

Sustainability Report

2023

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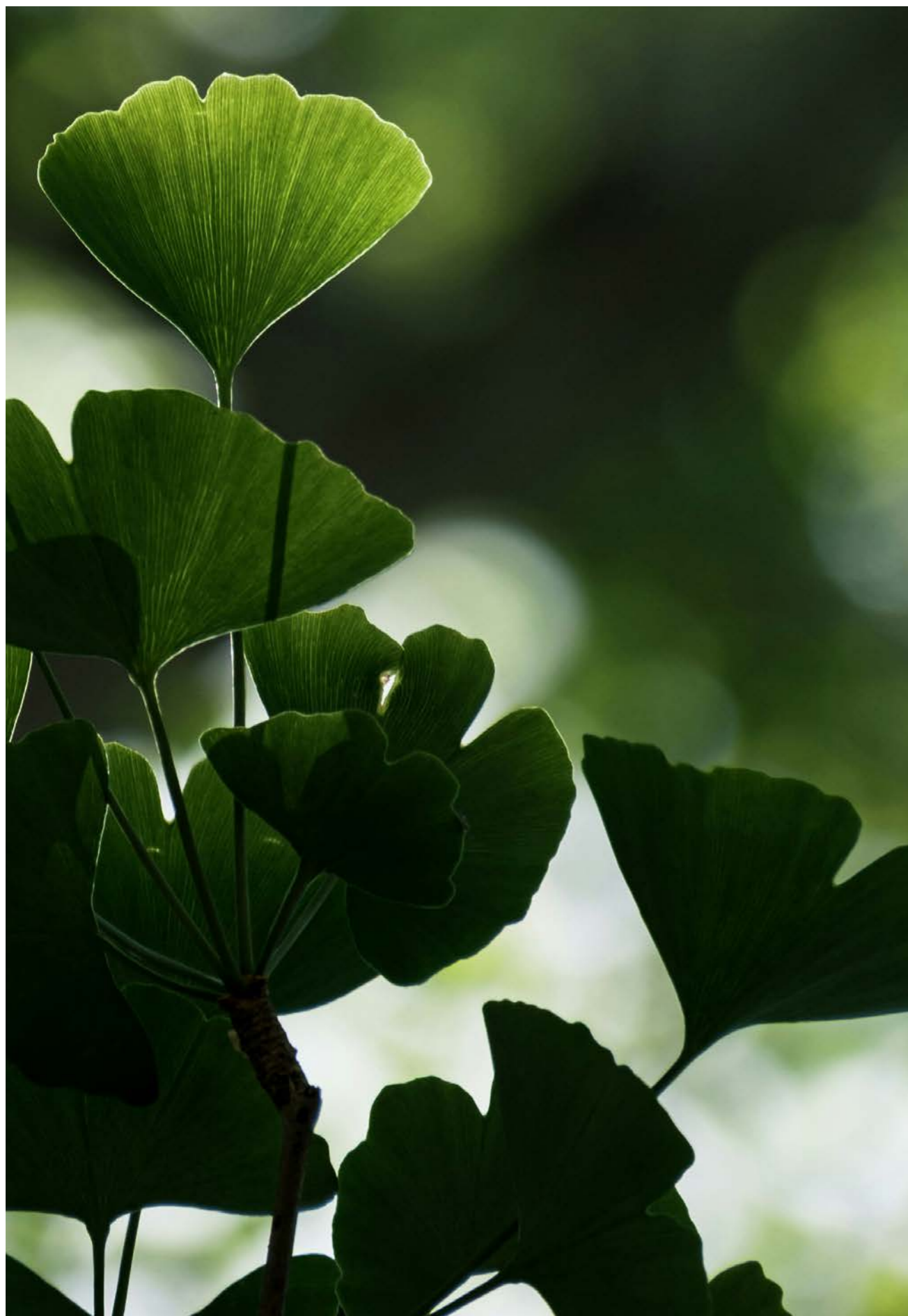
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The Ginkgo Biloba is the oldest tree among those still living; it dominated the Earth 150–200 million years ago and is said to be one of the resilient plants that will withstand global warming. Euro3plast has chosen to dedicate the cover of its Sustainability Report to this marvelous ancient tree, reaffirming its commitment to an increasingly sustainable future.



Letter to our stakeholders

"For us, sustainability is about making sure we can remain over time, being 'compatible' with the environment and changing conditions; this is why we want to recount what we do and what we hope to do better in the future."

Euro3plast has responsibly chosen to make a commitment to applying a sustainable approach to our production.

