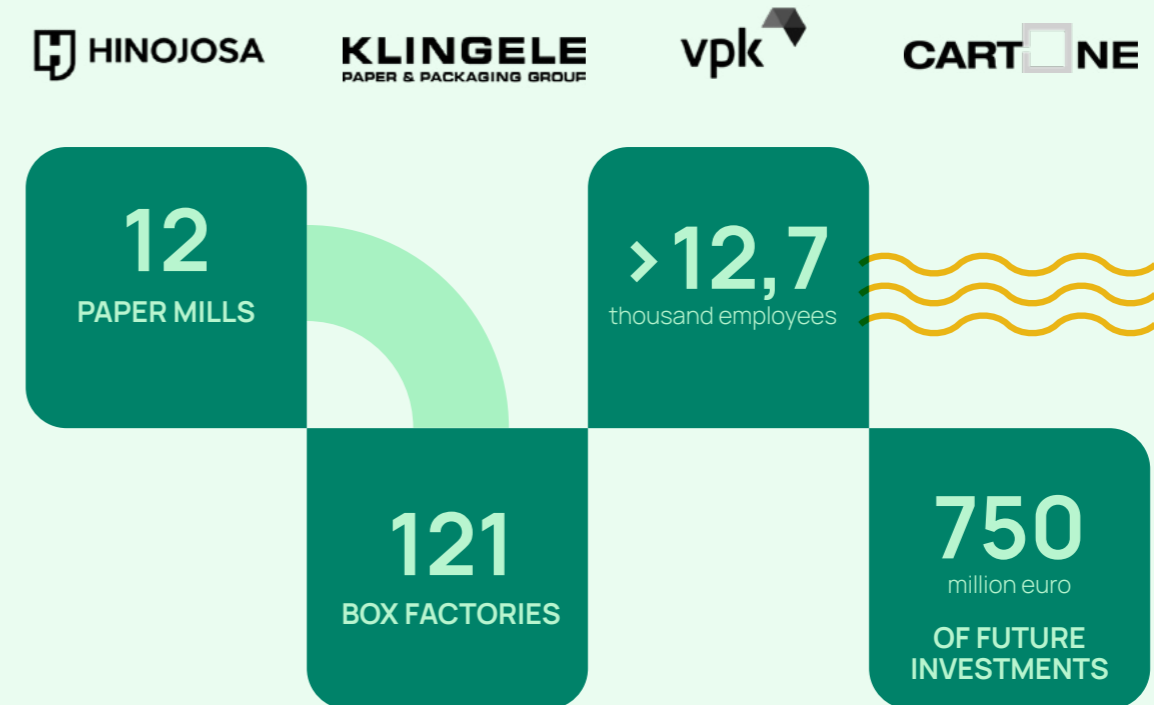
In addition to a common long-term business perspective, the four companies are united by their shared values of reliability, flexibility, entrepreneurship, and sustainability.

The types of cardboard packaging offered by Blue Box Partners are diverse and can be adapted to the specific needs of its customers, covering a wide variety of markets, including the food, retail, transport, and cosmetics sectors.

With the combined expertise of 12,000 employees and the production capacity of 121 plants, Blue Box Partners operates in the main European paper packaging markets.

We deliver in the following European countries

- Austria
- Belgium
- Denmark
- France
- Germany
- Greece
- Ireland
- Italy
- Luxembourg
- Norway
- The Netherlands
- Poland
- Portugal
- United Kingdom
- Czech Republic
- Romania
- Switzerland
- Spain
- Hungary





TRADE ASSOCIATIONS

FEPA adheres to important trade associations for corrugated cardboard manufacturers and processors Gifco, Fefco, Comieco, Assografici, Bestack, and UPI to ensure **greater representation and protection of their interests and to access a network of skills, projects, and application experiences.**



Collaboration for the MGI “MadeGreen in Italy” project

FEPA, in the context of the trade association, participated in the data collection project carried out by Gifco to conduct a sector and product analysis. This project aimed to identify and calculate environmental impact coefficients, thus creating a useful benchmark for the entire corrugated packaging sector.

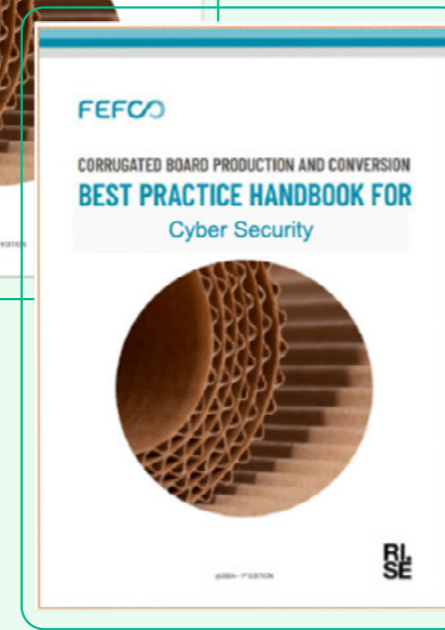
The results are fundamental to developing the future “**Made Green in Italy**” certification for sustainably produced packaging in Italy.



Participation in the Creation of Sectoral Handbooks

In 2023, FEPA actively participated in international inter-company working groups to collect data and information needed to create two important 'handbooks' managed by FEFCO.

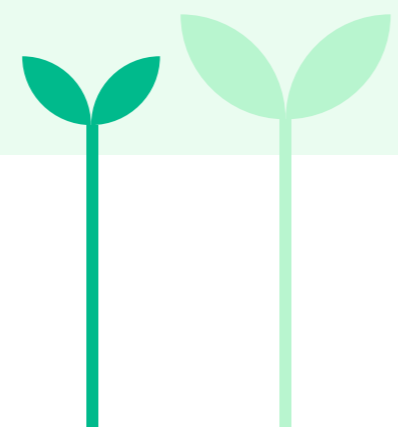
The first document is a guide to industry best practices for improving **energy efficiency**, showing companies where they can take action in the production stages to make their energy consumption more efficient. The second document, on the other hand, deals with **cybersecurity**, i.e. it stipulates the set of rules to be followed in order to ensure the security of one's data and products, crucial elements in the context of corporate sustainability.



PPWR Regulation

In November 2022, the European Commission proposed the revision of the European Packaging Directive (PPWD) with the draft Regulation on packaging and packaging waste, amending Regulation (EU) 2019/1020 and Directive (EU) 2019/904, and repealing Directive 94/62/EC (PPWR). The aim is to reduce packaging and packaging waste and its impact by proposing new measures aimed at encouraging re-use, reducing the use of virgin raw material in favour of recycled content in products, reducing over-packaging and unnecessary packaging by reducing permitted empty space levels, and increasing recyclability.

The review process leading to approval is expected to be completed by the end of 2024. During this period, FEPA has actively participated in the numerous round tables and Life Cycle Impact Assessment (LCA) projects promoted by FEFCO to critically review the contents of the Directive and to propose and share with the Members of Parliament coherent, concrete and “sustainable” positions from an environmental as well as an industrial point of view, as expressed by the companies in the sector. FEPA's commitment to this initiative reflects its dedication to positively influencing **environmental policies** and supporting **sustainable practices** in the packaging industry.



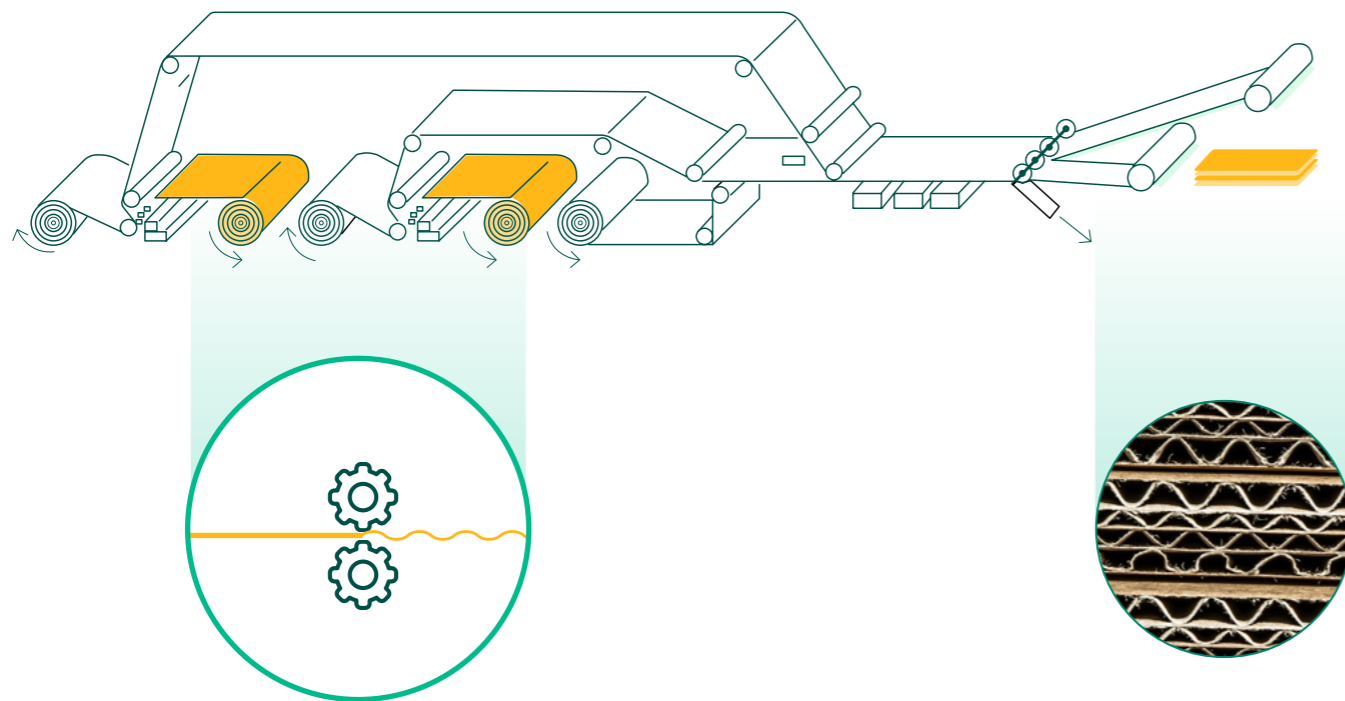


2.4 Processes and Technologies for Quality Packaging

Both FEPA plants manage production and converting of corrugated cardboard in an integrated way.

CARDBOARD CORRUGATION

FEPA has two state-of-the-art corrugators that allow the production of various types of corrugated cardboard sheets, with single and double wall and combinations of high, low and very low flute size.



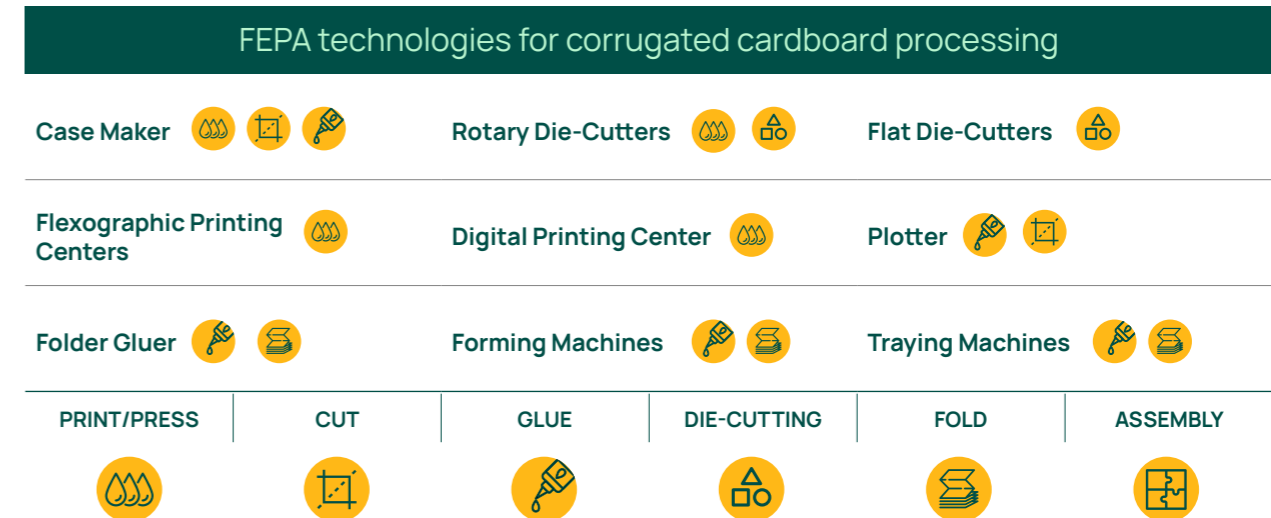
SAN POLO 1 CORRUGATOR

- The AGNATI corrugator has a span (height of the machined sheet) equal to 2,500 mm

MEZZANI 2 CORRUGATORS

- 3,350 mm.
- BHS 3350 corrugator, recognized as the largest existing in Italy, with few specimens in the rest of the world.
- New BHS Flex Line corrugator with a span of 2,800 mm.

Corrugated cardboard can be started as a semi-finished product externally or transformed internally into a finished product by "converting" activities carried out in FEPA departments equipped with technologies that are able to respond to the most varied graphic and dimensional requests.



Every year we allocate a significant part of our turnover to technology, research and development. The investment and expansion of our machine portfolio is a source of pride for us, enabling us to offer our customers a high level of service and product quality.

IN FEPA "MEZZANI 2" IS BORN AND THE NEW CORRUGATOR TYRON COMES INTO ACTION

The installation of the **new corrugator** at the Mezzani site was completed, a **latest-generation BHS Flex Line** with a span of 2,800 mm.

This plant is characterised by its ability to produce not only corrugated cardboard sheets with traditional waves (low wave, high wave, double wave) but also microwaves, nano-waves and uncovered waves, combining the use of virgin and recycled paper with traditional weights with the use of **ever lighter and therefore more environmentally sustainable paperweights**.

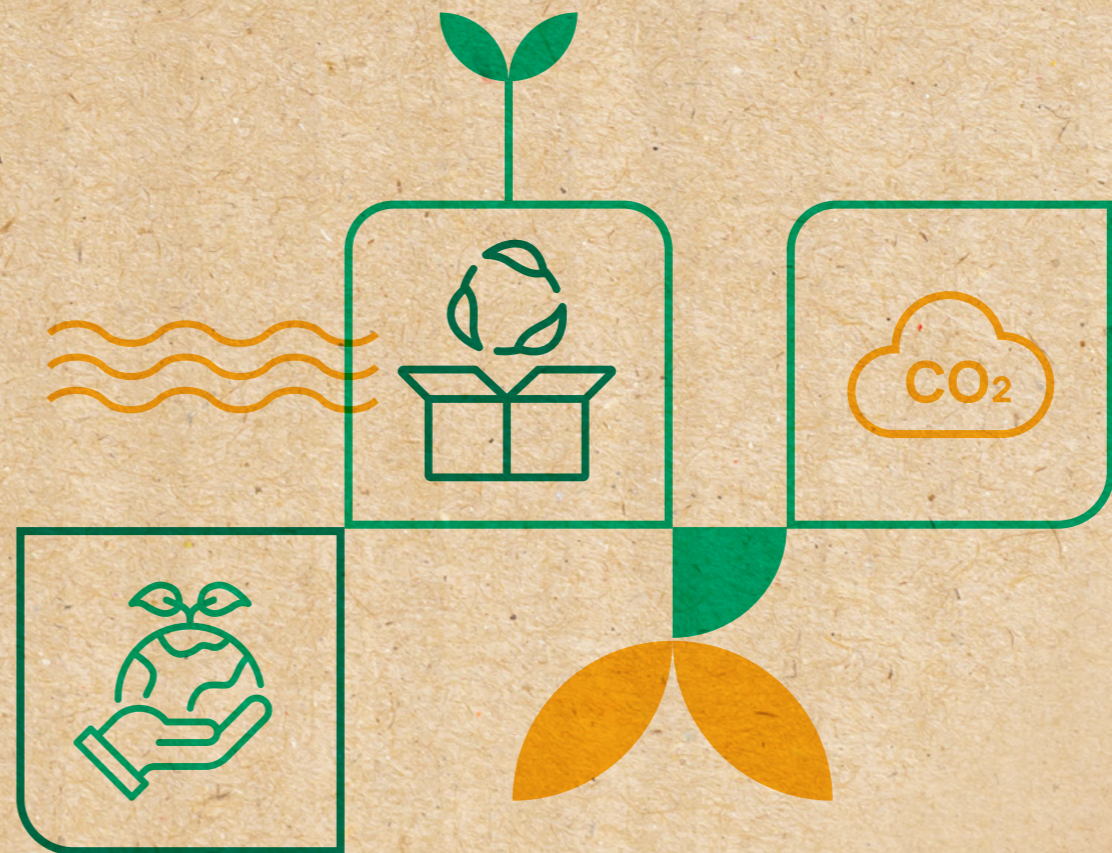
The new corrugator is also equipped with the most innovative and sophisticated process and quality control technologies that allow for rigorous in-line checks during production, **improving efficiency and performance**.

Thanks to this installation, the site will increase its production capacity when completed (2024-2025) from 240 to 500 million square metres per year.



Towards Sustainable Development

3





3.1 Approach to sustainability

Our commitment translates concretely into initiatives and investments that promote environmental, economic and social sustainability, with a holistic approach, firmly believing that business can only stand the test of time and prosper if it is founded on sound ethical principles

FEPA has always demonstrated, with concrete initiatives and investments, a strong propensity for environmental, economic and social sustainability issues. This is due both to aspects intrinsically linked to the business sector and to a natural conviction of ownership and leadership.

We believe that to last over time, a company must be environmentally **conscious** and thrifty in energy and resource consumption. It must be **respectful** of the land and the needs of the communities in which it operates, **transparent** with internal and external stakeholders,

and **supportive and inclusive** of diversity. Our approach is to create a growth path that goes beyond the logic of profit, with a broader vision.

We believe in the importance of generating a positive impact for our Planet, which is why we strive every day to make our company increasingly efficient, investing in constant innovation and training. We pay particular attention to the creation of organizational systems that can reconcile business needs with care for the environment.

PILLARS FOR A MORE SUSTAINABLE FUTURE

PEOPLE AND THEIR VALUE

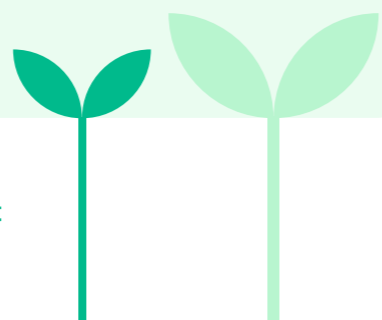
We invest in the professional and technical training of our people because their skills, commitment and motivation are the founding values of our success and continuous growth.

RESPONSIBLE ENVIRONMENTAL MANAGEMENT

Respect for the environment and the region in which it operates is the basis of FEPA development strategies. This guides investments in new plants and technologies to improve resource consumption efficiency and reduce the impact on the environment and society.

PROSPERITY AND SUPPLY CHAIN

Being a leader in the production of corrugated cardboard allows FEPA to generate prosperity in the three environmental, social, and economic imensions via efficient resource use, the promotion of circular models, the development of direct and supply chain employment, cooperation with institutions and other industrial entities on training projects, and orientation for young people in work, charitable actions, and cultural activities.



3.2 Sustainability Report and Materiality Analysis

FEPA recognizes Sustainability as one of the fundamental principles of the Company, as the foundation of both strategic choices and the involvement of employees and external stakeholders. With transparency and improvement in mind, the Organisation has decided to communicate its commitment to Sustainability through the drafting of this Report.