The industry we work in, the plastics industry, increasingly needs innovation in order to continue to present the potential of its products to the market, and we want to help spread this awareness.

In 2010, we began to take the first steps along this journey by introducing "Origini", our line of biodegradable pots made according to nature. We also set out to renew how we communicate, to convey the quality, technology, innovation, material research, reliability and service that are at the core of us as a company.

In this document, we will describe what we do in a clear and transparent way, starting with understanding and interpreting our **sustainability performance**, while keeping in mind that this is a starting point for developing **future projects**.

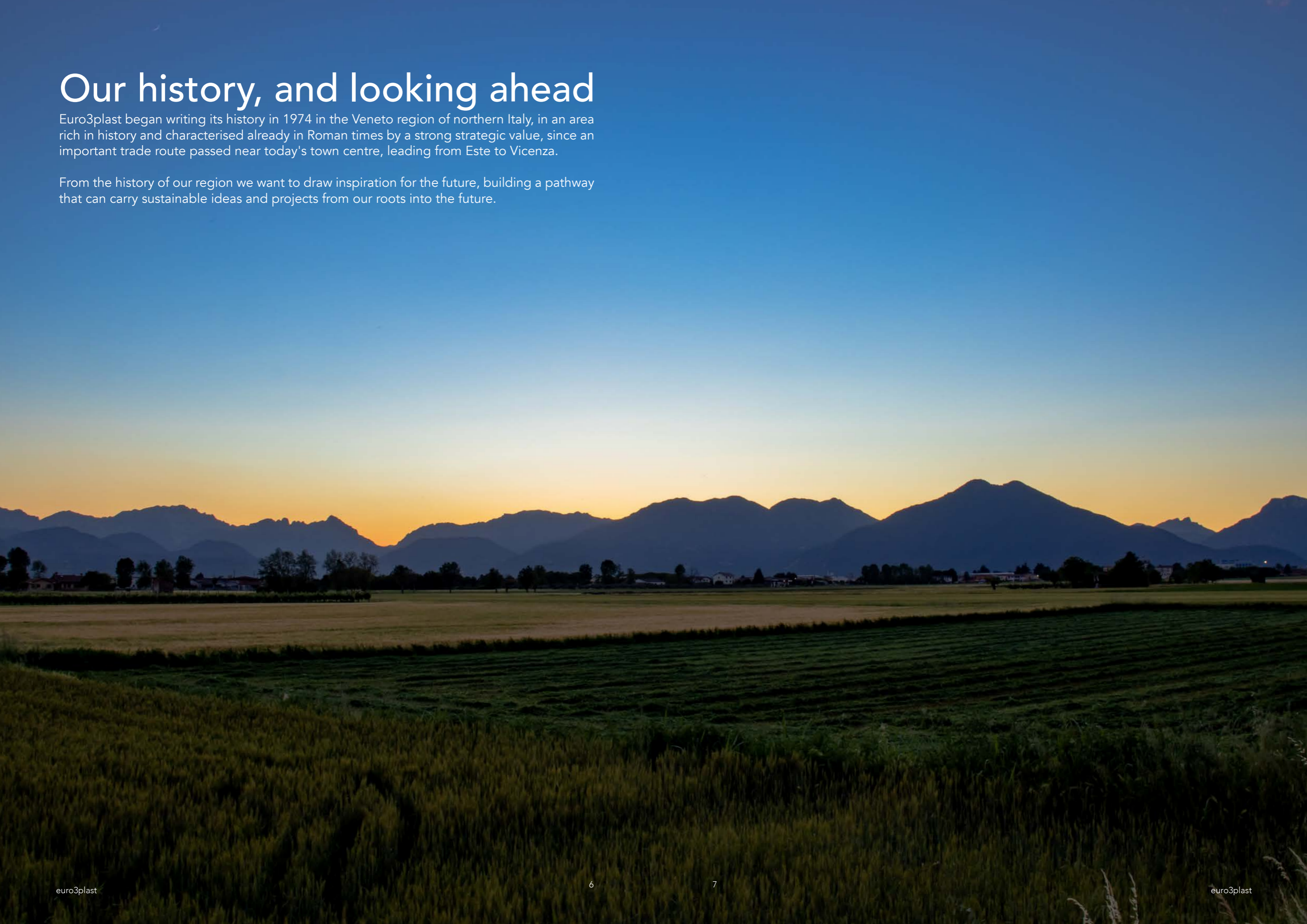
We have decided to report our impacts according to GRI international standards, integrating within our list of **Material Topics** the **Sustainable Development Goals SDGs** defined by the UN 2030 Agenda, with a particular focus on our social responsibilities, to ensure compatibility between our business and the environment (surrounding area and community), in which we have been operating for over 40 years.

We wish you a pleasant read.

Our history, and looking ahead

Euro3plast began writing its history in 1974 in the Veneto region of northern Italy, in an area rich in history and characterised already in Roman times by a strong strategic value, since an important trade route passed near today's town centre, leading from Este to Vicenza.

From the history of our region we want to draw inspiration for the future, building a pathway that can carry sustainable ideas and projects from our roots into the future.



OUR VISION

The future begins in the most beautiful place there is: the imagination of our minds. Every day we take on new challenges and set new goals. We come up with novel solutions, combine colours, and shape forms.

Every day we change, never stopping, because if we want to amaze our customers, we must first of all amaze ourselves. Each product is a reflection of who we are: people who know what they are doing, and know how to do it well.

This is why we attend to every single detail, we believe in technology, and we are ready to listen and prepared to react. This is how we mix organisation and intuition.

Our pots are like our ideas: unique.

We follow them constantly in order to transform them each time into articles that customise any environment, into products with an advanced design, or into fully-recyclable pots. Because even a simple choice can withhold an act of respect.

We listen to reason, never forgetting our passion: this is how we transcend expectations, and continue to express our inspirations.



OUR FIRST SUSTAINABILITY REPORT

GRI 2-3-A GRI 2-3-B GRI 2- 4

Euro3plast has decided to pursue its own sustainability journey by promoting research and development to give our customers the opportunity to choose products that are increasingly standards-compliant by monitoring performances and changes, critical issues and improvements, to achieve continuous growth, and by launching our own Carbon Footprint calculation project.

In addition, since 2022 it has chosen to draw up and publish a Sustainability Report that seeks to examine and transparently communicate future achievements and commitments for sustainable development. To achieve transparent communication, the tool chosen by the euro3plast management was to prepare a Sustainability Report in accordance with the GRI Standards in the latest version published by the Global Reporting Initiative (GRI), one of the main international standards used for sustainability reporting*.

The Report also contains references to:

- the UN Sustainable Development Goals (SDGs), the achievement of which is an opportunity for the company to pro-actively and concretely contribute to sustainable development, with respect to the action areas directly related to its business;
- the European Sustainability Reporting Standards (ESRS), the standards for sustainability reporting drawn up by EFRAG at the request of the European Union to ensure more transparent and comparable reporting. In this report, the VSME (Voluntary Reporting Standards for SMEs) are used;

The reporting period referred to in this budget is the year 2023.

*To make the GRI reference indicators more easily readable, they have been abbreviated to the right of the title (NB: on this page the explanation complies with GRI indicators 2-3)

THE HISTORY OF EUROPLAST

GRI 2-1 GRI 2-2 GRI 2-6-A

Euro3plast is a joint-stock company established on 27 December 1974 by Alvis Boscato and Sergio Rabito and operating in the manufacture of plastic articles in general, and also for third parties.

During the early years, production focused mainly on household goods, to expand over time with the addition of lines for gardening and designer furniture, pet articles and accessories for various needs.

The milestones of euro3plast's growth are outlined in the timeline below.

TIMELINE

1974

START-UP

Euro3plast began writing its history by making plastic plant-pot saucers and trays, which were added to also by household items that the company made and sold in the first years of its business.



1992

Euro3plast was among the first companies in the sector to add the innovative and versatile rotational-moulding technology to the traditional injection method. This achieved significant improvements in terms of shapes and sizes of our pots and garden products, to meet the needs of a rapidly-evolving market.



2004

Euro3plast opened its new headquarters on a site that still today hosts its production lines, offices and showroom.



2007

The Plust Outdoor Attitude range is presented.



GREENER
make the world a better place



2022
SUSTAINABILITY REPORT

Drafting of the first Sustainability Report.



2024

OUR FIRST 50 YEARS

Euro3plast proudly celebrates its first 50 years of business, history and local presence. A goal achieved without ever ceasing to bring the potential of plastic to the market. Always with an eye on the environment and the people who make up the company.



1983

Euro3plast chooses to complete its offer with the production of pots, trays and planters. The first moulds are ordered for the production line dedicated to these products with the desire to move more decisively into the garden sector.

As one of the first in the industry to combine traditional injection moulding with the innovative and versatile rotational moulding technology, euro3plast considerably diversifies the shapes and sizes of its pots and garden items to meet the tastes of an ever-changing market.