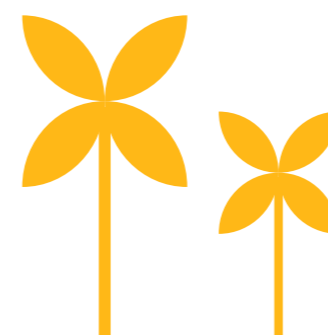
In 2023, FEPA has verified and updated its Materiality Analysis inspired by the principles of the Global Reporting Initiative (GRI) Standards, with the aim of identifying material issues, which represent the most relevant economic, environmental, and social issues and topics for FEPA and its main stakeholders.



Acting sustainably means transforming our “vision” into reality, with serious, targeted, and concrete actions, ensuring that the company grows and lasts over time, respecting the context and the territory in which it operates and creating shared value

*Gianluca Banci,
Sustainability Manager,
FEPA SPA*

The materiality analysis, with the support of the ESG Committee, allowed to integrate and harmonise the Sustainable Development Goals into the business strategy, raising them to fundamental principles for operational management





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ing Initiative (GRI) Standards, with the aim of identifying material issues, which represent the most relevant economic, environmental, and social issues and topics for FEPA and its main stakeholders.

The management of sustainable innovation issues is supported by an internal team set up during the work associated with the first draft of the report.

From the materiality analysis, 18 material themes have emerged, which have subsequently been traced back to the areas identified by the **Sustainable Development Goals** of the 2030 Agenda (SDGs) to which FEPA **directly** contributes.

The Sustainable Development Goals represent **a crucial tool for the analysis of materiality**, helping to identify **the target areas of sustainable development** with which to align one's business strategy.

Functions of the sustainability committee

The active involvement of the Sustainability Committee, through worktables, has made it possible to investigate and deepen the internal and external FEPA context and the position of the main stakeholders of the organization.

The objective of this survey was to outline the relevant aspects and impacts of FEPA and the key KPIs to monitor

the Organisation's performance in the field of Sustainability. The Sustainability Committee also has the task of supporting the ESG Manager in managing the changes, needs, and expectations of stakeholders on sustainability matters, harmonizing the Organization's strategy with the corporate objectives.



Direct contribution to the SDGs

People and their value



- Employment (GRI 401)
- Health and safety at work (GRI 403)
- Training and education (GRI 404)
- Diversity and inclusion (GRI 405)

Responsible environmental management



- Materials (GRI 301)
- Energy consumption (GRI 302)
- Water consumption (GRI 303)
- Emissions (GRI 305)
- Waste (GRI 306)

Prosperity and supply chain



- Supplier's environmental assessment (GRI 308)
- Economic performance (GRI 201)
- Indirect economic impacts (GRI 203)
- Procurement practices (GRI 204)
- Local communities (GRI 413)
- Marketing ed labelling (GRI 417)
- Customer health and services (GRI 416)



Indirect contribution to the SDGs

Thanks to the sustainability strategies adopted by the Company and supported by the ESG Manager, FEPA also contributes **indirectly** to four additional Sustainable Development Goals.



- FSC certified paper procurement



- Transparency in management of economic performance; Inclusion of diversity in the workplace



- Support for renewable energy through investments in the purchase of IRECs on the international market (for approximately 2.5% of the electricity used)



- Use of wastewater treatment systems



- Prevention and screening activities for the health of female employees; expansion of childcare services offered to parent-employees

ETHICAL BUSINESS MANAGEMENT

There are also two material issues related to ethical business management that are managed as transversal themes in the organisation's activities.



- Anti-Corruption (GRI 205)
- Anti-Competitive Behaviour (GRI 206)

For details on how to carry out the materiality analysis, please refer to the specific methodological note attached.

In order to allow the reader to delve deeper into the data reported in the following chapters, this icon indicates the presence of specific additional information available in the final annex for the Social, Environmental and Economic dimension of this report.



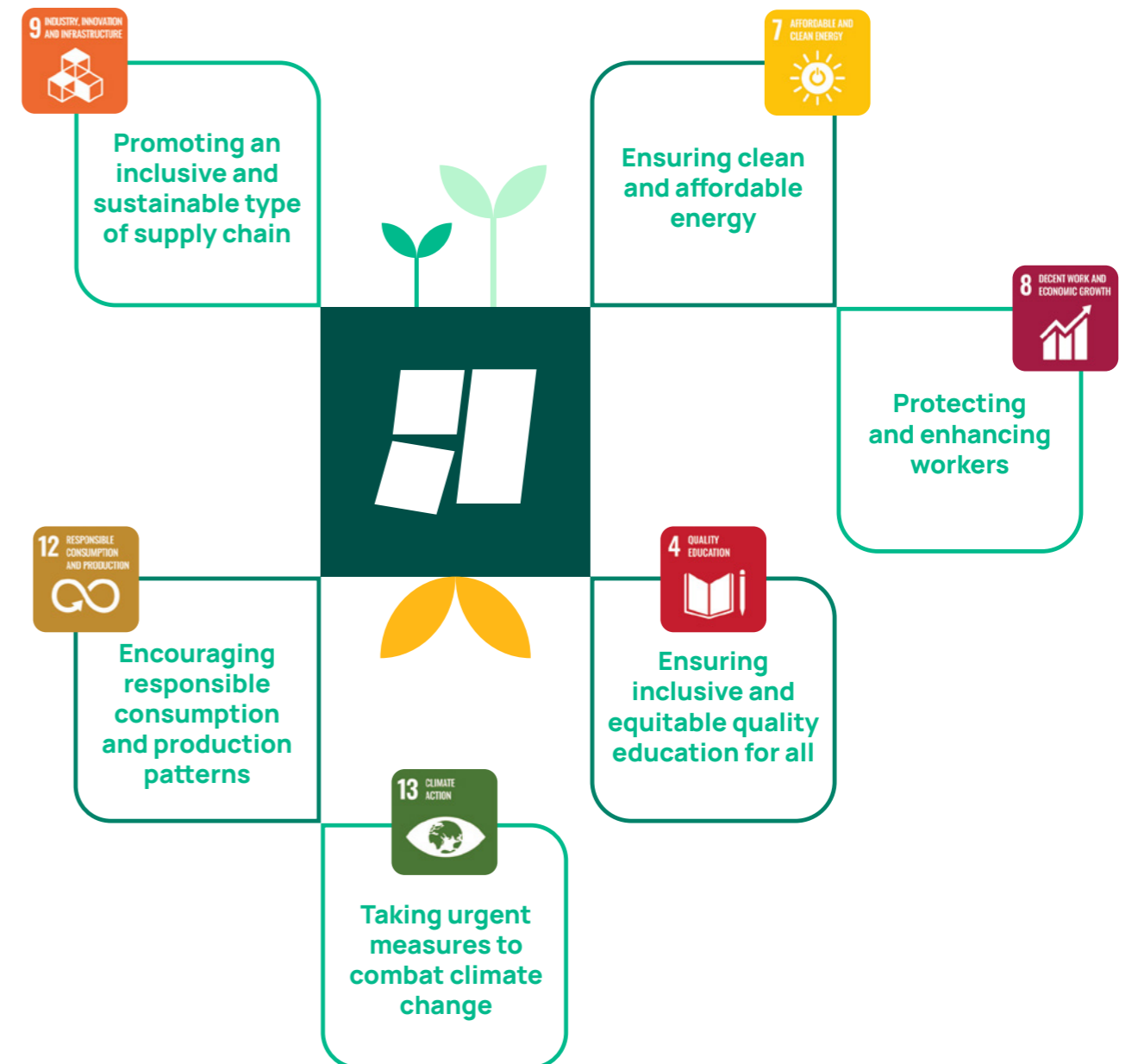
3.3 FEPA and SDGs

The **Sustainable Development Goals are 17 interconnected goals** defined by the United Nations in 2015 to address the social, economic, and environmental challenges facing the planet by 2030. Over 160 targets are addressed, which identify the areas on which to act to achieve a more sustainable future, such as poverty, climate change, environmental degradation, and inequality.

For companies to contribute significantly to solving complex and interconnected global challenges, there must

be a shared approach to the same problems: the SDGs play a crucial role in **outlining winning sustainability strategies**, as they provide companies with a universally recognized and shared model to align their goals.

For this reason, in embarking on its path of sustainable development, FEPA has decided to **define its objectives in accordance with the SDGs**, contributing to the achievement of the following targets:





3.4 Sustainability strategy: preparing for CSRD

In addition to aligning its sustainability goals with the SDGs, FEPA is working to comply with the **Corporate Sustainability Reporting Directive (CSRD)**, a directive passed in 2022 that will make sustainability reporting a mandatory requirement of corporate reporting, enhancing **transparency and accountability** of companies in the **environmental, social and governance (ESG)** areas. Companies that will fall under the scope of CSRD will have to draw up a Sustainability Report in accordance with the **new European Sustainability Report-**

ing Standards (ESRS) and be **verified by a third party**.

Starting in 2026, with reporting in the year 2025, FEPA will also be subject to CSRD obligations. For this reason, FEPA is actively monitoring the subject areas covered by the new reporting standards, so that in the future it will be able to extend the scope of assessment along the entire value chain, fulfilling regulatory obligations and strengthening its **sustainability strategy**.

3.5 Projects for a sustainable future

By defining a sustainability strategy, planning investments and concrete improvement projects, we are implementing our sustainable development path.



IMPROVING SAN POLO LOGISTICS

Deadline 2024

Starting in 2023, the San Polo site has been involved in a project to improve the logistics and operational management of the site. The main initiatives include:

- Implementation of a new access management and logistics flow control system.
- Improvement of safety at work and in the management of risks related to the movement of vehicles.
- Creation of a new internal car park for employees.



IMPROVING SAFETY AND WELFARE

Deadline 2024

SAFETY

The process of **improving safety** in the workplace continues. In 2023, investments were made in a project to improve and reduce risks at the Mezzani site, focusing on:

- Management and control of confined spaces
- Extraordinary maintenance and upgrading of the steam plant
- Construction of a new fire pump room
- Enhancement of internal signage and safety of footpaths and crossings in production areas

WELFARE

In relation to **employee welfare and management**, a series of dedicated initiatives were devised, focusing on:

- The creation of a company gym at the San Polo site
- The creation of a new dining hall starting from July 2023 at the San Polo site
- The establishment of a multimedia training room from May 2023 at the San Polo site
- Activation of a project aimed at developing an agreement for employees to contribute to enrolment fees for the year 2023-24 for nursery and kindergarten fees at a preschool in the Mezzani area
- Activation of Ticket Restaurant from September 2023

For 2024, FEPA has envisaged the activation, thanks to the dialogue work with the trade unions, of **second-level collective bargaining**, which had already begun at the end of 2023 and which will make it possible to:

- Strengthen welfare activities.
- Extend production bonuses to white-collar and middle management, in addition to those already provided for factory staff.
- Increase bonuses for weekend work.
- Enter into new agreements with banks for a facilitated 730/IMU management service.
- Offer benefits for employees attending university masters and training academies for young people entering the roles of process engineers or production assistants

In addition, **free breast screening** for women aged between 25 and 44 is planned for 2024, adhering as a project partner to the initiative promoted by the municipality of Torrile.



PROJECT MEZZANI 2

Deadline 2025

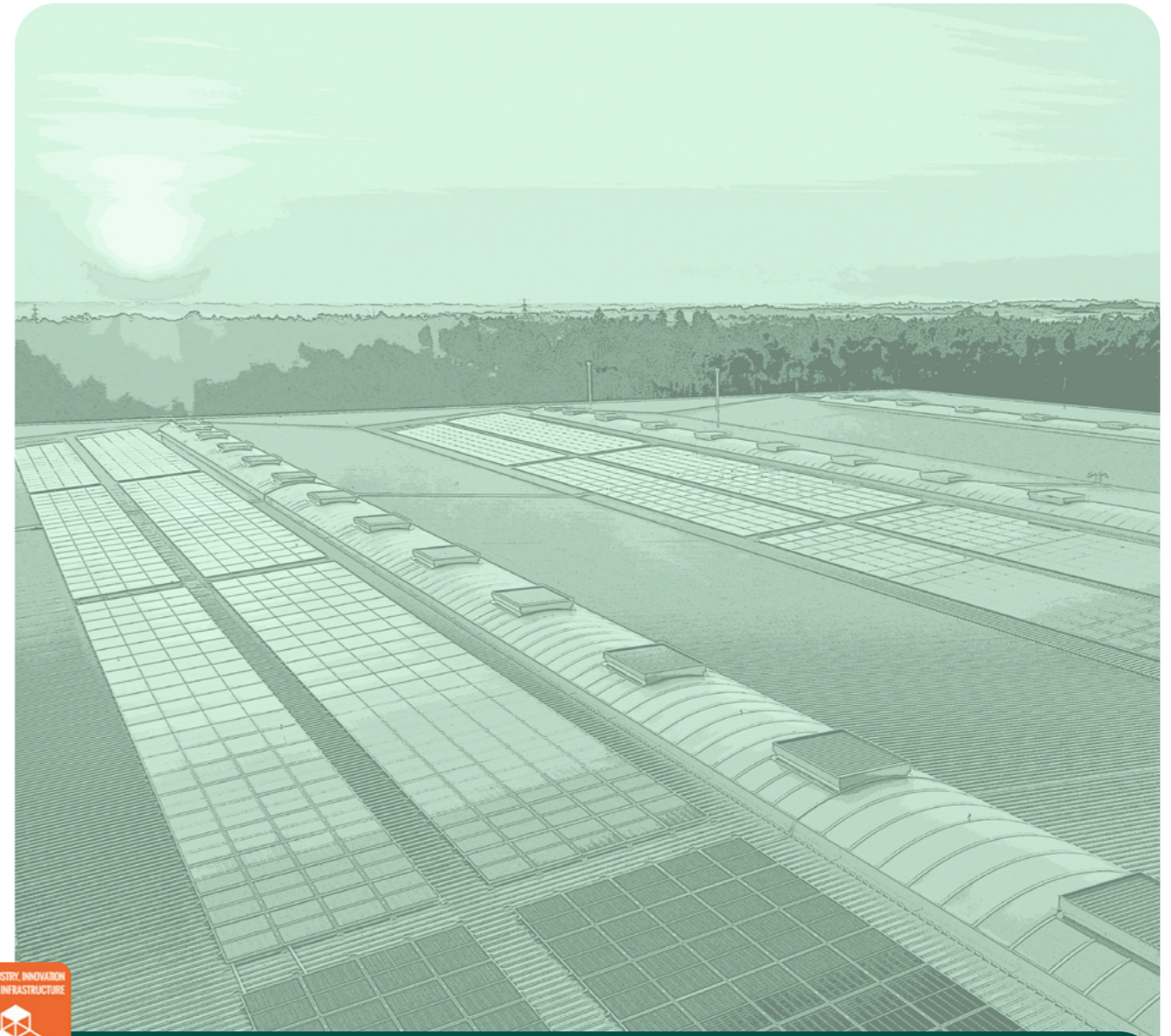
FEPA's growth and development are reflected in the major investment launched at the end of 2022 for the expansion of the Mezzani Production Site, with the introduction of a second **BHS 2800 Corrugator**, the second for the Mezzani site and the third for FEPA; an investment that increases the site's production capacity by **60%**, offering greater operational flexibility and expanding the product portfolio with the introduction of the nano-wave.

The expansion project will result in significant organisational improvements to the site and surrounding area, including:

- Definition of a new logistics hub for the site.
- Implementation of a new access management and logistics flow control system.
- Enhancement of access security.
- Improvement of safety in the workplace and the management of risks related to the movement of vehicles.

Through the actions related to the expansion project, FEPA will realise improvements with a positive impact on the area:

- Construction of a new public car park outside the site (autumn 2024).
- Creation of public green spaces near the site and private ones (target date 2025).



EXPANSION OF PHOTOVOLTAIC INSTALLATIONS

Deadline 2030

To continue to reduce its carbon footprint, FEPA is currently evaluating plans to **expand existing photovoltaic installations** and is exploring the possibility of establishing supply contracts with a guarantee of origin.

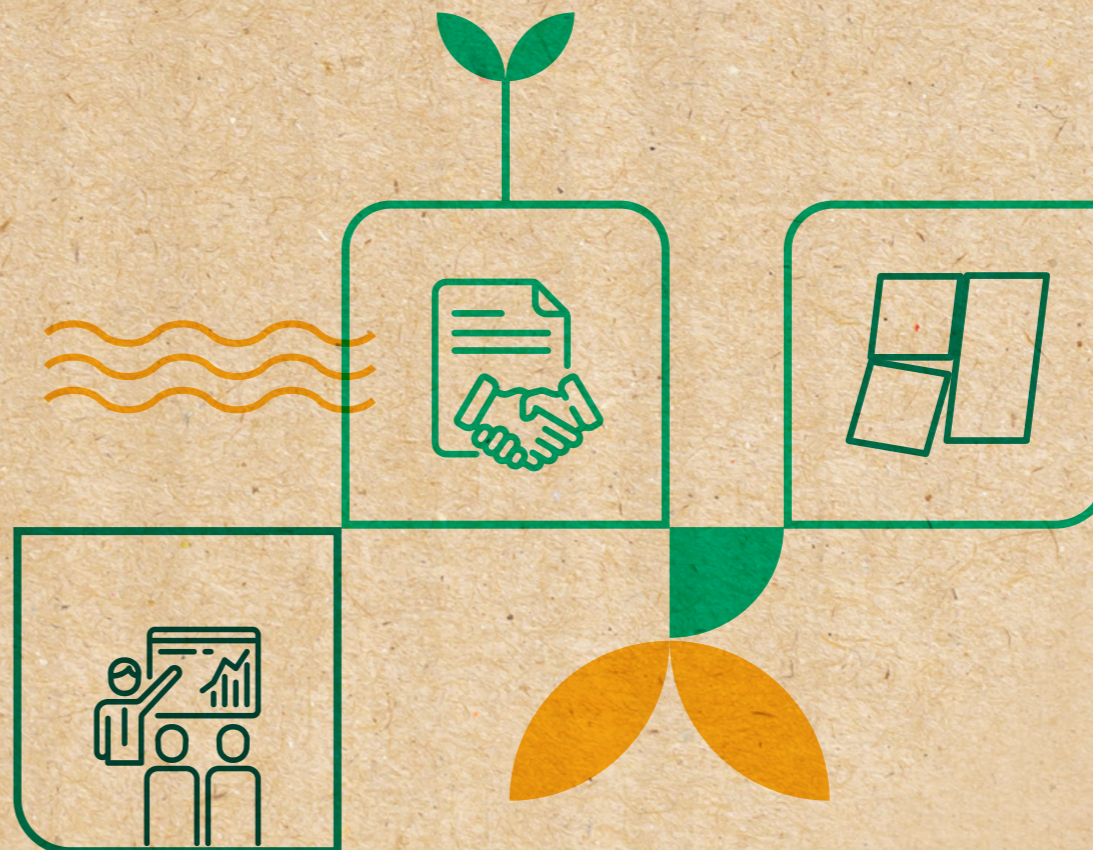
The goal in the short to medium term (2025-2030) is to use **60-75% of energy from renewable sources**, with the ambition of achieving **full neutrality** by 2050.





People and Their Value

4





4.1 Corporate Social Responsibility

In line with Sustainable Development Goal 8, which seeks to ensure safe and decent work for all, FEPA **operates its business in compliance with the principles of Ethical and Social Responsibility** as reported in the Code of Ethics, in the Company Regulations, and in the

HR Policy Guidelines. These documents constitute the fundamental guiding principles for ethical management of the business, focused on the protection of human and workers' rights.