1997

QUALITY MANAGEMENT SYSTEM (ISO 9001:2015)

Introduced in 1997 to affirm the commercial reliability of our products and fulfil the needs of our customers, it follows the ISO 9001:2015 Standard and is certified by DNV GL.

1999

ONLINE EXPANSION

The desire to be increasingly active at an international level drove euro3plast to publish his first website, presenting its products and collections online.



PLUS+
OUTDOOR ATTITUDE

2010

GREEN OUTLOOK

Euro3plast renews its commitment to the environment by presenting *Origini* (Origins), the line of biodegradable pots produced in a natural way.

2010

OCCUPATIONAL HEALTH AND SAFETY MANAGEMENT SYSTEM (ISO 45001:2018)

Our commitment to workplace safety has been continuous from the outset. And as a testament to our focus, in 2013, we earned certification of the ISO 45001:2018 Safety Management System, the standard that enshrines the propensity for continuous improvement in the activities carried out by our employees, in compliance with current legislation and the latest national and international standards.

2019

GREENER IS BORN

The recycled plastic pot line.

EURO3PLAST IN FIGURES

GRI 2-6-B, VSME B5

32,000

SQ.M COMPANY PRODUCTION AREA

50

YEARS COMPANY

3,600 T

OF RAW MATERIALS PROCESSED PER YEAR

4,400,00

ITEMS PRODUCED PER YEAR

3

MANAGEMENT SYSTEMS FOR QUALITY, THE ENVIRONMENT, AND OCCUPATIONAL HEALTH AND SAFETY

3

PRODUCT LINES

3

YEARS OF VERIFICATION OF CLIMATE-ALTERING GASES BY AN EXTERNAL BODY ACCORDING TO ISO 14061-1

60

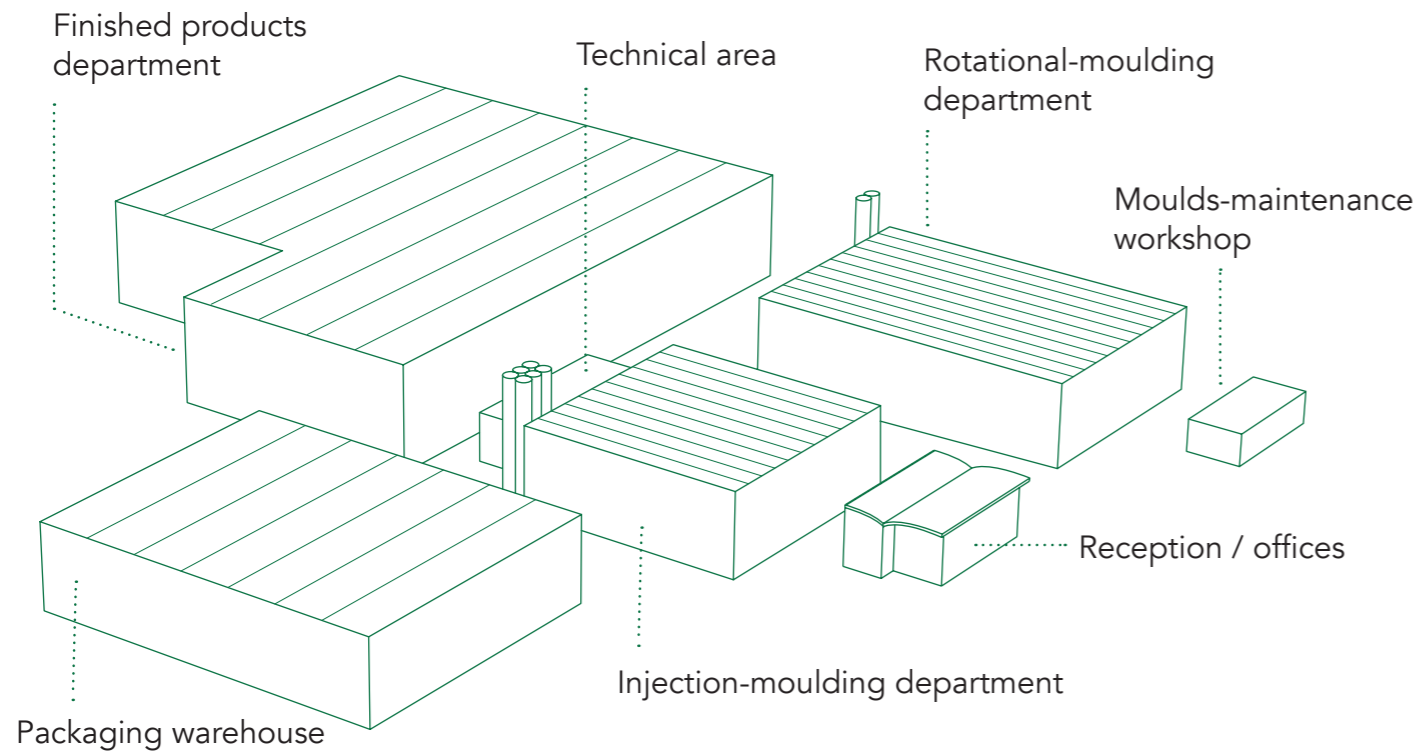
DIFFERENT MARKETS

86

EMPLOYEES IN 2023

EUR 16 ML

AEURO APPROXIMATELY OF AVERAGE TURNOVER FOR THE THREE-YEAR REFERENCE PERIOD 2021-2023



THE DIALOGUE WITH STAKEHOLDERS

GRI 2-29, GRI 3-1-B, VSME N4

Euro3plast **evaluates** the management of risk and opportunities regarding its production process by adopting systems and procedures aimed at reducing it significantly, and inspired by a broad assessment of the context the company operates in.

Through periodic reviews it **verifies** compliance with mandatory regulations and voluntary standards it has adhered to.

It also **examines** the critical issues and solutions adopted to ensure product quality and the maintaining of high sustainability performance.

We have for some time initiated a stakeholder engagement plan, identifying the issues most relevant to the company and its stakeholders. On the basis of the communications register in the company and the periodic meetings that the management carries out, in various capacities, with the company structure and the main area managers, some significant findings have emerged.

The aim from the outset was to compare our values and ideas with those of the main stakeholders so as to identify areas of improvement to work on, in order to make a real contribution to the sustainable development project. The stakeholder engagement implemented made use of interviews with the 9 main categories of stakeholders.