4.2 Staff Protection and Management

The ethical approach promoted by FEPA is based on **policies aimed at protecting and developing human capital**, a fundamental resource for guaranteeing the quality of the business and products.

With the goal of **ensuring a safe and secure working environment as well as fair and transparent resource management**, FEPA is committed to raising awareness among employees, suppliers, and external collaborators on the principles of social responsibility adopted, including the guarantee of equal job opportunities, the enhancement of skills, the inclusion of diversity, and intolerance to harassment of any kind.

Staff recruitment and selection

The FEPA employee search and selection process follows professional policies and guidelines diversified by seniority and professional families aimed at **guaranteeing fairness, inclusiveness, and meritocracy** for the candidates involved, assessing technical skills objectively while respecting business needs and legality. FEPA is also committed to ensuring a work environment that **enhances professionalism**, offering all workers the same opportunities depending on the role and skills acquired.

The dedication and skills of each and every employee at FEPA are the primary values behind our success and continuous growth

KEY WORKFORCE FIGURES 2023

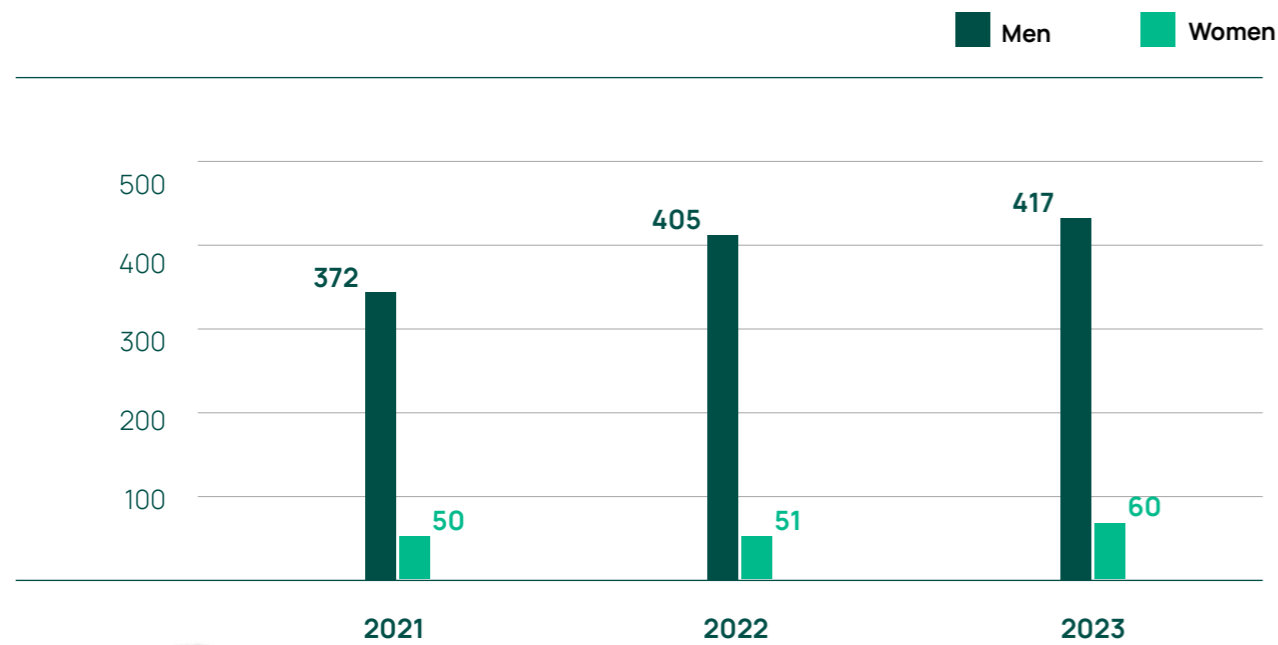




Gender distribution in the workforce

In accordance with the principles of Social Sustainability adopted in the Code of Ethics and in the "HR Policy" Guidelines, FEPA is committed to **promoting gender equality and the inclusion of diversity in the work-**

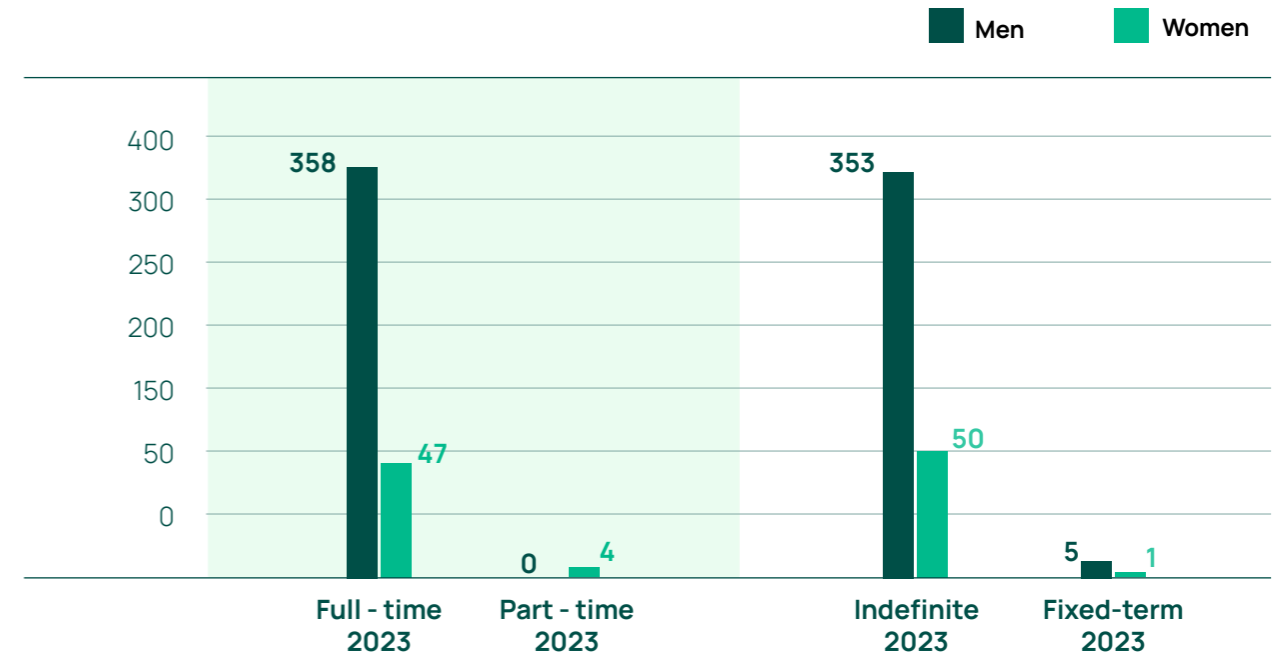
place, not tolerating any form of discrimination, and guaranteeing equal employment opportunities regardless of religion, ethnicity, sex, age, disability, or protected category status.



Contract Types

FEPA favours the adoption of **permanent (98.5%) and 'full-time' (99%) contracts for its employees**, in order to integrate resources into the company environment

with **long-term prospects**, offer protection and stability, and promote welfare in the area, investing in training



+20% increase in the female workforce compared to 2021

98,5% full-time contracts



New hires

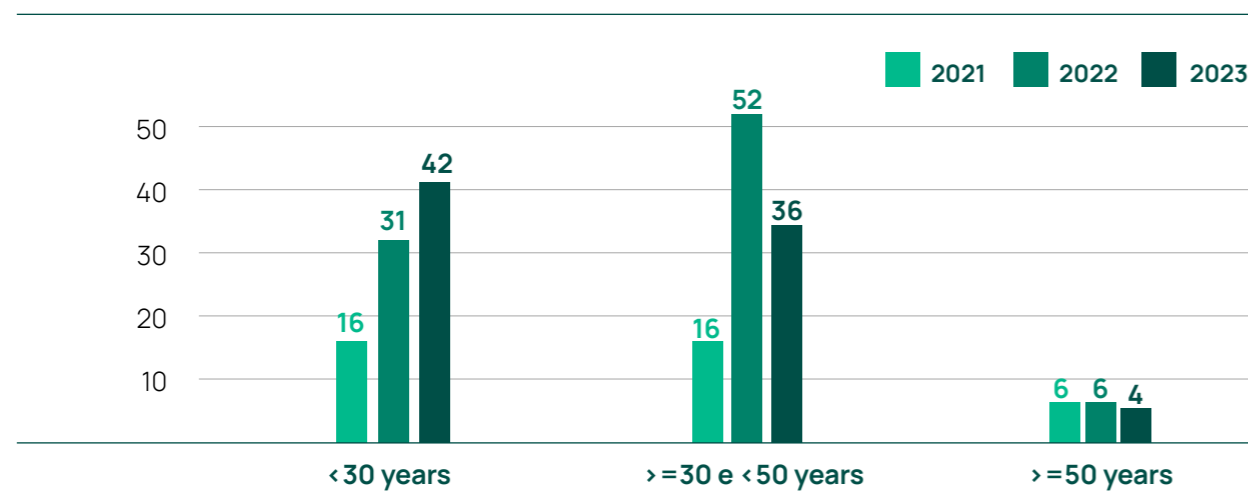
One of FEPA's objectives is to invest in the growth of its human capital, with the awareness that it is thanks to the value of the people who work every day with commitment, availability, and skill, that the Company in recent years has recorded considerable growth both economically and in terms of market positioning, becoming an international player.

For this reason, the numbers and types of hires made by

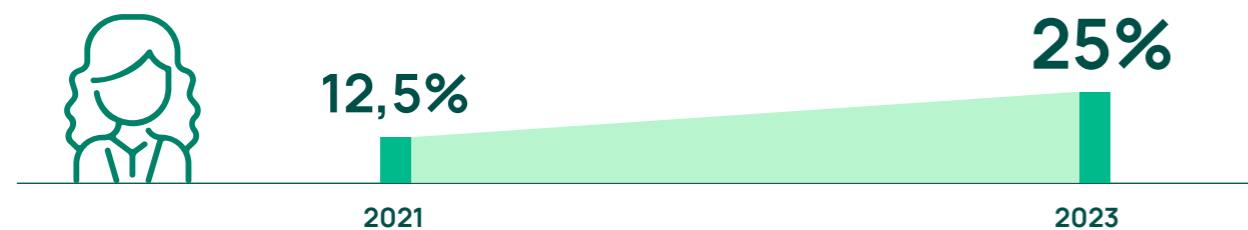
FEPA in recent years are growing, especially for hires in the age group between thirty and fifty.

Seeking to adopt a more contemporary organizational structure with an international dimension, FEPA has decided to open itself to managerial talents from different backgrounds and sectors, and to considerably increase the presence of young people and women in managerial spheres.

+13% increase in workforce from 2021



Women Managers



4.3 Talent training and development

Train and educate employees to expand job opportunities and promote sustainable development

The experience and technical professionalism that distinguish the FEPA team represent one of the **greatest competitive advantages of the Company**, providing the necessary resources to continue investing in its growth and development.

For this reason, FEPA encourages **the constant improvement of employees' technical and aptitude skills**, understanding that the enrichment of knowledge adds value to the organization and the community. In particular, every year, the Health, Safety and Environment and Human Resources Departments of FEPA collaborate with the Managers of each Function to plan a series of training activities. These training sessions are related to the issues of **Environment, Health, Safety,**

and Technical Operational activities, and the development of managerial and relational skills. They aim to grow the culture of professionalism within the organization and to improve the work environment, making it safer and more mature.

All new FEPA employees are also guided and supported through specific training courses on the various corporate organizational schemes and on the business model, accompanying the workers as they enter their new role within FEPA.

To consolidate and improve the corporate culture, FEPA aims to introduce new training courses to update digital, sustainability, and managerial skills.

We believe in people and their abilities because the long-term value of a company is reflected and measured in the competence, professionalism, and behaviour of its employees.



TRAINING YOUNG TALENT

In 2023, FEPA launched several training initiatives in cooperation with local schools, offering training sessions to facilitate and support the future employment of young people..

• Meeting with the students of IIS San Felice di Viadana

On 24 May 2023, FEPA met the third-year students of the **IIS San Felice di Viadana** (MN).

The meeting was held by FEPA's Sustainability Manager and HR Manager, who shared with the students a set of best practices on writing an effective CV, recruitment channels and the distinction between 'hard skills' and 'soft skills'. In addition, they presented the logic of how a company operates and the technological innovation that characterises FEPA in the industrial context. Topics covered included health and safety in the workplace, **environmental sustainability** and the importance of **theoretical and practical training**.

On 8 June, FEPA continued its engagement with schools, meeting with the students of the fourth grade of the mechanical and electrical courses at **IIS San Felice**.

This meeting took place in an informal and collaborative atmosphere, aimed at stimulating the students' active participation. During the event, personal experiences, curiosities and expectations were shared in order to provide young people with a **practical guide to entering the employment market**, illustrating the main recruiting channels and offering the opportunity to try out mock interviews.

This project also made it possible to share FEPA's know-how and to present the company as an **important reference point in the area** for students' future career choices.

These initiatives represent a fundamental moment in the training process of young people, providing them with practical tools and concrete guidelines to successfully tackle their professional future.

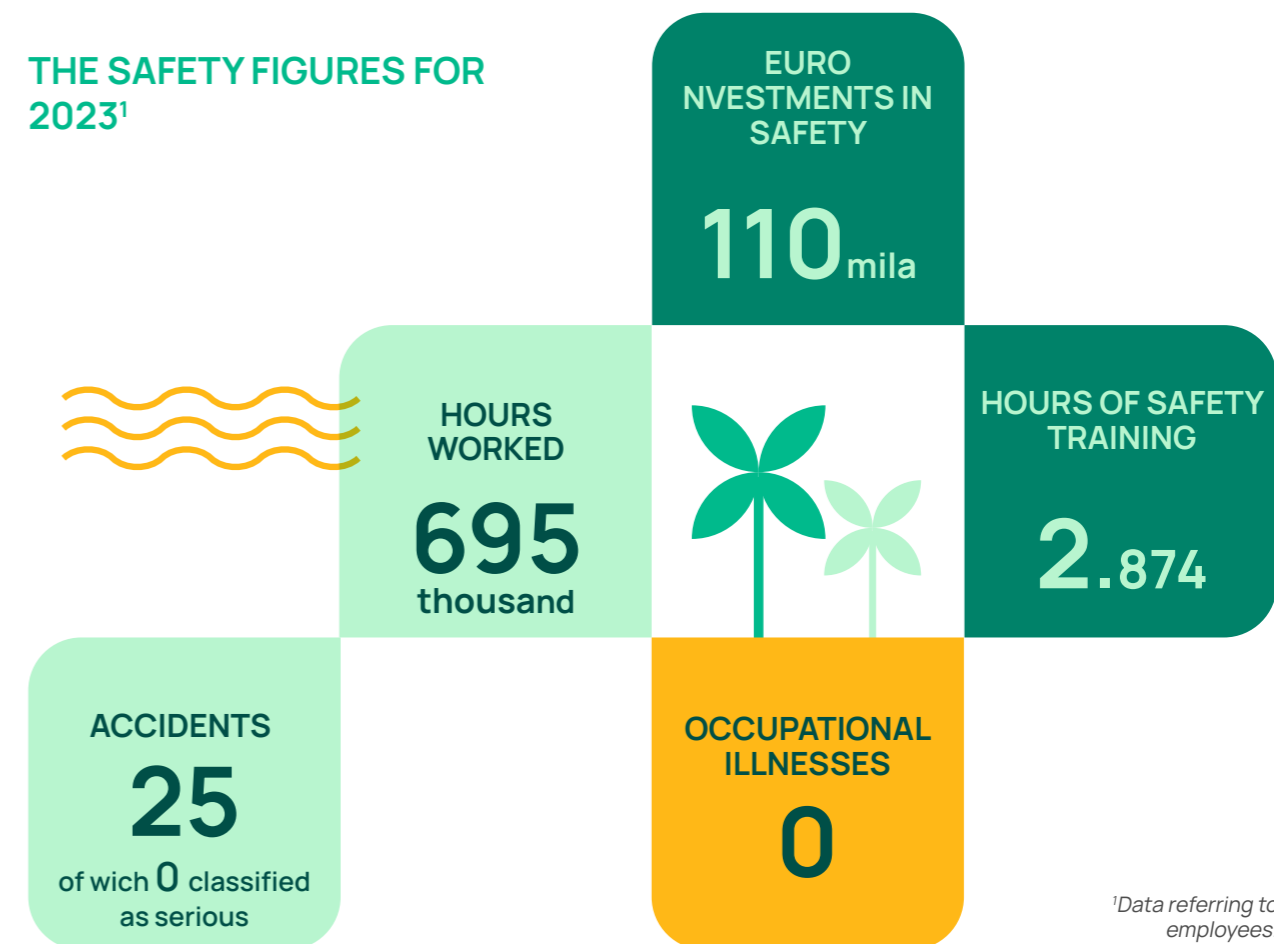


4.4 Occupational Health and Safety

Ensure respect for workers and guarantee safe and secure working environments

FEPA organises its process flows and work environments and selects the appropriate technologies in order to guarantee safe workplaces, **minimizing the risk of injury**.

THE SAFETY FIGURES FOR 2023¹



¹Data referring to employees.

We are committed to promoting safety at work as a fundamental pillar of our sustainability vision, ensuring a safe and healthy working environment.



Risk Assessment and Control

Through risk identification and assessment and the coordination of the Prevention and Protection Service, the actions and measures necessary to **guarantee safe and healthy workplaces** are defined and implemented. Particular attention is paid to both collective and individual protection activities, and to the definition of plans to improve safety performance and reduce the risk of accidents.

The Risk Assessments for the 2 FEPA sites of reference, drawn up with the support of specialized external technicians, **are periodically updated** in accordance with applicable legislation, organizational changes, and any accidents or emergency situations detected and analysed by the Prevention and Protection service or by dedicated working groups, committees, and teams.

Staff Involvement and Reporting

FEPA has established several communication channels to promote the involvement and reporting of safety issues:



Through the Prevention and Protection Service, and the involvement of the Worker Representatives, periodic meetings are held to discuss and share issues relevant to safety;



In the context of the 231 Organisational Model, a significant innovation was introduced, in 2023 with the updating of the whistleblowing reporting system. The update consisted of implementing **a dedicated digital platform for whistleblowing reports**. To maximise the **protection** of the whistleblower and facilitate the **traceability** and **prompt handling of reports**, while ensuring respect for confidentiality



The involvement of workers is achieved through meetings held at different organizational levels and through reports and suggestions regarding safety made to the FEPA Prevention and Protection Service.

In 2023, our production sites were equipped with four semi-automatic external defibrillators (AEDs), evenly distributed with two units per plant. In addition, a team of 12 employees, specially trained to handle emergency situations requiring the use of AEDs, has been established

Main investments in health and safety

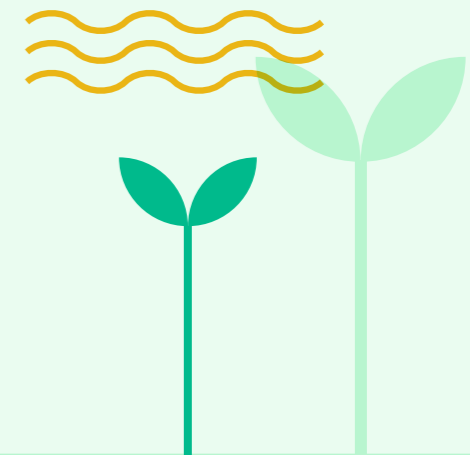
In parallel with the adaptation of the plants and work environments in accordance with the Risk Assessment and the Applicable Regulations in the 2 San Polo and Mezzani plants, in the last years FEPA launched a series of projects aimed at **improving the Safety of the Workplace**, paying particular attention to the internal handling of raw materials and finished products.

AUTOMATED HANDLING WIP - WORK IN PROGRESS

As part of the Mezzani 2 expansion project, the **WIP automated warehouses** were extended to make the new departments automated in the internal handling of semi-finished products.

The investment in the Mezzani site continues the process of improving logistics that had involved changes to the layout of the existing sites in recent years and a major implementation of management software, enabling in terms of safety:

- **IMPROVE THE ORGANIZATION** of work and logistics flows
- **INCREASE THE SAFETY** of operators in the departments, limiting the movement by forklifts.



ANTI-COLLISION RADAR INSTALLATION FORKLIFTS

FEPA has implemented in its production sites a project to prevent dangerous situations in which vehicles are expected to move goods.

The aim of the project was to **improve operational safety around forklifts** used in new, automated warehouses.

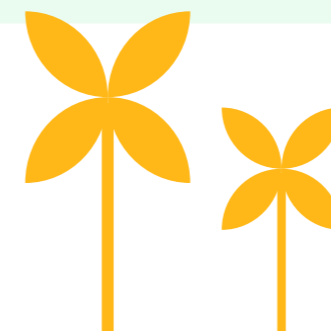
To achieve this, FEPA has decided to equip the trucks with a **state-of-the-art safety system** that prevents possible collisions between vehicles and operators, while still allowing both to move freely in the loading and unloading areas.

The new safety system is completely based on sensors placed in the front and rear of the vehicle that are **able to perceive the presence of other operators or forklifts**, promptly warning the driver through an alarm system.

In particular, the operators are easily detected thanks to **"smart vests"**, which are mandatory to wear in the loading and unloading areas and have tags that are detectable by the safety system.

Once an employee or other forklift is detected, the alarm system shows its position on the driver's display, automatically adjusting the speed, movement, and lift of the vehicle to avoid a collision.

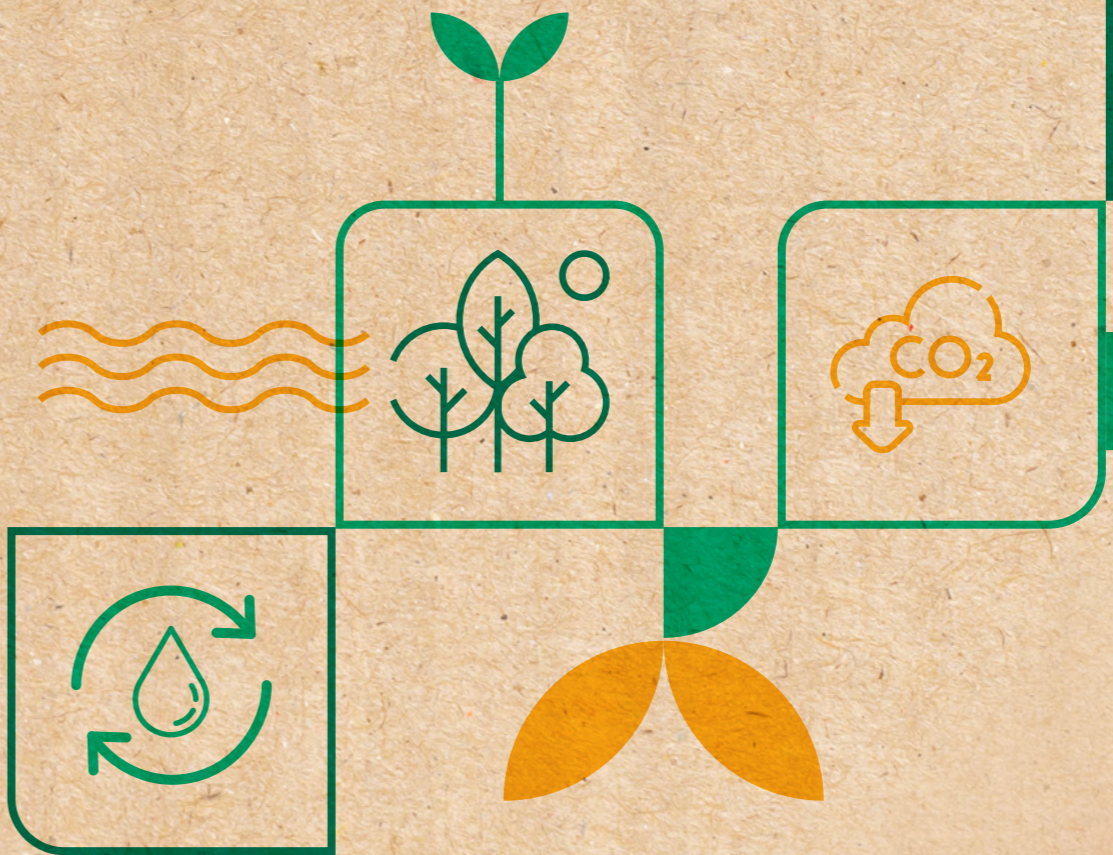
FEPA invested in the purchase of new, specifically certified equipment for access in confined spaces, thus ensuring safety during maintenance and processing operations.





Responsible Environmental Management

5





5.1 Circular Economy and Waste Management

We are committed to responsible environmental management, inspired by circular models, to preserve and protect the environment for the benefit of the next generations.

Environmental sustainability is crucial in today's world and is a key principle for FEPA in its field. The company programs are aligned with the Sustainable Development Goals (SDGs) relating to responsible environmental management and are implemented in processes and organizational solutions that aim to **increase production efficiency, reduce waste, and neutralize environmental impacts.**

We employ processes and solutions that reduce waste, protect resources and promote recycling.

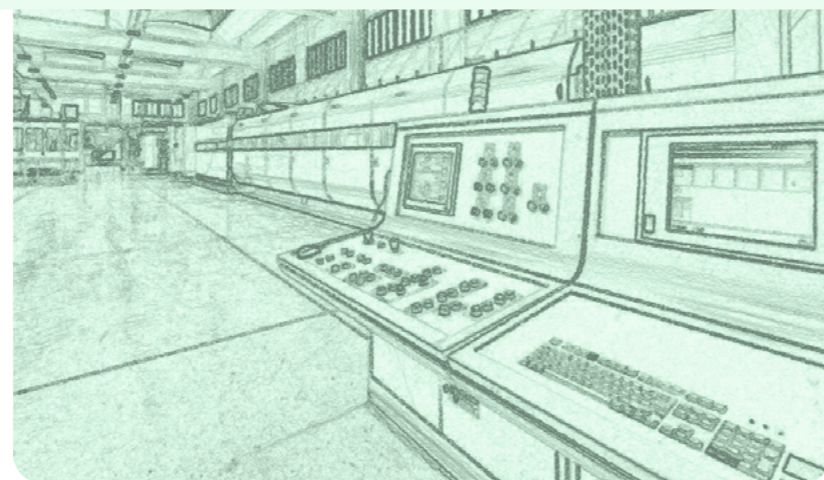


FEPA manages its production chain according to the principles of the **circular economy**, adopting a business model that aims to minimise waste and maximise the use of recycled materials. The aim is to implement an ecologically sustainable production system that guarantees the maximum durability of the value of raw materials along the entire supply chain.

EXPANSION OF THE MEZZANI SITE

In analysing the environmental data, it is essential to underline that 2023 was **strongly influenced by the significant expansion works at the Mezzani site.**

These works inevitably affected some operational and environmental performances of the site management to guarantee safety during the works and allow an optimal management of the new operational lines. In the presentation of the data, appropriate indications will be provided to understand the impact and influence of the expansion works on environmental performance and reporting.



84%
OF PAPER USED AS RAW MATERIAL CAME FROM THE RECYCLING CHAIN

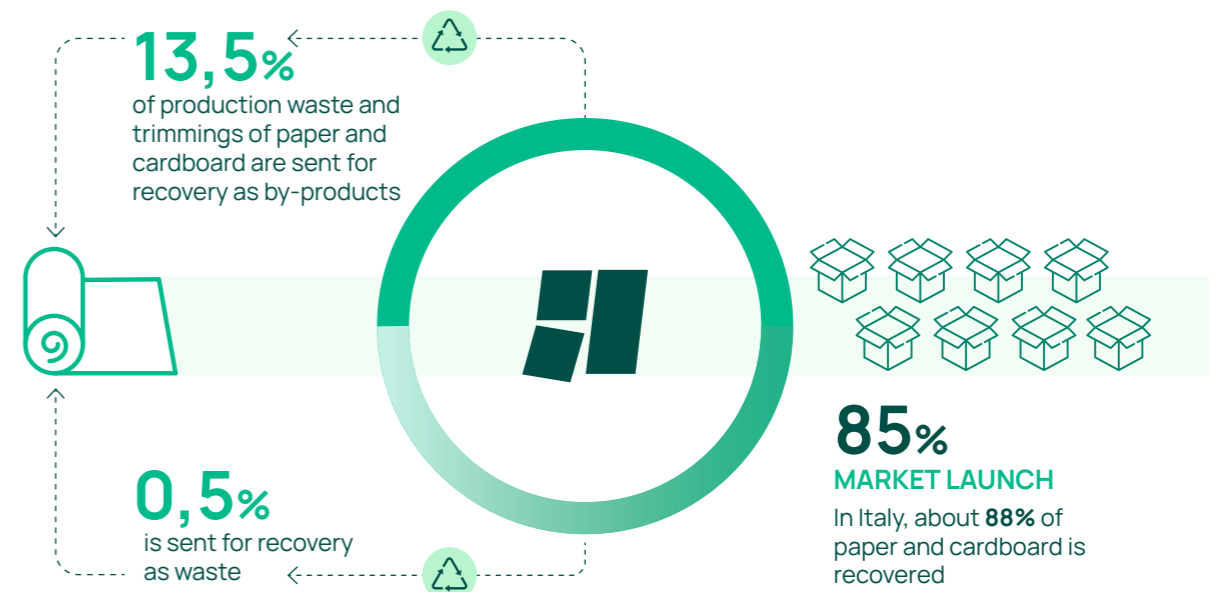


99%
OF THE MATERIALS USED ARE RENEWABLE



2023

A VIRTUOUS PROCESS OF RECOVERY





Special Waste Management

FEPA's production processes are organized in such a way as to **reduce the amount of waste produced, encourage recycling, and minimize environmental impacts** throughout the production process. In doing so, the Company has adopted an **ISO 14001** certified

Environmental Management System that guarantees effective management and control of the environmental impacts associated with waste and the regulatory obligations associated with them (e.g. checking transporters and waste destination plants).



In 2023, there was a considerable increase (104%) in the overall production of special waste compared to 2022. This increase is mainly attributable to the **Mezzani expansion site**, where plant modifications and the need to carry out the work made it impossible to set aside paper and cardboard waste as by-products. As a result, these offcuts were managed as special waste, in accordance with statutory provisions.

Based on the periodic assessments required by the **ISO 14001** environmental management system, a new classification of sludge waste was identified, which was reclassified from non-hazardous to hazardous waste. This change, in accordance with statutory classification requirements, resulted in a 13% increase in hazardous waste management.

By-product management

Being one of Italy's leading manufacturers of corrugated cardboard packaging, FEPA is committed to **ensuring the sustainability of its cardboard** through the recovery and recycling of waste materials. To do this, FEPA manages the paper and cardboard trimmings and waste deriving from production as by-

products to be sent to paper mills. In doing so, the Organization operates in a **circular mode**, reducing both the consumption of natural resources and virgin raw materials, and the amount of waste produced, ensuring **a virtuous path of reuse for these materials**.

27.169
TONNES OF BY-PRODUCTS SENT TO RECOVERY CHAINS IN PAPER MILLS

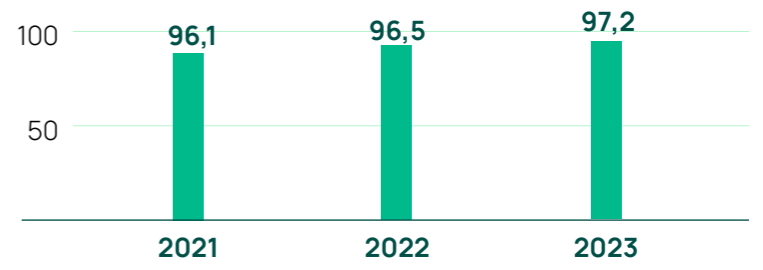
2023

PAPER = CIRCULARITY



Recovery performance (By-products and Waste)

Thanks to responsible management, the 'by-products + waste' recovery performance reached **97.2% in 2023**, confirming the positive trend of the last three years.





5.2 Energy Consumption Management



We manage processes and plants with the aim of minimising consumption and limiting the use of non-renewable resources.

Making **sustainable choices** is fundamental to **protect and preserve the environment for future generations**, and to make the company more resilient. Therefore, FEPA has invested in technologies and plant infrastructures that reduce consumption and emissions deriving from production processes.

The steadily improving trend in energy consumption intensity (energy consumed per quantity produced) confirms the technical and plant engineering choices adopted and the energy management efficiency projects.

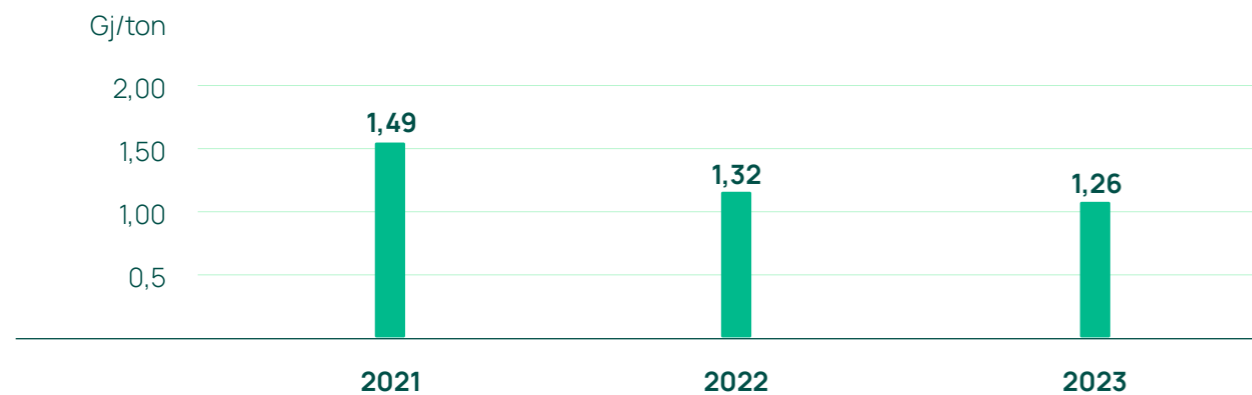
251.214
GJ
OF ENERGY USED

-16%
ENERGY CONSUMED PER
TONNE OF CARDBOARD
COMPARED TO 2021

20
23



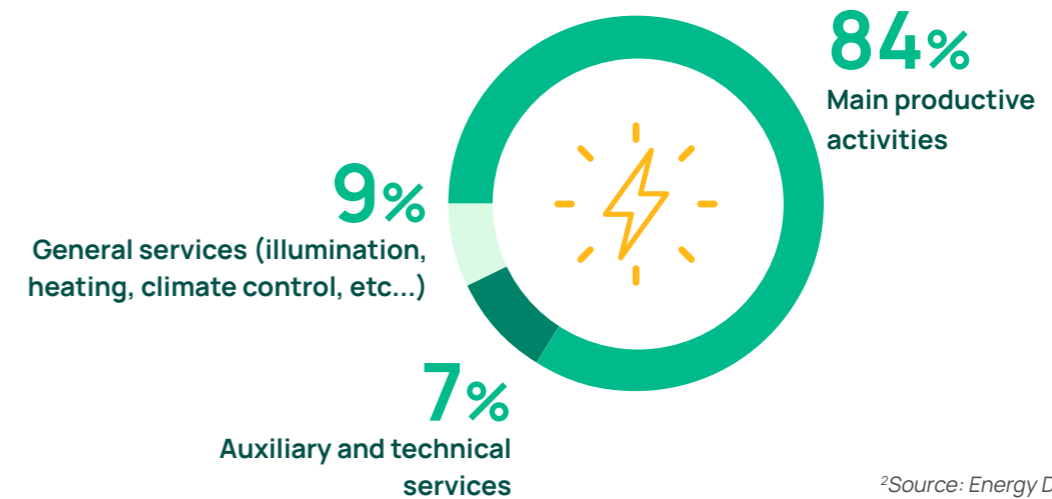
Energy consumption intensity



Energy consumption is mainly associated with the power supply of production plants (corrugators and cardboard converting machines) and that of service systems to support production.

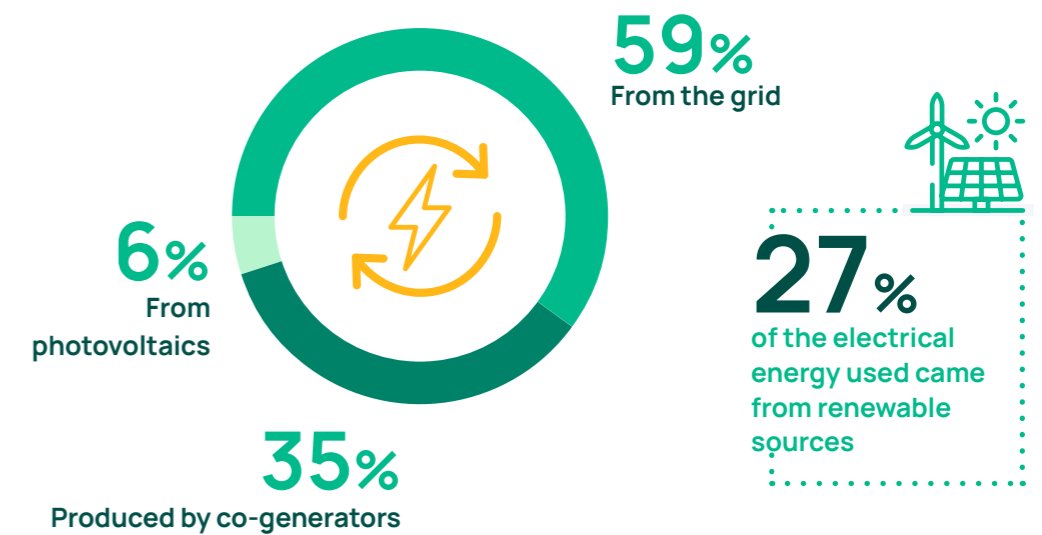
The consumption of methane gas is associated, however, both with the production of steam to feed the corrugator, and with the heating of the work environments.

Energy consumption distribution data²



²Source: Energy Diagnosis 2023 FEPA

Distribution of Electricity used*



*In 2023, FEPA started investments in renewable energy by purchasing IRECs (International Renewable Energy Certificates) on the international market, covering approximately 2.5% of its electricity consumption.

Energy Efficiency Certification as a strategic tool for optimizing consumption

As a company with high energy consumption, FEPA is subject to the development of periodic Energy Efficiency Audits, as established by Legislative Decree 102/2014.

Due to the monitoring and analysis of consumption related to the Audit, FEPA has a great deal of knowledge about its energy profile, which it has used to define improvement opportunities aimed at reducing consumption and making processes more efficient.