Through this work of stakeholder dialogue, it was possible to identify material topics relevant to the drafting of this report and areas for improvement useful for defining future objectives.

Euro3plast wishes to confirm its strong focus on issues regarding product/company responsibility and the economic and market implications of our business, working practices, the environment, and our relationship with the local community, and society in general.

Product/corporate responsibility, labour practices and community relations are seen more as potential opportunities than as potential threats, which is why effective activities have been put in place to seize such opportunities. With regard to the environment and economy/markets, we received specific requests from customers regarding the use of non-fossil plastics and recycled polymers. In response to this request, euro3plast initially made contact with various raw material manufacturers/dealers (Novamont, Tecnaro, Albis, Maip for natural raw materials, and Basell, Montello and Simap for post-consumer recycled PP) to develop a specific product line called 'Greener'.

Before the end of 2022, E3P embarked on a sustainability journey, confirmed for 2023, that includes:

- the calculation of the organisation's Carbon Footprint (*Carbon Footprint*) as per UNI EN ISO 14064-1:2019;
- the development of *GRI GRI* (Global Reporting Initiative) sustainability indicators on economic, environmental and social issues;
- the publication of the "*Sustainability Report*".
- In 2024, euro3plast plans to add EPD verification to its Greener line.

STAKEHOLDER CATEGORIES	FEEDBACK OBTAINED (requests, suggestions for improvement, complaints)	OPPORTUNITIES FOR IMPROVING THE INTEGRATED MANAGEMENT SYSTEM
Euro3plast Staff	Employees have considered the establishment of RSUs (single trade-union representatives) in the company.	Discussion with internal RSUs and RLSs on safety issues in the workplace.
Consumers	Requirement to use raw materials with sustainable content (recycled or of non-fossil origin).	Initiation of R&D into new materials.
Financiers	/	/
Suppliers	Growing proposals for raw materials having an environmental added value.	Initiation of R&D of new materials. Initiation of the organisation's Carbon Footprint Project. Presentation of the first Sustainability Report.
Institutions	/	Presentation of the first Sustainability Report.
Scientific Research	/	/
Local community	/	Presentation of the first Sustainability Report.
Media	Reduction in the use of Plastic, but only for disposables.	Euro3plast recognises stakeholder expectations and is committed to evaluating, in its design process, feasible solutions to reduce the environmental impact of its products.
Trade associations	/	Presentation of the first Sustainability Report.