In 2023, FEPA updated the energy diagnosis of the sites, identifying and updating its **environmental improvement path** aimed at reducing energy consumption based on the following actions:

- > Improvement of the electrical system monitoring network with the possibility of remote viewing of consumption via a web interface;
- > Automated compressed air management and possible detection and closure of leaks in distribution ducts;
- > Efficiency enhancement of the lighting system;

In accordance with the **Sustainable Development Goals**, FEPA is careful to integrate energy-optimized facilities into the management of its production sites to reduce the environmental impact of its plants.



Photovoltaic

Producing renewable energy

At the 2 plants of San Polo and Mezzani, **photovoltaic panels** installed on the roofs contribute with renewable energy to the Company's energy needs.

70-80% of the electricity produced by photovoltaics is used directly, while the remaining part is sold to the network.

995
kWp power of the photovoltaic system of the Casale Mezzani site

100
kWp power of the photovoltaic system of the San Polo site

Trigeneration Plant

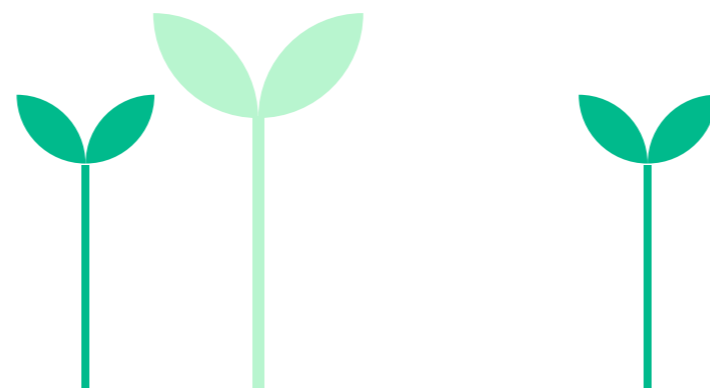
Electricity, heating, and cooling in one efficient solution

The plant serving the Casale Mezzani plant uses methane to produce electricity and thermal energy to be used in production processes. The thermal energy recovered from the thermodynamic transformation is also used to produce energy useful for cooling production spaces.

The Mezzani production site is equipped with a 1.2 MW trigeneration plant

THE ADVANTAGES

- > Lower methane consumption due to high process performance
- > Reduction in emissions due to lower energy consumption
- > Improvement of the microclimatic conditions of the plant with a positive effect on the working conditions of the operators, product quality, and machinery.
- > Lower operating costs





5.3 Management of atmospheric emissions

Through careful plant and management choices, we reduce the carbon footprint of our supply chain, helping to combat climate change.

The use of natural gas and its combustion is the main source of emissions of greenhouse gases produced by the Company.

FEPA adopts optimised management and process control to reduce its carbon footprint.

Over the years, several solutions have been implemented to control emissions including:

- > photovoltaic panels to produce energy from renewable sources,
- > more efficient and high-performance plant technologies, such as the trigenerator at the Mezzani site,
- > Replacement of diesel forklifts with electric ones.

In anticipation of the preparatory work for CSRD reporting (ref. Sustainability Strategy Section: Preparing for CSRD), FEPA, although not subject to mandatory reporting, has started since 2023, a first accounting of greenhouse gas emissions at the organisational level from scope 3 with the aim of having an overview of useful inputs for future strategic planning and collaborative communication and involvement activities throughout the supply chain.

COMPARED TO 2021
TOTAL SCOPE 1 AND 2
EMISSIONS IN RELATION
TO PRODUCTION

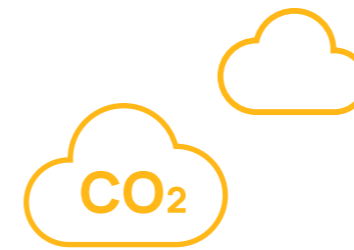
-13%



ton CO₂eq
SCOPE 1
11.589

ton CO₂eq
SCOPE 2
3.126

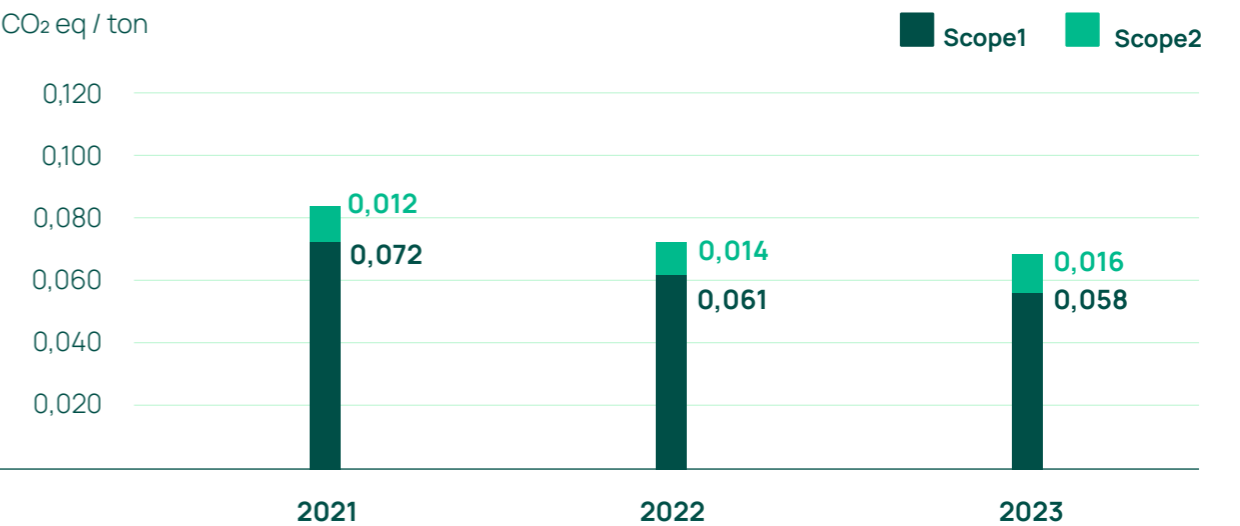
ton CO₂eq
SCOPE 3
229.068



20
23

CO₂ Emissions

ton CO₂ eq / ton



SCOPE 1 Direct emissions:

These are activity-related emissions, mainly from the use of fuels, transport of goods, use of company vehicles and, to a small extent, fugitive emissions deriving from refrigeration systems.

SCOPE 2 Indirect emissions:

Generated by electricity use and the photovoltaic system.

SCOPE 3 Indirect emissions:

These are generated indirectly by the company, i.e. they are derived from operations over which the company does not exercise direct control but over which it nevertheless has an influence (e.g. emissions associated with the production and transport of raw materials used by the company, the management of waste generated, the transport and end-of-life of products manufactured, home-work transport and business trips, the procurement of services, etc.).

For further information, please refer to the methodological note under the section Environmental dimension - additional data and information

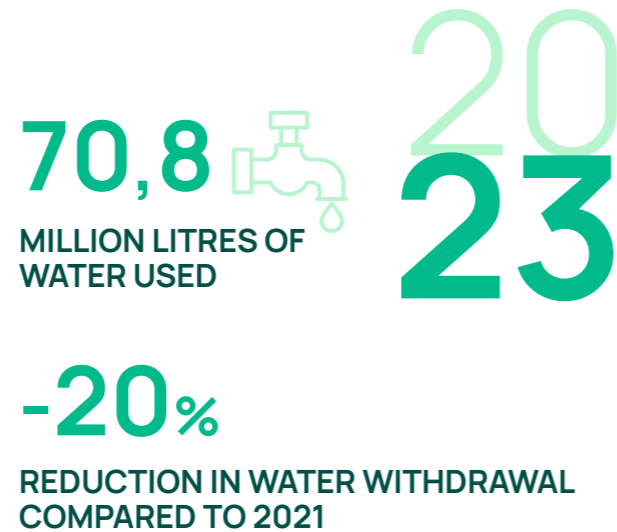


5.4 Water resource management

Water is an essential resource that plays a crucial role in all stages of corrugated board production and processing, with particular attention to:

- > preparation of cornstarch-based glue, necessary for join the paper layers of the cardboard,
- > preparation of inks used in printing activities,
- > generation of steam in the corrugation plant,
- > auxiliary activities for cooling systems, cleaning and washing, and fire protection systems.

FEPA uses water from aqueducts or from authorized wells in accordance with concessions regulated by the Emilia-Romagna Region to supply the two plants.



To reduce water consumption, FEPA has developed several initiatives managed by the **"Water Team"**, a well-established technical working group to develop projects aimed at making processes more efficient and reducing water consumption; key activities include:

- > Installation of peristaltic pumps on Masterflex printing machines that limit water consumption for washing printing units and ink losses during colour application in the San Polo plant.
- > Detailed analysis and modelling of production cycles, the installation of water consumption monitoring systems and the development of guidelines to limit consumption at the Mezzani site.

Both production sites are equipped with water purification systems designed according to the type of discharge and the receiving body to which they are sent.



SAN POLO SITE

Receptor body: **sewer**
Purification system: **Chemical-physical**

The water used in FEPA's industrial processes is recovered thanks to a closed-loop system that purifies the water used during production and reuses it to produce cardboard glues.

MEZZANI SITE

Receptor body: **surface water body**
Purification system: **Chemical-Physical + Biological**

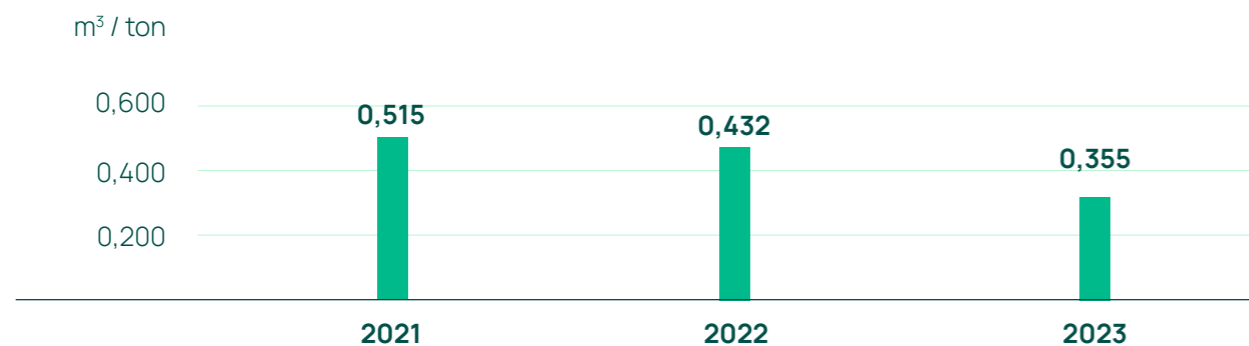
In order to ensure a better degree of control of the water purification process, the Mezzani plant is equipped with a chemical-physical purification plant for the treatment of industrial waste water: the purification system provides quality water that can be reused for production or discharged into local surface water bodies.

In order to manage any malfunctions in an efficient and timely manner, the plant is equipped with an Automatic Reporting System that in the event of anomalies or criticalities sends alerts to the designated managers to ensure timely intervention.

The water monitoring and treatment system not only ensures compliance with the legal and voluntary requirements to ensure the quality of discharges, but also enables management aimed at pollution prevention and environmental protection.



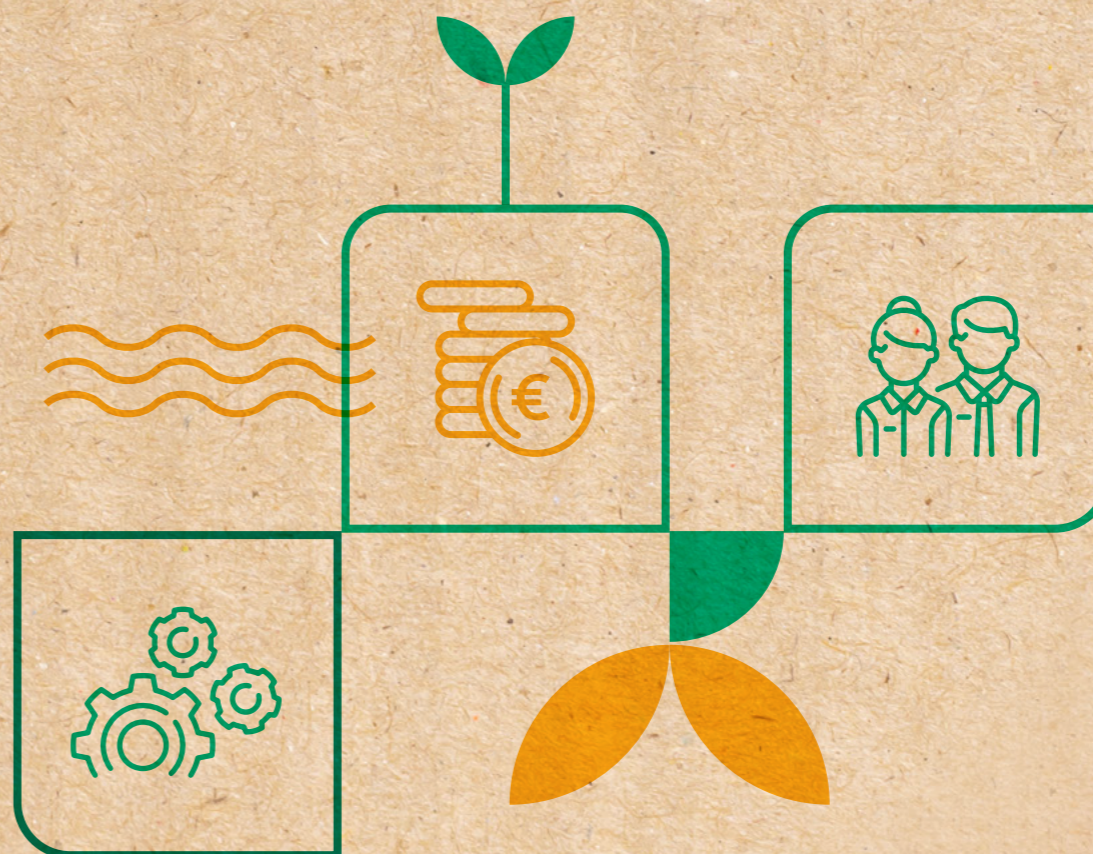
Intensity of water withdrawal





Prosperity and supply chain

6





6.1 The Growth of FEPA

FEPA is ingrained in the territory in which it was born and has grown to **become a leader in the packaging sector** by virtue of the relationships of trust and collaboration it has established with suppliers, customers, and surrounding communities.

FEPA has always focused on the development of a solid and lasting supply chain, creating **supportive and**

strategic partnerships that satisfy its customers and guarantee economic and social prosperity for the local communities in which it operates.

Moreover, FEPA has always been known for its constant commitment to **supporting environmental protection initiatives**.

FEPA **is a leader** within Italian innovative corrugated cardboard production sector.

FEPA's constant economic growth, particularly since the late 80s, is the result of investments by the Company in **process and training innovations**, which have allowed

it to reach an increasingly wide market and maximize the economic potential of the Organization.

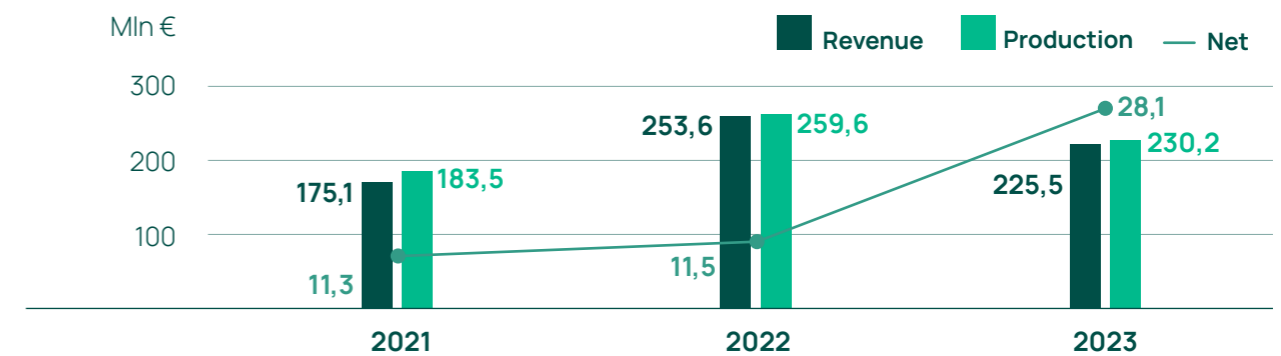
In 2023, economic growth continues with a net revenue growth rate of **144%**, confirming the Company's upward trend.



We firmly believe that helping young people enter the world of work, enhancing the emerging realities of the territory, and promoting integration into communities goes beyond Corporate Social Responsibility, and represents a concrete way to participate in the construction of a better future.

2023

Economic Growth



109 Mln €
equity (+29% compared to 2022)

230 Mln €
The total value of production

4,6 Mln €
in employees' social security contributions

17,8 Mln €
in wages and salaries

9,8 Mln €
in taxes paid

47 Mila €
invested in the community in donations and sponsorship (+57% compared to 2022)



CREATING A BENEFICIAL AREA: “TOSI PARDINI” KINDERGARTEN RENOVATION AND EDUCATIONAL INNOVATION PROJECT

Empowering schools means investing in the future of communities, putting employees at the centre of our sustainable growth, and ensuring that everyone’s environment and social and economic conditions improve year by year.

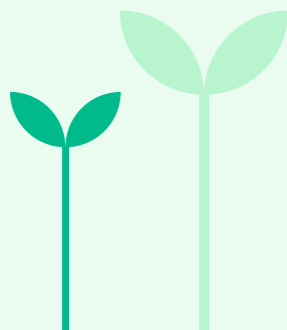
To FEPA, ‘prosperity’ goes beyond mere economic growth, and we are committed to giving back social and economic value to the people and the area in which we work.

An example is the project started in 2023 to renovate the ‘Tosi Pardini’ kindergarten in Mezzano Inferiore, co-financed by FEPA and CosmoProject. The school is part of the educational services of the FISM network of Parma, which unites 50 schools in the 0-6 age range in the province of Parma, providing care for over 3500 children in the province and involving over 250 educators and teachers.

Together, companies, schools, local government and the community have transformed the spaces of the ‘Tosi Pardini’ school, providing innovative, completely renewed learning environments and providing the children of the area and neighbouring towns with a welcoming and safe environment, enriched with new teaching and pedagogical resources.

The project has a great impact on the entire local community, by extending and helping access to the 0-6 year old Kindergarten service for the children of FEPA employees but also for families who live in the area.

This is part of a long list of activities that FEPA is carrying out and will continue to implement with a view in mind to placing its employees increasingly at the centre of the company’s sustainable growth.



FAUSTO FERRETTI,
Managing Director
FEPA SpA



Interview with Adriana Pecora, President of the Fism Association of Parma

How did the project to renew the ‘Tosi-Pardini’ school and kindergarten centre come about?

The project comes from our view of the school as a cultural pillar of the community, a crucial place to foster the social and economic well-being of local communities, supporting families and children in their growth.

The project focuses its attention on inclusivity within the society: for example, to help the foreign communities living in this area to become integrated and to increase our ability to welcome children with difficulties.

The ‘Tosi Pardini’ school, with its large spaces, needed an upgrade to address two main problems: a social one and an economic one. The aim was not only to create an environment with updated spaces, but also to introduce a new educational model involving children, families, educators and teachers, including scientific laboratory spaces based on the ‘Tinkering’ methodology².

What did the project consist of?

The project involved creating an Innovative Kindergarten Centre, part of the Mezzani School Pole, it was implemented in two phases: in the first phase we focused on upgrading the interior, purchasing new furniture, and creating science workshop labs where children can use different recycled materials to stimulate creative exploration and problem-solving. We also wanted to extend the educational program we offer, with pre-school and after-school services to help families in need of child care, even providing a summer centre service. The second phase will involve the renovation of a section of the nursery school, increasing capacity for children from 0 to 3 years old, the opening is scheduled for autumn 2024. A total of 40 children will be accommodated in the nursery.

How did the collaboration with FEPA develop?

The collaboration came about as a result of a search for partners sympathetic to the issues at the heart of the project, and from the very first meeting, FEPA showed great receptiveness and understanding of the potential and took action by supporting the initiative not only financially, but also with ideas and real help.

What has been the impact of this collaboration?

I would say that it has brought significant benefits on various levels: internally, by organising open days for employees and integrating the service into the company’s welfare system through an agreement for employees; externally, for the entire local community, by offering strong support to families in the area and to the Parma FISM, which, with FEPA’s support, has renewed and revived one of the educational services in the provincial network and developed a new idea of partnership with local stakeholders. FEPA’s rapidity in adapting its corporate language to the pedagogical one was fundamental, creating a bridge that enabled effective collaboration between us and the company. This partnership has shown that very different realities can listen to each other and understand each other and that there are companies that are attentive and ready to support projects to improve the area. Schools must promote partnerships like this one to create initiatives that respect tradition while continuing to look to the future.

¹The FISM (Italian Federation of Kindergarten Schools) is a non-profit federation of Christian-inspired private kindergartens (pursuant to Law no. 62/2000), widespread throughout the country. The schools, run by religious congregations and parent associations, promote the integral education of children based on the rights of childhood sanctioned by the UN, the EU and the Italian Constitution.

²For the definition of the term ‘Tinkering’, please see the Glossary of this Report.



6.2 Relations with Suppliers

Every stage of the supply chain, from the procurement of raw materials to the delivery of finished products, can have a significant impact on the **environment, society, and the economy**; its correct management is, therefore, **a fundamental tool in a company's sustainability strategies**.

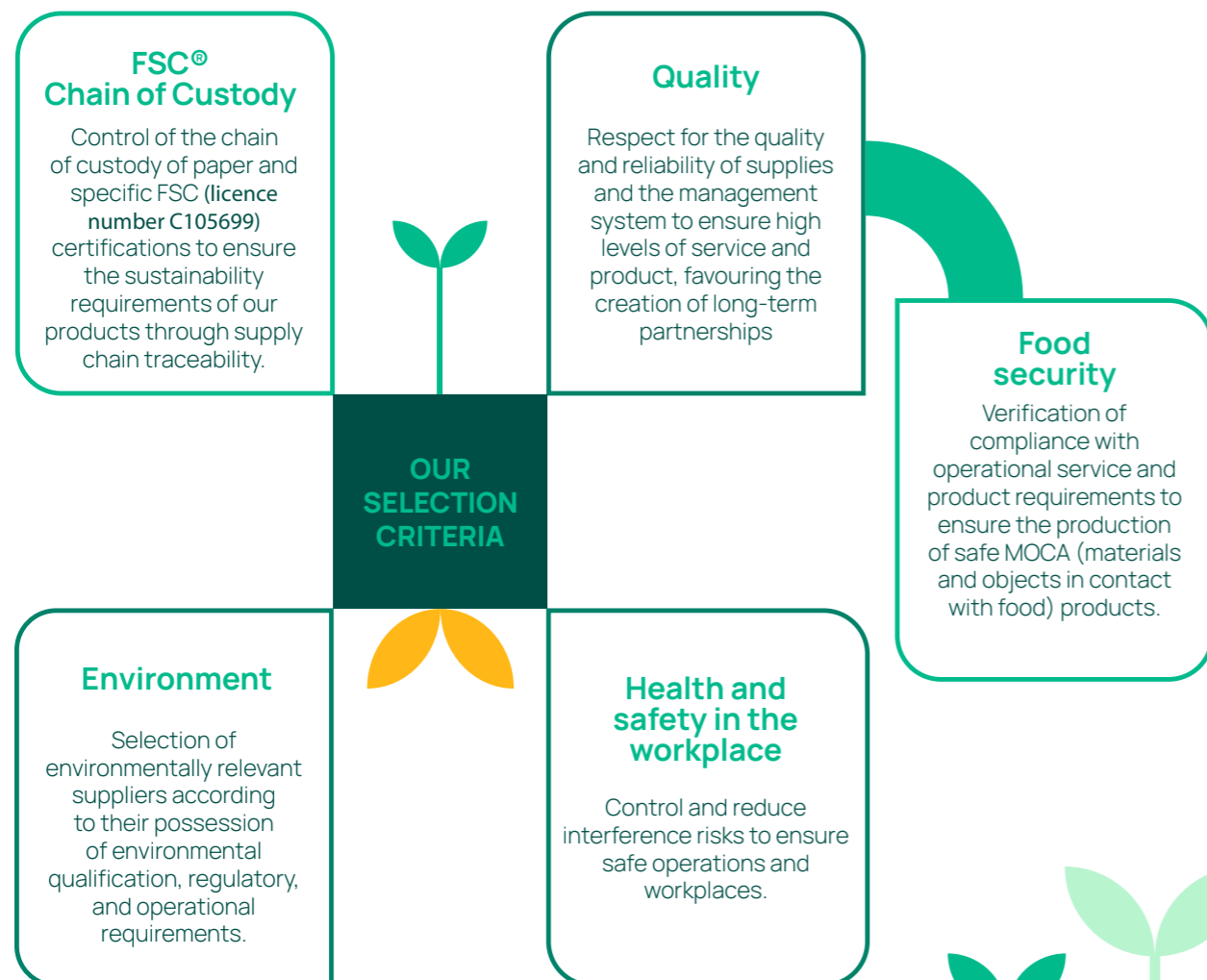
For FEPA, **responsible management of the supply chain** translates into working together with its suppliers towards a more sustainable supply chain model capable of **increasing the prosperity of the territory and personnel**, reducing environmental impacts, promoting social equity, and ensuring the sustainability of activities as a whole.

For FEPA it is also essential that the selected suppliers demonstrate a willingness to undertake a shared path towards environmental, social, and ethical responsibility; To establish a collaborative relationship that goes

beyond profit alone, FEPA chooses to communicate to suppliers the objectives and principles of its mission, Code of Ethics, and company policy.

Supplier selection

In order to ensure an accurate choice of actors along the cardboard supply chain, FEPA undertakes to select, qualify, and verify that its strategic suppliers operate in accordance with the risk assessment procedures provided for by the Integrated Management System and in compliance with applicable regulations.



Responsible management of resources: Chain of Custody certification

In line with the principles of **sustainability and responsible use of resources**, FEPA has implemented a Chain of Custody Management and Control System that guarantees the traceability of materials derived from wood and from sustainably managed forests certified in accordance with FSC standards.

The checking of the origin of the paper from the selected suppliers and the traceability in the processing and transformation phases allows FEPA to demonstrate in a correct, transparent, and controlled manner the **active contribution to responsible forest management**.



Supplier distribution

FEPA has 731 active suppliers, most of which are located in the national territory (90%). 9.7% are located in Europe, with only 0.3% of suppliers present in non-EU countries.



We work with our suppliers to ensure a sustainable and prosperous supply chain, helping to reduce environmental impacts and promote a more circular supply chain model.



Suppliers location

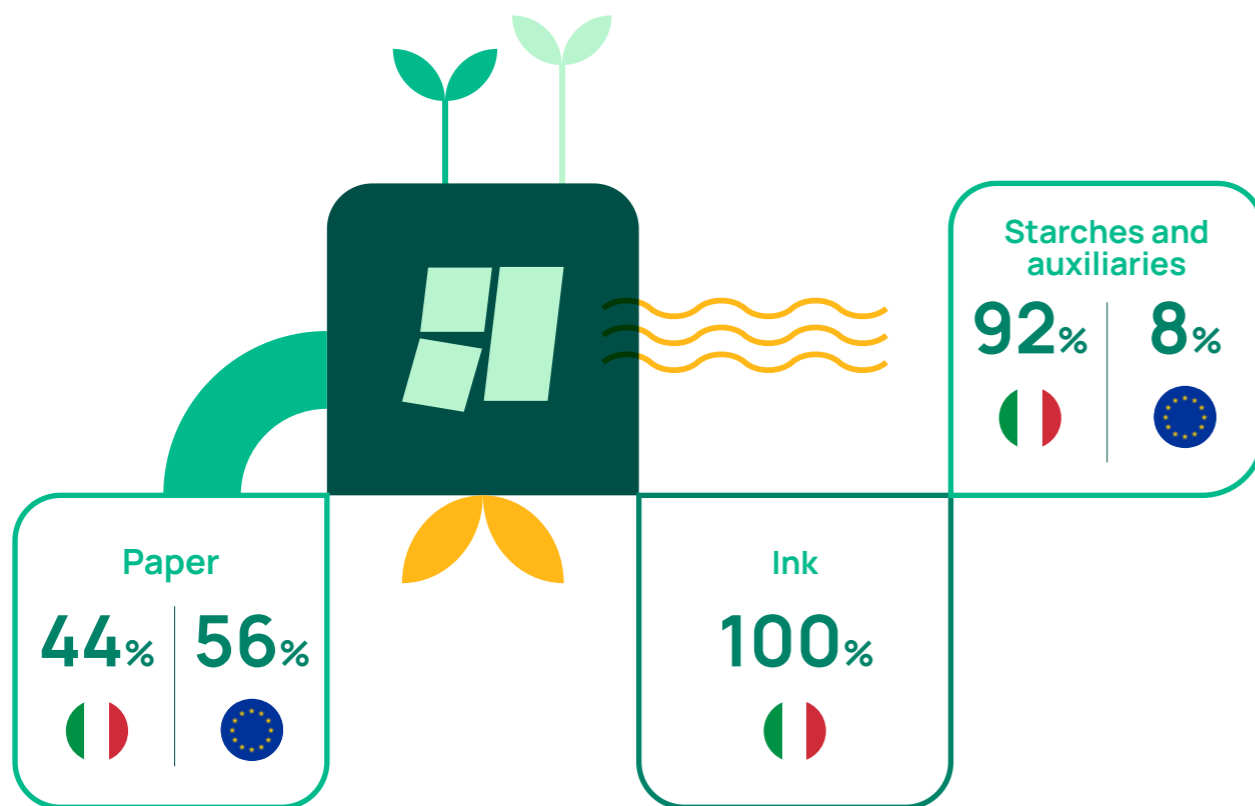
FEPA has always believed in the importance of establishing solid, lasting relationships with suppliers, favouring, as much as possible, a "zero km" supply network.

This allows FEPA to guarantee greater flexibility and agility in the management of supplies and services and to contribute to developing and growing the entrepreneurial fabric of the territory.

Paper: High performance corrugated cardboard, produced by FEPA, requires the use of quality paper with weights that are not easily supplied in Italy. Despite this, FEPA has managed over the years to build a solid supply network within Italy, thus reducing the economic and environmental impacts related to transport and feeding the virtuous circle of the paper recycling market. In volumes: 44% IT, 56% EU.

Ink: for flexographic printing, water-based liquid inks (also recycled) and natural pigments are used that make the finished product 100% recyclable. 100% of pigments and binders are sourced from Italian suppliers (within 250km).

Starches and auxiliaries: To ensure a fully recyclable product, FEPA produces 100% natural glues based on corn starches in-house. 92% of the raw materials are sourced from within Italy, from within 250 km of FEPA production sites; while 8% comes from Europe.



Our supply chain projects

In cooperation with some excellent suppliers, FEPA has launched over time projects aimed at improving its environmental performance along the entire production chain by using certified materials and optimising transport and packaging. In this way, FEPA ensures a more responsible and transparent supply chain and contributes to goals 12 and 15 of the SDGs.



Paper Procurement

Reduce the procurement of virgin fibre paper and give preference to fibre sourced from forests controlled through the FSC® certification system.

Purchase of starches

Use of corn starches (for the creation of glue) from 100% certified, natural, and non-GMO crops.

BioBased Inks

Feasibility study for the introduction of biobased pigments

Packaging of the finished product

Reduction of the thickness of the stretch film used for the packaging of the finished product and total elimination where possible. Project for the recovery and reuse of the plastic straps used for the packaging of the finished product, aiming for circularity.



Internal handling

Replacement of diesel forklifts with electric trucks and use of solutions with reduced environmental impact with lithium batteries.

Transport

Optimization of logistics by using the same carriers of inbound raw material for the collection of waste paper, helping to reduce emissions.





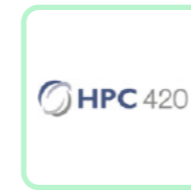
6.3 Attention to consumers

Attention to consumer health and safety

Through targeted risk analysis, customized design and supervision of the supply chain and production processes, **FEPA** can assure consumers of **the highest quality and safest packaging for personal, household, and food related uses.**



FEPA has adopted the FSSC 22000 standard as a reference to implement the **certified Food Safety Management System**. Thanks to the attention, rigor and commitment of FEPA's interdisciplinary internal team ("Food Safety Team") there have been no food-safety related non-conformities linked to FEPA products (GRI: 416-1). In April 2024 FEPA completed the re-certification process in accordance with the new revision of FSSC 22000 (v6), placing the Company as a national pilot and obtaining certification as the first Italian company. The new version places greater emphasis on periodic assessments, enabling food safety professionals to adapt and improve management strategies to respond to the changing dynamics of the industry.



At the Mezzani site, the HPC 420 scheme, a global standard for Safety and Quality Management Systems for **Home & Personal Care products**, was adopted. This system integrates the FSSC22000 requirements (applicable to the food sector) to the nonfood sector, offering a high level of integration. The HPC 420 certification confirms the importance for FEPA to ensure controlled production processes and product quality as well as a constant attention to consumers.

Product labelling

Thanks to a project started in 2021 that is aimed at optimising the management of the flow of information and related communication, from 1 January 2023, FEPA complies with mandatory environmental labelling of products placed on the national market.

Market and labelling requirements



Business to business – B2B Market – Packaging intended for B2B, for example, packaging intended for the industrial sector, transport, logistics or exhibition activities, may not present information on the final destination of the packaging, but must report the **coding of the composition materials in accordance with Decision 129/97/EC.**



Business to Consumer – B2C market, e.g. packaging intended for final consumers, must have both the **coding of composition materials according to Decision 129/97/EC, and the "end-of-life" collection information.**

Due to the nature of the products produced for B2B, FEPA was able to convey information through transport documents, thus avoiding the environmental impacts related to the disposal and refurbishment of printing systems. Labels, trademarks, and logos related to the packaging, or its direct services printed on the product are verified in accordance with the procedure of organizational management systems. Thanks to the attention and rigor of the controls, no case of misleading communications has ever involved FEPA products (GRI: 417-2).

PREPARING FOR CSRD: ENGAGING WITH SUPPLIERS

Given the Corporate Sustainability and Responsibility Directive (CSRD), which mandates companies to broaden the assessment across the entire value chain, FEPA has chosen to include suppliers in its sustainability reporting. As a first step, Mondi Group, a prime example of a sustainable and responsible supplier to FEPA, was interviewed.

Interview with Mondi Group

What is Mondi's approach to Sustainability?

Mondi acknowledges the critical importance of sustainability for both environmental and social welfare, recognizing its significance in shaping the future. Through proactive investment in sustainable practices, we've garnered high ratings from independent organizations such as Ecovadis, CDP, and MSCI, affirming our commitment to transparency. Our Containerboard sustainability credentials are built on three pillars: sustainable forestry, greenhouse gas emission reduction, and circular-driven solutions, with clear targets set and monitored for progress.

How does Mondi ensure sustainable forestry?

Sustainable forestry is essential for combating climate change and preserving biodiversity and water resources.

We ensure zero deforestation in our wood supply by **sourcing 100% responsibly from resilient forests.**

100% of our wood comes from responsible sources with 75% FSC™ or PEFC-certified fibre procured, and we source 90% of our wood fibre from countries where our mills are located, supporting local economies and supply chain resilience.

Notably, the paper we supply to FEPA comprises approximately 50% recycled paper and 50% virgin fibre.

How does Mondi address greenhouse gas emissions?

We have set ambitious science-based targets to reduce emissions across all scopes by 2030 and 2050. Compared to our 2019 baseline, we achieved a reduction of Scope 1 and 2 emissions by 22% and Scope 3 emissions by 21% in 2023, driven by significant investments in renewable energy and energy efficiency. Today, reducing Scope 3 emissions requires collaboration between companies. In this case, Mondi's commitment to lowering emissions has reduced the carbon footprint of the paper supplied to FEPA, thereby helping to lower FEPA's Scope 3 emissions.

How does Mondi contribute to the circular economy?

At Mondi we have a target in place to have all packaging and paper reusable, recyclable or compostable. All our containerboard paper grades are 100% recyclable today, and we are driving demand for paper recycling in the countries where our mills are located.

With FEPA, we are part of a collaborative ecosystem of suppliers and customers that enhances the value of used paper by putting it back into circulation, creating a cycle that aims to reuse pulp as a by-product. This ensures that paper is not discarded but recovered, preventing waste and fostering recyclability throughout the value chain under a circular economy approach.





6.4 Relations with Local Communities

For FEPA, ensuring **ethically responsible business conduct means taking an active role in favour of the community** and the people of the area, to promote cultural, environmental, and social well-being. For this reason, in line with some of the Sustainable Development Goals, FEPA is committed every year to participate in and finance initiatives that help guarantee health care services to the most fragile, raise awareness on gender issues, support the local gastronomic culture, and encourage the creation of meeting spaces open to all.

Attention to the territory is a relevant aspect of our approach to sustainability, annually we are committed to promoting events and projects on the local area.

Attention to local communities



Ensuring healthy living and promoting well-being for all at all ages

In accordance with its principles of social sustainability, FEPA is committed to facilitating access to essential quality healthcare services, protecting the physical and mental well-being of the most fragile people.

“Together With You” – Oncology Centre in Parma

In 2023, FEPA participated in the 'Insieme Con Te' (Together With You) initiative to raise funds for the new **Oncology Centre in Parma**. The aim was to create a **comfortable environment with state-of-the-art technology** for cancer patients. During the fundraising event, Food Farm 4.0 students prepared fruit jams and vegetable sauces, which were sold in Esselunga supermarkets, Camst refreshment outlets and various outlets in the province with the help of volunteers. Recognising **social solidarity** as a **fundamental value underpinning its corporate identity**, FEPA wanted to support the initiative by creating cardboard displays to showcase the products that would help promote fundraising sales.



Dynamo Camp – Right to happiness

FEPA recognises the importance of **protecting and supporting children and young people**, especially those in fragile situations. This is why, in 2023, the Company has confirmed its commitment to financing the **“Right to Happiness”** project of the Dynamo Camp association, which since 1988 has been committed to offering free **Recreational Therapy programmes for children suffering from illness**, providing them with valuable support during and after hospitalisation

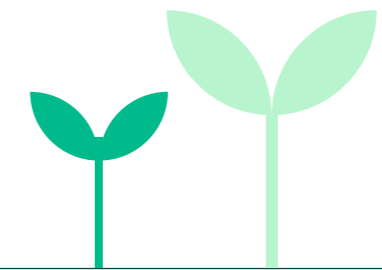
“Support to Loto Onlus”

Pursuing its commitment to social responsibility, FEPA has offered its financial support, through a liberal donation, to the Loto Onlus association, a non-profit organisation committed to issues related to ovarian cancer, one of the most severe female cancers with the most severe prognosis and which affects more than 5,200 women in Italy and 250,000 women worldwide every year. The donation is intended to contribute to the activities of the Loto Onlus, which invests in **research and support for clinical facilities, information and prevention activities while offering support for the psychophysical well-being** of women facing the disease and cancer treatment and their families.