THE PROCESS FOR DEFINING MATERIAL TOPICS

GRI 3-1-A, GRI 3-1-B, VSME N2

The process of defining the material topics took place in five steps:

- IDENTIFICATION OF MATERIAL TOPICS

The preliminary identification of the list of Material Topics was based, in the absence of the plastics sector, on the sector analyses issued so far. Account was also taken of the company's policies to date, and the improvement targets set within the framework of the Integrated Management System (IMS) certification. The Material Topics were grouped according to 7 Capitals typical of each organisation: human, intellectual, relational, manufacturing, financial, natural and reputational capital. For each of these, the potential negative effects (risks) and potential positive impacts (opportunities) were described. Actual and potential negative and positive effects on the economy, environment and people were considered, including impacts on human rights in the company's operations and business relations.

- IDENTIFICATION OF PERSONS INVOLVED IN THE ASSESSMENT

The choice of those to interview within the framework of the Material Topics assessment (materiality analysis) was based on: responsibility within euro3plast; knowledge of the requirements of the organisation's main stakeholders; considerations of organisational suitability; previous involvement in assessing the context functional to the development and maintenance of the Integrated Management System; and membership of the STRATEGIC GUIDANCE COMMITTEE and SUSTAINABILITY COMMITTEE formally established in euro3plast.

- AD HOC INTERVIEWS

The interviews were conducted during the second week of January 2023. The interview was conducted with each of the 12 persons selected by qualified staff of S.C.F. International. For the interview, a specific form was used whereby each person, after a clarification interview on each of the selected Material Topics, gave the individual Material Topic 4 degrees of value (from *not at all relevant* to *very relevant*). Value was provided based on the following considerations: the risk to be taken (potentially negative impact) if the topic did not find a place in the Sustainability Report; the opportunity to be seized (potentially positive impact) if the topic did find a place in the Sustainability Report. Each assessment form was completed and signed by the interviewee, and filed as part of the process of drafting the materiality analysis. Each assessment form was completed and signed by the respondent, and filed as part of the materiality analysis drafting process.

- ASSESSMENT RESULTS

The processing of the results considered the arithmetic mean of the assessments of the 12 persons interviewed. For each Material Topic in terms of both Risk and Opportunity, a topic was considered worthy of reporting for the Sustainability Report if it exceeded a previously-set threshold. Only those topics that passed the assessment of the individual risk and opportunity, and the overall assessment were considered worthy of reporting in the Sustainability Report.

- IDENTIFICATION OF GRI INDICATORS

The matching of Material Topics and GRI indicators (social, environmental and economic) resulted in a correlation matrix that generated the GRI indicators presented to the Strategic Steering Committee and approved by the Sustainability Committee. The selected indicators are stated in this Sustainability Report.



MATERIAL TOPICS AND SDGS

GRI 3-2-A, GRI 3-2-B, VSME N2

Following the materiality analysis. As described above, we have compiled the list of **material topics** found to be most relevant. These **material topics** will be dealt with in depth in future chapters of the Report*.

*This is euro3plast's first Sustainability Report.

EURO3PLAST CAPITAL	MATERIAL TOPIC
Human Capital	Employment and employment practices
	Human Rights
	Diversity and inclusion (diversity and equal opportunity; non-discrimination)
	Corporate welfare
	Remuneration of employees and other workers
	Health and safety; safety practices
	Freedom of Association and Collective Bargaining
	Training and education
Intellectual Capital	Research and Development
	Certifications
	Responsibility (publications, exhibitions, events, communication)
Relational Capital	Civic and political engagement
	Marketing and labelling
	Local communities
	Social and environmental assessment of suppliers
	Public policy
	Consumer health and safety
	Customer privacy
Production capital	Partnerships with associations and/or research organizations
	(Sustainable) materials in products
	(Sustainable) materials in packaging
	(Sustainable) product distribution
	End-of-life product and packaging
Financial Capital	(Sustainable) procurement practices
	Economic performance
	Significant infrastructure investments and services supported

Natural Capital	Use of material resources
	Use of energy resources
	Water and water discharges
	Waste production cycle (disposed of, recycled)
	Biodiversity, land-use change
	Clearing activities and investments and regeneration
	GHG emissions and climate adaptation measures
Reputational Capital	Other air emissions (ODS, acidifiers)
	Anti-corruption system
	Anti-competitive behaviours
	Tax compliance
	Environmental compliance
	Consumer rights compliance
	Workers' rights compliance









GOALS

Euro3plast has been pursuing economically sustainable, environmentally friendly and socially responsible goals for some time. Through this Report, we sought to measure ourselves against the material topics identified, correlating them with the sustainable development goals disclosed by the UN 2030 Agenda.