Colorno Amateur Football Association) – Colorno

Promoting people's physical and mental well-being involves **encouraging sport as part of a healthy lifestyle** and in which values such as **dedication, commitment and team spirit** can be found. In particular, in 2023 FEPA renewed its support for the **Colorno Amateur Football Association**. This initiative is not limited to the football pitch but aims to encourage young local talent, **promoting a passion for sport and building a strong and cohesive community**. Thanks to the sponsorship, young people were able to enjoy various types of educational experiences as a group, including meetings on **nutrition education and road safety education**, in addition to the renowned and much-loved football tournament.

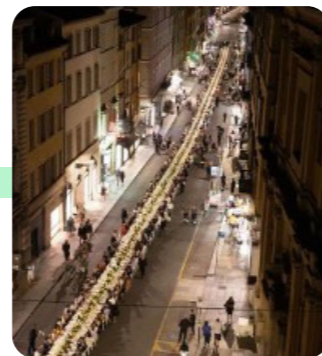


Promoting Culture

To encourage a sense of belonging in the communities around it and promote the Italian culinary culture, FEPA has sponsored events promoting local dishes and products and creating opportunities for people to meet and share.

The Supper of the Thousand

In 2023, the long-awaited return of the 'Cena dei Mille' in Parma was a major moment for local citizens and visitors alike. With 1,000 participants gathering in the heart of the old city centre, the event offered an extraordinary culinary experience thanks to the presence of 20 top chefs supported by well-known local restaurateurs, celebrating the **region's finest products**. In addition to promoting the local culinary tradition in an atmosphere of conviviality, as every year the 'Supper of the Thousand' demonstrates a firm commitment to solidarity, donating part of the proceeds to the 'Emporio Solidale of Parma', a local organisation that provides support to families in need. Within this social initiative, once again this year FEPA contributed by providing **ecological and sustainable street furniture**, made of corrugated cardboard and customised with digital printing.



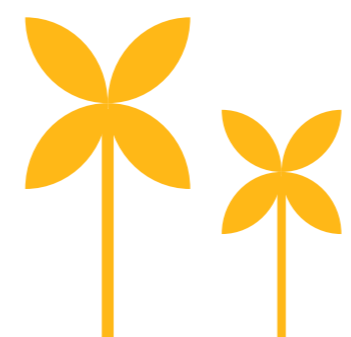
Cinema under the stars

Once again this year, FEPA supported the Torrile Municipality's 'Cinema sotto le stelle' initiative, an event that encourages shared moments of fun and entertainment among local children and families, thus helping to **strengthen social ties within the community**. The events programme has been specially designed to include shows and entertainment suitable for all age groups, offering the opportunity to freely participate in these cultural experiences. This initiative is of particular importance to FEPA, which over the years has continued to consolidate a **relationship of trust and cooperation with the local community**, rooting its roots in the area.



The film "La gioia all'improvviso"

Through **culture**, communities can make significant changes. For this reason, FEPA pledged its support as sponsor for the film 'La gioia all'improvviso', directed by director Marco Mazzieri and shot in the city of Parma, with the patronage of the Emilia-Romagna Region, the Municipality of Parma and the collaboration of the State Police. The film tells the stories of three operators of the Centro Antiviolenza (Anti-Violence Centre), dedicated to supporting and listening to women victims of violence, helping them in the process of rebuilding their lives. **Violence against women** remains a current and widespread problem, therefore, FEPA wanted to support the making of this film in the hope of contributing to **raising public awareness** on this important issue.



Food Valley Bike Festival

2023 saw the second edition of Ingorda, the non-competitive bike ride through the **Food Valley Bike** from Piazza Garibaldi in Parma to Busseto (85 km) with an intermediate stop in Colorno (45 km). During this initiative, participants from all over northern Italy had the opportunity to explore the beauty of the area and savour the **local gastronomic delicacies** offered by the numerous refreshment points along the route. FEPA confirmed its support for this event, in line with the company's values of **promoting healthy and sustainable sport, sociability and local culture**.



Appendices and glossary



Contents of the Report

(GRI: 2-2, 2-3, 2-4, 2-5)

This sustainability report adopts the GRI Standards updated in 2021 as a model. Since there is still no Industry Standard applicable to FEPA, the selection of material topics and their reporting was carried out independently, following GRI 3 "Material Topics" and the Specific Standards referring to each material topic. The detailed list of reported indicators can be found in the GRI Content Index appendix.

The scope of this Declaration refers only to the single member company, FEPA SPA.

The information and data reported relate to 2023 (1 January to 31 December), in line with the financial period; data for the two preceding years (2021-2022) are

also presented to provide a temporal overview in terms of trends. This edition of the sustainability report is not subject to external assurance, however, the financial statements from which the economic performance data are derived are subject to external audit by PricewaterhouseCoopers SpA pursuant to Article 14 of Legislative Decree 27/01/2019 No. 39.

The sustainability report is subject to internal audit by the ESG Manager and is approved by the Board of Directors.

Declaration of use	FEPA SpA has reported the information mentioned in this GRI content index for the period from 1 January 2023 to 31 December 2023 in accordance with GRI standards.
GRI reference from which FEPA drew inspiration for the Report	GRI 1 - Fundamentals - version 2021
Relevant GRI industry standards	There are currently no Industry Standards for the sector in which FEPA operates
Revisions/adjustments to previous edition	There are no adjustments to information/data on the previous edition of the FEPA sustainability report.

REPORTING PERIMETER

The second edition of the FEPA SpA Sustainability Report, which, in addition to reporting on the main aspects of 2023, defines the Reporting Perimeter as a guiding framework for communicating the company's commitment to sustainability issues, illustrating its mission and strategy. In line with the GRI 2021 guidelines, the report identifies FEPA's business context and presents key performance trend data for the period 2021-2023.

Materiality analysis

To identify material topics, a structured process aimed at understanding the expectations of FEPA stakeholders was developed. This materiality analysis process is divided into the following phases:

1. Analysis of the sector: the preliminary phase of materiality involved the analysis of documents disclosed by sector-specific associations and organizations, benchmarks of sustainability reports published by a panel of companies in the sector, and the main sustainability documents published by the most important international sustainability organizations.

2. Analysis of the Sustainability Committee: once the sector topics had been identified, the internal committee assessed the significance of the impact for each of the topic observed.

3. Stakeholder Engagement: A campaign to involve stakeholders was conducted in order to obtain additional points of view and information than what could be obtained from a purely internal analysis.

4. Analysis evaluation: In this phase, the results obtained from the previous phases were synthesised and the material themes were selected.

THE EVALUATION OF ISSUES AND IMPACTS

The different sustainability issues were analyzed to determine whether FEPA's activity was able to generate impacts (positive or negative) in this regard by assessing their relevance. Each issue was then analyzed using four criteria and attributing to each criterion a weight from 1 to 3, where 1 indicated an impact of low relevance while 3 a highly relevant impact.

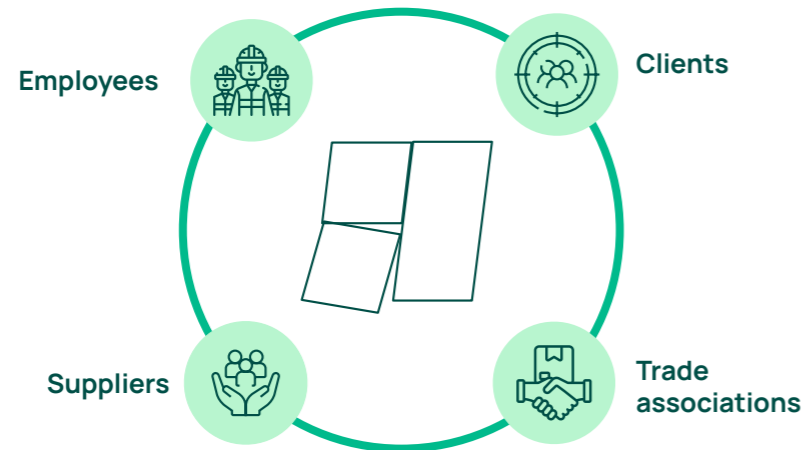
The final score for each issue was then calculated as an average of the scores attributed to each criterion.

CRITERION	ISSUES
COMMITMENT TO THE ISSUE	Presence of the issue in policies or official documents (e.g. Code of Ethics, Voluntary Policies, Official Reporting Documents) and related monitoring. Presence of specific programs/projects on the issue.
REGULATORY INFLUENCE	Presence or absence of rules that affect FEPA's freedom to decide in relation to the issue.
EFFECTS ON THE ENVIRONMENT	Reversibility of the negative impacts and of the benefits of the positive impacts.
IMPACT ON SOCIETY AND COMMUNITY	Positive or negative effects on society and surrounding communities.

STAKEHOLDER ENGAGEMENT

To ensure that the assessment of the relevance of the impacts generated by the organization was shared with all the stakeholders potentially affected by these impacts, FEPA identified some categories of stakeholders to be involved in the analysis. The involvement was achieved through the administration of a questionnaire

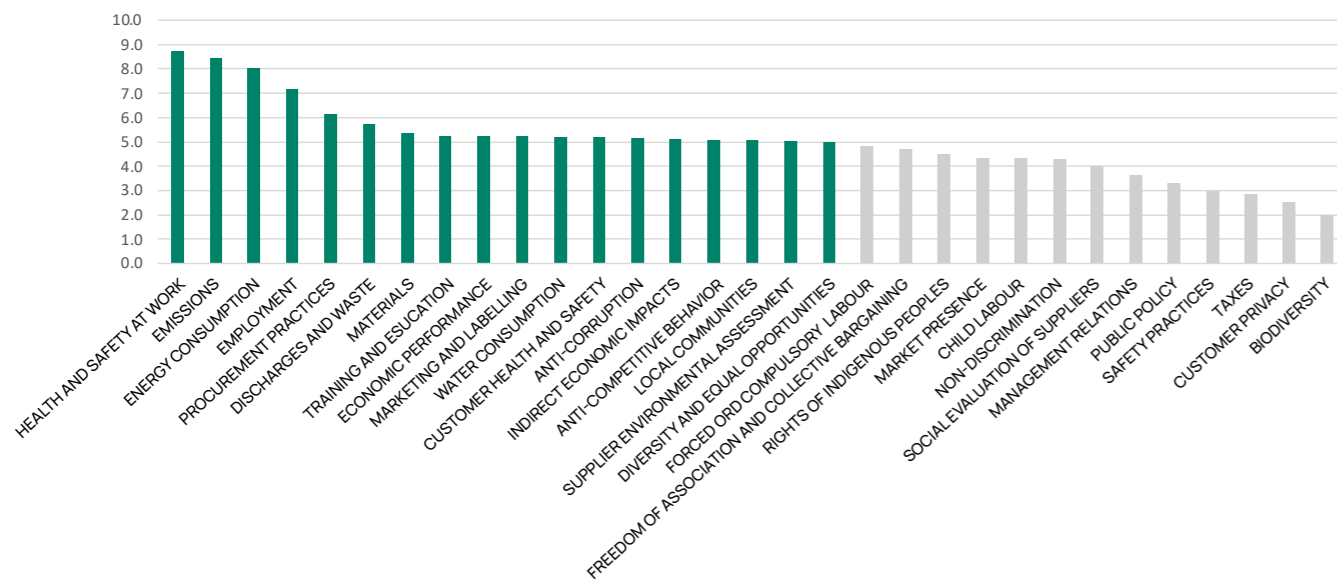
that allowed all subjects to express an opinion on the relevance of the impacts for each sustainability issue. The judgment was expressed using a value scale from 1 to 3, where 1 indicated an impact of low relevance while 3 indicated a highly relevant impact.



The use of the same scale of values by FEPA and its stakeholders for the evaluation of the different sustainability issues made it possible to combine the results obtained from the two previous phases and to calculate the average relevance score for each issue. At this point, by ordering the different issues on a scale of values from the highest to the lowest score, and setting a minimum threshold of relevance, it was possible to

divide the issues to be considered relevant from those that are not.

The materiality threshold was set by dividing the range of values of the results from 1 to 9 and setting the minimum threshold score to 5 (corresponds to 55%).



Social dimension - additional data and information

MANPOWER

GRI: 2-7, 2-8, 401-1, 405-1

The data about the workforce, located 100% in the Italian national territory, are calculated on 31 December of the reporting year.

The number of employees/non-employees (predominantly associated with the role of blue-collar workers) is calculated as the number of persons with full-time equivalent (FTE).

WORKERS

	Units	Data 2021			Data 2022			Data 2023		
		MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL
Employees	N°	287	45	332	332	49	381	358	51	409
Non-employees	N°	85	5	90	73	2	75	59	9	68
TOTAL	N°	372	50	422	405	51	456	417	60	477

TYPE OF DECISION-MAKING BODY

	Units	Data 2023		
		MEN	WOMEN	TOTAL
Board of Directors	N°	6	1	7
Board of Auditors	N°	1	2	3

		TYPE OF DECISION-MAKING BODY								
Units	TOTAL	MEN				WOMEN				
		total men	< 30 years	tra 30-50 years	>50 years	total women	< 30 years	tra 30-50 years	>50 years	
Board of Directors	N°	7	6	0	1	5	1	0	0	1
Management Committee	N°	5	3	1	0	2	2	0	0	2
Board of Auditors	N°	3	1	0	0	1	2	0	0	2

Below is the detail of the workforce associated with the category of employees.

		EMPLOYEE JOB ROLES								
Units		Data 2021			Data 2022			Data 2023		
		MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL
Executives	N°	7	1	8	8	3	11	9	3	12
Middle management	N°	13	2	15	13	2	15	13	2	15
Office employees	N°	46	29	75	55	29	84	67	28	95
Workers	N°	221	13	234	256	15	271	269	18	287
Internship	N°	0	0	0	0	0	0	0	0	0
TOTAL	N°	287	45	332	332	49	381	358	51	409

		EMPLOYMENT CONTRACTS								
Units		Data 2021			Data 2022			Data 2023		
		MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL
Fixed-term	N°	0	0	0	1	0	1	5	1	6
Indefinite	N°	287	45	332	331	49	380	353	50	403
TOTAL	N°	287	45	332	332	49	381	358	51	409

Note: there are no casual workers.

		EMPLOYMENT CONTRACTS								
Units		Data 2021			Data 2022			Data 2023		
		MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL
Full time Employee	N°	287	41	328	331	45	376	358	47	405
Part time Employee	N°	0	4	4	1	4	5	0	4	4
TOTAL	N°	287	45	332	332	49	381	358	51	409

100% of employees are covered by a collective agreement: Settore Cartotecnica Industria.

		EMPLOYEE SENIORITY								
Years of service	Units	Data 2021			Data 2022			Data 2023		
		MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL
>30	N°	6		6	6		6		6	
>15 <=30	N°	55		55	59		53		53	
>5 <=15	N°	97		97	84		100		100	
>2 <=5	N°	103		103	121		105		105	
<=2	N°	71		71	111		145		145	
TOTAL	N°	332		332	381		409		409	

		NEW HIRES								
Age of new hires	Units	Data 2021			Data 2022			Data 2023		
		MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL
<30	N°	16		16	31		42		42	
>=30 e <50	N°	16		16	52		36		36	
>=50	N°	6		6	8		4		4	
TOTAL	N°	38		38	91		82		82	
% OF TOTAL EMPLOYEES	%	11		11	24		20		20	

HEALTH AND SAFETY AT WORK
(GRI: 403-9; 403-10)

EMPLOYEE TURNOVER

AGE NEW HIRES	Units	Data 2021	Data 2022	Data 2023
<30	Nº	3	6	20
>=30 e <50	Nº	14	30	24
>=50	Nº	12	8	8
TOTAL	Nº	29	44	52
% OF TOTAL EMPLOYEES	%	9%	12%	13%

EMPLOYEES WHO ARE MEMBERS OF TRADE UNIONS

	Units	Data 2021	Data 2022	Data 2023
Employee enrolled	Nº	68	71	85

ACCIDENT DATA AND INDICES

	EMPLOYEES			NON-EMPLOYEE WORKERS		
	Data 2021	Data 2022	Data 2023	Data 2021	Data 2022	Data 2023
Hours worked	633.311	629.393	695.397	115.891	145.959	134.538
Deaths as a result of accident	0	0	0	0	0	0
Accidents with serious consequences	0	0	0	1	0	0
Work-related injuries	16	16	25	8	13	10
Work-related ill health	0	0	0	0	0	0
Frequency index ¹	25,3	25,4	36	69,0	89,1	74,3
Severity index ²	0,4	0,6	0,7	1,3	1,6	0,9
Risk index ³	10,3	14,8	25,0	87,0	141,6	69,6

¹The frequency index correlates the number of injuries to the measure of exposure to risk (it is calculated by dividing the number of accidents with the absence of more than 3 days multiplied by 1,000,000, compared to the hours worked).

²The severity index relates the severity of the injury and the extent of exposure to risk (it is calculated by dividing the number of days lost beyond 3 days multiplied by 1,000, compared to the hours worked).

³The risk index correlates with the frequency and severity indices.