The table below summarises the Sustainable Development Goal (SDG) targets and corporate commitments.



2030 AGENDA TARGET

	2030 AGENDA GOAL	MATERIAL TOPICS	EURO3PLAST'S COMMITMENT	SECTION/PARAGRAPH
	Objective 3: Health and Wellness Ensuring health and well-being for everyone and all ages	Health and safety; safety practices Consumer health and safety Consumer rights compliance	The company provides training for employees to ensure their health and safety. It also carries out regular tests on its products to protect its consumers.	# Workers' rights compliance #Workers' health and safety #Consumer health and safety
	Objective 5: Gender equality Achieving gender equality and empowering all women	Diversity and inclusion (diversity and equal opportunity; non-discrimination)	The company pursues and supports the goal of increasing female employment in the workplace, with the aim of eliminating the gender pay gap and increasing career and professional development opportunities for women.	#Gender equality
	Objective 8: Dignified work and financial growth Promoting lasting, inclusive and sustainable economic growth, full and productive employment and dignified work for all.	Workers' rights compliance	The company guarantees dignified work for all its employees, and favours local human resources. The focus on social and environmental aspects translates into market recognition that enhances its reputation.	# Workers' rights compliance
	Objective 9: Industry, innovation and infrastructures Building a resilient infrastructure and promoting innovation and fair, responsible and sustainable industrialisation.	Research and development	Each year, the company strives to reinforce its technical and production capacity, towards new and more ambitious goals, and to continue with its policy of investment in Research and Development.	# Research and development # Investments
	Objective 10: Reducing inequality Reduce inequality within and among nations.	Diversity and inclusion (diversity and equal opportunities; non-discrimination). Human Rights	The company aims to promote diversity and inclusion as much as possible, striving to fulfil the wishes and needs of all its employees. Both among company staff and in external relations with suppliers and collaborators, euro3plast is committed to ensuring utmost respect, and to act promptly on any reports/complaints.	# Diversity, inclusion and equal opportunities #Gender equality # Ethnicities and nationalities # Age groups # Proximity to the workplace
	Objective 12: Consumption and production To be responsible and ensure sustainable models of production and consumption	(Sustainable) materials in products. (Sustainable) materials in packaging. (Sustainable) product distribution. End-of-life product and packaging. (Sustainable) procurement practices Waste production cycle (disposed of, recycled) Marketing and labelling. Responsibility (publications, exhibitions, events, communication)	Through its Integrated Management System and the constant attention it devotes to all aspects of sustainability, euro3plast is committed to undertaking a process of monitoring and analysing its significant environmental effects, enabling it to identify its performance, and then take action to improve it.	# Responsible production # Use of material resources # Use of energy resources # Waste management # Marketing and labelling # Responsibility
	Objective 13: Fighting climate change Promoting action, at all levels, to combat climate change	GHG emissions and climate adaptation measures Environmental compliance Certifications Clearing activities and investments and regeneration	In 2022, on starting its sustainability journey, euro3plast decided to calculate its Carbon Footprint in accordance with UNI EN ISO 14064-1:2019.	# Compliance # The certifications obtained # Carbon footprint
	Objective 15: Life on Earth Protect, restore and promote the sustainable use of the Earth's ecosystem	Use of material resources Use of energy resources Environmental compliance Certifications Clearing activities and investments and regeneration	The company is committed to the timely monitoring and measurement of its Quality system as per system procedures and instructions. During 2022, authorised environmental measurements were carried out, as well as measurements to monitor and verify system performance.	# Compliance #The certifications obtained # Use of material resources # Use of energy resources

VERSO GLI ESRS

The European Sustainability Reporting Standards (ESRS) are the sustainability reporting standards drawn up by EFRAG at the request of the European Union to ensure more transparent and comparable reporting.

The adoption of ESRS by a delegated action is provided for by the co-legislators in the Corporate Sustainability Reporting Directive (CSRD - Directive (EU) 2022/2464) adopted in December 2022.

The obligation to prepare non-financial reporting in accordance with ESRS differs depending on the size of the company. For euro3plast, which is an unlisted SME, the obligation will apply in 2026 with publication of the Annual Report in 2027.

EFRAG was asked to develop specific standards for various types of companies and a voluntary sustainability reporting standard for unlisted SMEs (VSME).

EFRAG launched the public consultation on the Exposure Draft ESRS for Listed SMEs (ESRS LSME) and the Voluntary Reporting Standard for Unlisted SMEs (VSME) from 22 January 2024 to 21 May 2024, so the two standards are still at the Draft stage.