TYPE OF INJURY

	Units	Data 2021	Data 2022	Data 2023
Burn	Nº	1	1	0
Fracture	Nº	0	2	2
Contusion	Nº	5	6	7
Distortion	Nº	5	2	4
Wound	Nº	2	0	7
Crush	Nº	3	4	1
Abrasion	Nº	0	1	1
Tear/soreness	Nº	0	0	3
TOTAL	Nº	16	16	25

Environmental dimension – additional data and information

WASTE AND BY-PRODUCTS (GRI: 306-3)

SPECIAL WASTE PRODUCED				
	Units	2021	2022	2023
TOTAL WASTE GENERATED	t	1.367	1.377	2.811
Waste destined for recovery	t	405	482	1.984
Waste destined for disposal	t	962	895	827
Hazardous waste	t	124	6	386
<i>dangerous for disposal</i>	t	121,5	5,5	375
<i>dangerous for recovery</i>	t	2,5	0,5	10,5
Non-hazardous waste	t	1.243	1.371	2.425
<i>Not dangerous for recovery</i>	t	402,59	482	1.973
<i>Non-hazardous for disposal</i>	t	840,49	889	439
BY-PRODUCTS				
	Units	2021	2022	2023
TOTAL BY-PRODUCTS	t	23.280	24.205	27.169
RECOVERY PERFORMANCE				
	Units	2021	2022	2023
RECOVERY WASTE AND BY-PRODUCTS	%	96,1	96,5	97,2

ENERGY CONSUMPTION (GRI: 302-1; 302-3)

ENERGY CONSUMPTION WITHIN THE ORGANIZATION				
	Units	2021	2022	2023
TOTAL ENERGY CONSUMPTION	GJ	259.595	248.514	255.370
Electricity consumed (from the grid)	GJ	29.401	35.304	37.028
Natural gas consumed	GJ	223.576	205.634	210.819
Electricity consumed (photovoltaic)	GJ	2.099	3.203	3.367
Other energy sources	GJ	4.519	4.373	4.156
ENERGY INTENSITY	GJ/ton	1,49	1,32	1,26

Factors: • 1 kWh = 0,0036 GJ • Calorific value of methane: 0,03884 GJ/Nm³

EMISSIONS (GRI: 305-1; 305-2; 305-4)

CO ₂ EMISSIONS				
	Units	2021	2022	2023
Total emissions (Scope 1 e 2)	t CO ₂ eq.	14.395	13.875	14.715
Scope 1 Emissions – Direct	t CO ₂ eq.	12.268	11.322	11.589
Scope 2 Emissions - Indirect from energy consumption	t CO ₂ eq.	2.127	2.554	3.126
Total emission intensity (Scope 1 and 2)	tonCO ₂ eq/ton	0,084	0,075	0,073
Scope 3 Emissions - Other Indirect Emissions*	tonCO ₂ eq/ton	n.d.	n.d.	229.068

* Reporting started in 2024 on report 2023

Methodological Notes for the calculation of emissions:

the allocation principle of ISO 14064 was used for the calculation of emissions, in particular:

- **Scope1:** The calculation takes into account emissions from stationery and process combustion, combustion from the transport of owned vehicles, fugitive emissions FGAS
- **Scope2:** The calculation takes into account the emissions related to the supply of electricity from the grid and production by photovoltaic system.
- **Scope3:** the calculation takes into account indirect emissions from transport, from products used by the company; indirect emissions from the use of leased assets, indirect biogenic emissions and indirect greenhouse gas emissions from other sources are not significant)

Emission factors were calculated using the scientific software SimaPro 9.5 and through the use of the Ecoinvent 3.9.1 database in connection with the choice of datasets.

scope	emission category	categories included
scope 1	1.1 Direct emissions from stationary combustion sources	✓
	1.2 Direct emissions from mobile combustion sources	✓
	1.3 Direct process emissions and absorptions from industrial processes	✓
	1.4 Direct fugitive emissions from the release of greenhouse gases into the anthropogenic system	✓
	1.5 Direct emissions and removals from land use, land-use change, and forestry	Not relevant
scope 2	2.1 Indirect emissions from imported electricity	✓
	2.2 Indirect emissions from imported energy and non-electricity sources	Not relevant
scope 3	3.1 Indirect emissions from upstream transport and distribution of goods	✓
	3.2 Indirect emissions from downstream transport and distribution of goods	✓
	3.3 Indirect emissions from employee commuting	✓
	3.4 Indirect emissions from transport of visitors and customers	Currently not available
	3.5 Indirect emissions from business travel	✓
	4.1 Indirect emissions from purchased goods	✓
	4.2 Indirect emissions from capital goods	✓
	4.3 Indirect emissions from disposal of both solid waste and wastewater	✓
	4.4 Indirect emissions from leased assets	✓
	4.5 Indirect emissions from the use of other services	✓
	5.1 Indirect emissions or removals from the product use-phase	✓
	5.2 Indirect emissions from downstream leased activities	Not relevant
	5.3 Indirect emissions from the product end-of-life phase	✓
	5.4 Indirect emissions from investments	Not relevant
	6 Indirect GHG emissions from other sources	Not relevant

MATERIALS (GRI 301 - 1)

MATERIALS				
	Units	2021	2022	2023
Renewable materials	t	175.267	192.079	213.449
Non-renewable materials	t	1.208	1.258	1.463
Total materials	t	176.475	193.336	214.498

WATER CONSUMPTION AND DISCHARGE (GRI: 303-3; 303-4)

WATER WITHDRAWAL				
	Units	2021	2022	2023
TOTAL WATER WITHDRAWAL	ML	88	80	71
Withdrawal from well	ML	81	76	63
Withdrawal from aqueduct	ML	7	4	7
Withdrawal from other sources	ML	0	0	0
WATER WITHDRAWAL INTENSITY	m³/ton	0,51	0,43	0,335

There are no water withdrawals associated with areas subject to water stress.

WATER DISCHARGE				
	Units	2021	2022	2023
TOTAL WATER DISCHARGE	ML	9,2	8,9	
Discharge to sewer	ML	3,2	3,0	2,3
Discharge into surface water body	ML	6,0	5,8	x
Discharge to other receptors	ML	0	0	0

The San Polo and Mezzani sites have a specific Single Environmental Authorization (SEA) for the management of water discharges and emissions into the atmosphere.

Economic dimension – additional data and information

ECONOMIC VALUE DIRECTLY GENERATED AND DISTRIBUTED (GRI: 2-9, 201-1, 205-3, 206-1)

ECONOMIC GROWTH				
	Units	2021	2022	2023
Turnover	€	175.075.147	253.584.016	225.532.877
Revenues	€	183.478.792	259.592.400	230.249.293
Net	€	11.332.012	11.507.058	28.133.502

EMPLOYEE WAGES AND BENEFITS				
	Units	2021	2022	2023
Wages and salaries	€	14.547.935	17.098.327	17.800.308
Social security contributions	€	3.871.121	4.374.863	4.618.755
Severance pay	€	892.335	994.631	1.089.443
Total personnel costs	€	19.333.595	22.554.712	23.510.696

ADDITIONAL BALANCE SHEET DATA				
	Units	2021	2022	2023
Total net worth	€	76.684.289	84.181.377	108.844.086
Payments to governments by country	€	4.844.031	2.971.997	13.162.012
Total income tax	€	3.065.670	7.668.106	9.787.798
Economic value retained	€	13.559.067	18.299.897	38.973.794
Operating costs	€	169.919.725	241.292.503	191.275.499

Payments to capital providers 2023:
4.820.107€

SUBSIDIARIES AND INVESTEE COMPANIES

Participation in subsidiaries

- SANDA SERVICE SRL 100% sole shareholder
- SPG DESIGN SRL 100% sole shareholder
- IMMOBILIARE AMY SRL 100%
- CART-ONE SRL 50%

Governance

Members of the Board of Directors

- Chairman of the Board of Directors: GABBI GABRIELLA
- CEO: FERRETTI FAUSTO
- Councillor: FRANZOSI PIER PAOLO
- Councillor: ZIEMACKI GIORGIO
- Councillor: AGADI PAOLO
- Councillor: FRANCO FERRETTI
- Councillor: CP BOARD COMPANY S.R.L.

Proxies

Active for San Polo plant managers proxies in the field of health, safety and environment.

Other corporate disclosures:

Anti-Corruption - FEPA is not found to be involved in any corruption events or incidents.
Anti-competitive conduct - On 13 January 2023, the Council of State, upholding the appeal filed by AGCM, reformed the decision of the Regional Administrative Court of Lazio, which, at first instance, had fully exonerated Sandra S.p.A. (now FEPA S.p.A.) from the charge of participation in the so-called Packaging Agreement (Intesa imballaggi). With this sentence, the Council of State also decreed the abnormality of the sanction imposed on FEPA, requesting the AGCM to recalculate it. FEPA, having taken note with regret of the above, confirming its own line of extraneousness to the matter, has given mandate to its lawyers to activate all the appropriate initiatives in every forum. On 7 March 2024, the AGCM communicated the recalculation reducing the fine from €10.6 million to €8 million. FEPA, after discussions with its lawyers, decided to appeal to the Lazio Regional Administrative Court against the recalculation of the penalty, also requesting the precautionary suspension of the same penalty. In fact, it is deemed, also in the light of further decisions of the Council of State, that the AGCM departed from the requirements imposed by the Judge in redetermining the penalty. The appeal is, therefore, aimed at obtaining a more conspicuous reduction of the penalty load which, in compliance with the principle of personalisation of the penalty and of equal treatment, takes into account FEPA's almost non-existent involvement in the so-called Intesa Imballaggi.

Correlation to GRI Standard

GRI Standard	Information	Location	Notes*
GENERAL DISCLOSURES			
GRI 2: General Disclosures – 2021 version	2-1 Organizational details	Chapter 1 We at Fepa Chapter 2 Products and Target Markets Paragraph: Methodological note on report writing	-
	2-2 Entities included in the organization's sustainability reporting	Paragraph: Methodological note on report writing	-
	2-3 Reporting period, frequency and contact point	Paragraph: Methodological note on report writing	-
	2-4 Restatements of information	Paragraph: Methodological note on report writing	-
	2-5 External assurance	Paragraph: Methodological note on report writing	-
	2-6 Activities, value chain and other business relationships	Chapter 2 Products and Target Markets	-
	2-7 Employees	Appendix: Social dimension - additional data and information	-
	2-8 Workers who are not employees	Appendix: Social dimension - additional data and information	-
	2-9 Governance structure and composition	Paragraph: Responsible Governance Appendix: Social dimension - additional data and information	-
	2-10 Nomination and selection of the highest governance body	-	nr
	2-11 Chair of the highest governance body	Paragraph: Responsible Governance Appendix: Social dimension - additional data and information	-
	2-12 Role of the highest governance body in overseeing the management of impacts	Paragraph: Responsible Governance	-
	2-13 Delegation of responsibility for managing impacts	Appendix: Social dimension - additional data and information	-
	2-14 Role of the highest governance body in sustainability reporting	Appendix: Materiality Analysis	-

*The "nr" indicates disclosures not yet reported in this report.

GRI Standard	Information	Location	Notes*
	2-15 Conflicts of interest	-	nr
	2-16 Communication of critical concerns	-	nr
	2-17 Collective knowledge of the highest governance body	-	nr
	2-18 Evaluation of the performance of the highest governance body	-	nr
	2-19 Remuneration policies	-	nr
	2-20 Procedure to determine remuneration	-	nr
	2-21 Annual total compensation ratio	-	nr
GRI 2: Informative Generali – versione 2021	2-22 Statement on sustainable development strategy	Letter to the stakeholders Paragraph: 1.5. Values and the Control System Chapter: 3. TOWARDS SUSTAINABLE DEVELOPMENT	-
	2-23 Policy commitments	Letter to the stakeholders Chapter: 3. TOWARDS SUSTAINABLE DEVELOPMENT	-
	2-24 Embedding policy commitments	n.a.	a. first report
	2-25 Processes to remediate negative impacts	-	nr
	2-26 Mechanisms for seeking advice and raising concerns	Paragraph: Health and Safety at Work Appendix: Materiality Analysis	-
	2-27 Compliance with laws and regulations	-	nr
	2-28 Membership associations	Chapter 2 Products and Target Markets	-
	2-29 Approach to stakeholder engagement	Appendix: Materiality Analysis	-
	2-30 Collective bargaining agreements	Paragraph: Staff Protection and Management	-

GRI Standard	Information	Location	Notes*
MATERIAL TOPICS			
GRI 3 - Material topics	3-1 Process to determine material topics	Appendix: Materiality Analysis	-
	3-2 List of material topics	Paragraph: Sustainability Report and Materiality Analysis Appendix: Materiality Analysis	-
ECONOMIC PERFORMANCE			
GRI 201: Economic performance	201-1 Direct economic value generated and distributed	Appendix: Economic dimension – additional data and information	-
INDIRECT ECONOMIC IMPACTS			
GRI: 2023 Indirect economic impacts	203-1 Investment in supported infrastructure and services	Section: Projects for a sustainable future Paragraph: The growth of FEPA	NEW
PROCUREMENT PRACTICES			
GRI: 204 Procurement Practices	GRI 204-1 Proportion of expenditure made in favour of local suppliers	Paragraph the selection of suppliers	-
ANTI-CORRUPTION			
GRI 205: Anti-corruption	Art. 205-3 Confirmed incidents of corruption and actions taken	Appendix: Economic dimension – additional data and information	-
ANTI-COMPETITIVE BEHAVIOUR			
GRI 206: Anti-competitive behaviour	206-1 Legal actions for anticompetitive behaviour, anti-trust, and monopoly practices	Appendix: Economic dimension – additional data and information	-
RAW MATERIALS			
GRI 301: Materials	301-1 Materials used by weight or volume	Appendix: Economic dimension – additional data and information	-
	301-2 Recycled input materials used	Paragraph: Circular Economy and Waste Management	Valorized for the paper raw material
ENERGY CONSUMPTION			
GRI 302: Energy	302-1 Energy consumption within the organization	Paragraph: Energy Consumption Management	-
	302-3 Energy intensity	Appendix: Environmental dimension - additional data and information	-
WATER CONSUMPTION			
303-3 Water withdrawal	303-3 Water withdrawal 303-4 Water discharge	Paragraph: Water resource management Appendix: Environmental dimension - additional data and information	-
MANAGEMENT OF GREENHOUSE GAS EMISSIONS			
GRI 305: Emissions	305 – 1 Direct (Scope 1) GHG Emissions 305 – 2 Energy indirect (Scope 2) GHG emissions from energy Consumption Disclosure 305-3 Other indirect greenhouse gas (GHG) emissions (Scope 3) 305-4 GHG emissions intensity	Paragraph: Management of atmospheric emissions Appendix: Environmental dimension - additional data and information	NEW Scope3

GRI Standard	Information	Location	Notes*
WASTE GENERATION			
GRI 306: Waste	306 - 3 Significant spills	Paragraph: Circular Economy and Waste Management Appendix: Environmental dimension – additional data and information	-
ENVIRONMENTAL ASSESSMENT OF SUPPLIERS			
GRI 308: Supplier Environmental Assessment	308-1 New suppliers that were screened using environmental criteria	Paragraph: Relations with Suppliers	-
EMPLOYMENT POLICIES			
GRI 401: Employment	401-1 New employee hires and employee turnover	Appendix: Social dimension - additional data and information	-
WORKERS' HEALTH AND SAFETY			
GRI 403: Occupational Health and Safety	403-9 Work-related injuries 403-10 Work-related ill health	Paragraph: Health and Safety at Work Appendix: Social dimension - additional data and information	-
TRAINING OF WORKERS			
GRI 404: Training and Education	404-1 Average hours of training per year per employee	Paragraph: Talent training and development	-
DIVERSITY AND EQUAL OPPORTUNITIES			
GRI 405: Diversity and Equal Opportunity	405-1 – Diversity of governance bodies and employees	Appendix: Social dimension - additional data and information	-
NON-DISCRIMINATION			
GRI 406: Non-discrimination	406-1 Incidents of discrimination and corrective actions taken	Paragraph: Staff Protection and Management	No cases of discrimination were found in organizational management (GRI: 406-1)
LOCAL COMMUNITIES			
GRI 413: Local Communities	413-1 Operations with local community engagement, impact assessments, and development programs	Paragraph: Relations with Local Communities	-
CUSTOMER HEALTH AND SAFETY			
GRI 416: Customer Health and Safety	416-1 Incidents of non-compliance concerning the health and safety impacts of products and services	Paragraph: Attention to consumers	-
ETICHETTATURA E MARKETING			
GRI 417: Marketing and Labeling	417-2 Incidents of non-compliance concerning product and service information and labelling	Paragraph: Attention to consumers	-

Glossary

A	AUDIT SMETA	Social auditing methodology which allows companies to evaluate their site and suppliers to understand working conditions in their supply chain.
	AUDIT	Independent evaluation to obtain evidence for a given object.
B	B2B	"Business-to-Business" marketplace that refers to commercial transactions between companies..
	B2C	"Business-to-Consumer" marketplace which refers to commercial transactions that take place directly between a company and end consumers.
	BEST PRACTICES	The set of methodologies or approaches with the best operational characteristics and the best quality indicators considered the most effective and successful in a given field or sector.
	BUSINESS MODEL	Working methods, processes and financial models, that include technology, consulting, and service offerings.
	BY- PRODUCTS	Production waste that can be managed as goods and not as waste, if they meet all the conditions provided for by law (Article 184-bis of Legislative Decree 152/2006).
C	CLIMATE CHANGE	A long-term phenomenon that involves significant alterations in Earth's climate patterns, including increases in global temperatures, variations in rainfall regimes, and impacts on ecosystems, biodiversity, and human society, due to increased anthropogenic greenhouse gas emissions.
	CSR	Corporate Sustainability Reporting Directive (CSRD), European Union directive establishing requirements for companies on sustainability disclosure.
	CARBON FOOTPRINT	A measure that expresses the total greenhouse gas emissions (generally expressed in tonnes of CO2 equivalent) associated directly or indirectly with a product, service, or organisation.
	CIRCULAR MODEL	An economic model that aims to maximize resource reuse, reduce waste, and regenerate natural systems through strategies such as recycling, restoration, and reuse.
	CONVERTING	The process by which a desired product (ex. Paper, toilet paper, paper towel) is produced from a large reel.
	CALORIFIC VALUE	Energy that can be obtained by completely converting a unit mass of an energy carrier under standard conditions.
E	CO₂	A unit of measurement used to quantify different greenhouse gas emissions in a common unit.
	EMISSIONS	The release into the environment of substances or pollutants, often as a result of human activities such as industry, transport, or energy production.
	ENVIRONMENTAL IMPACT	Total or partial change, negative or beneficial, to the environment, resulting from an organization's activities, products, or services.
	ENVIRONMENTAL LABELLING	Identification of packaging placed on the market, to indicate its composition and facilitate its collection, reuse, recovery, recycling and proper disposal by the consumer.
	ESG	The set of standards that are considered to assess the sustainable performance and responsibility of a company in environmental, social and governance terms ("Environmental, Social, Governance").

	ESRS	European Sustainability Reporting Standards (ESRS), reporting standards established to harmonize the reporting of sustainability-related information among companies.
	EXTERNAL ASSURANCE	External assessment provided on the basis of explicitly stated professional principles and standards of verification, which expresses a conclusion intended to enhance the degree of confidence in the valued item.
F	FOOD SAFETY TEAM	Interdisciplinary organizational group dealing with the correct application and evaluation of food safety aspects.
G	GMOs	Acronym for "Genetically Modified Organism" which refers to organisms, such as plants or animals, that have been genetically altered using genetic engineering techniques to introduce specific characteristics.
	GREENHOUSE GASES	The set of substances present in the atmosphere that generate the greenhouse effect, capturing the heat of the sun and contributing to global warming.
	GRI	An international organization of independent standards that helps businesses, governments, and other organizations understand and communicate their impact on issues such as climate change, human rights, and corruption.
I	INBOUND	The set of logistics processes that precede the production process.
K	KEY ACCOUNT	Professional figure or team within a company that is entrusted with relationships with the most important customers, developing and proposing strategies that satisfy both parties.
	KPIs	Key performance indicators, a quantifiable measurement used to assess the success or performance of an activity or organisation against set objectives.
R	RECEPTOR BODY	Hydraulic system that receives the wastewater from the water drain.
S	SOCIAL SECURITY CONTRIBUTIONS	The costs and financial obligations that a company must incur to provide benefits to its employees, such as contributions to social security, health insurance, or other corporate welfare programs.
	STAKEHOLDERS	Persons or organisations who have direct or indirect interests in a business, project, or activity and may influence or be influenced by the decisions, actions, and results of the business, project, or activity.
	SUPPLY CHAIN	The sequence of interconnected activities and processes involving the production, transport, and distribution of goods or services from the supplier to the final consumer.
T	TINKERING	An approach based on experimentation and creative exploration to find solutions to problems. Derived from the English verb "to tinker," it originated at the Exploratorium in San Francisco and was influenced by MIT in Boston. This method aims to make science education more practical and effective by fostering a positive attitude towards STEM (science, technology, engineering, and math) disciplines among students.
	TPM	Acronym for "Total Productive Maintenance", which indicates the set of activities aimed at prevention and continuous improvement of business processes, especially through the involvement of operators.
U	UDM	Unit of measurement.

Comments on the Sustainability Report

We are aware that listening to and involving stakeholders is essential to improve our sustainability reporting; any suggestions, requests for clarification, or reports on the FEPA report or on the sustainability actions undertaken can be forwarded to the following contact:

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