EFRAG launched the public consultation on the Exposure Draft ESRS for Listed SMEs (ESRS LSME) and the Voluntary Reporting Standard for Unlisted SMEs (VSME) from 22 January 2024 to 21 May 2024, so the two standards are still at the Draft stage.

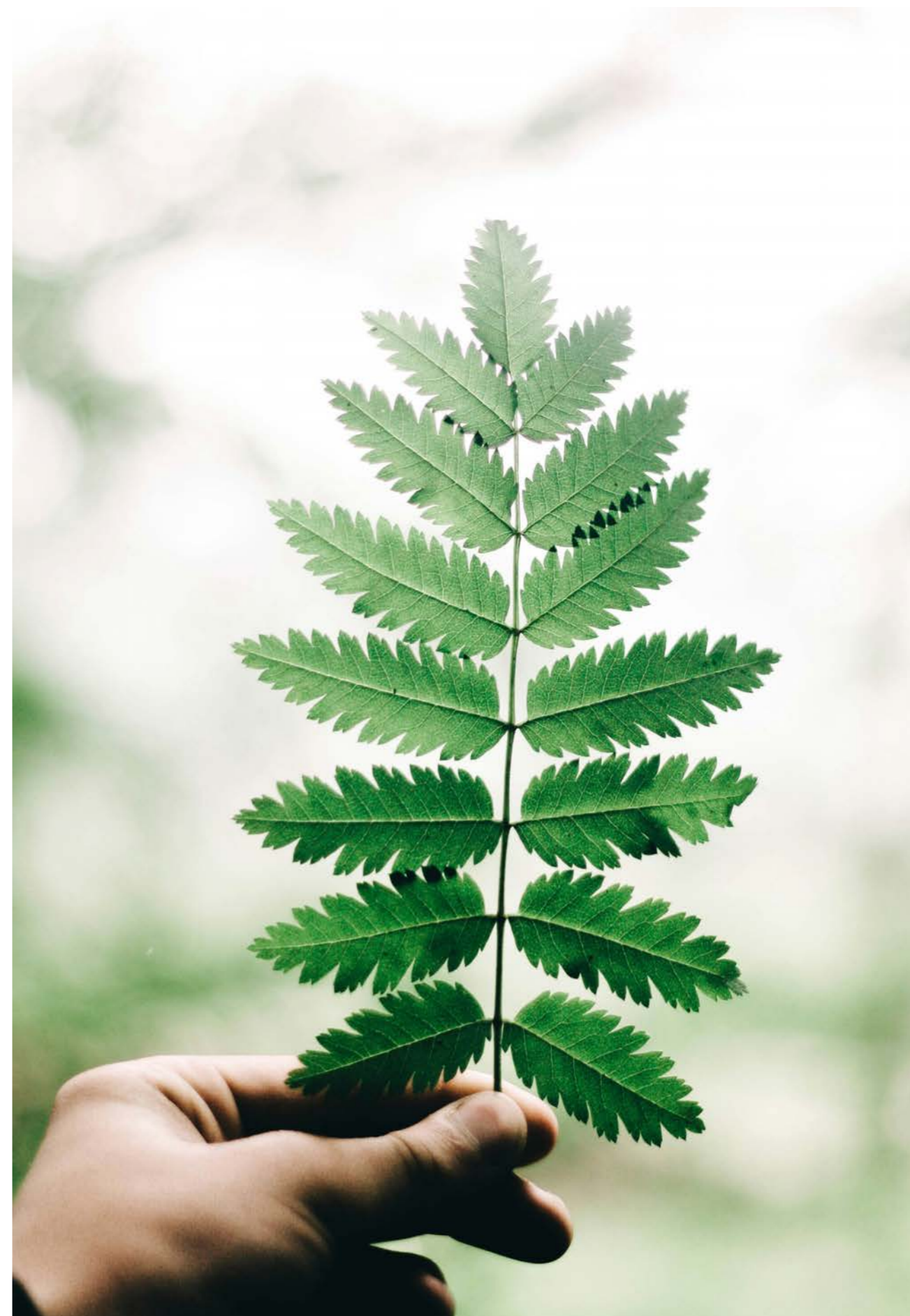
The VSME standard proposes a simple reporting tool to assist non-listed micro and, small and medium-sized enterprises in responding to requests for sustainability information they receive from their corporate counterparts (i.e. banks, investors or larger companies for which SMEs are suppliers), in an efficient and proportionate manner, and to facilitate their participation in the transition to a sustainable economy.

VSME ED should standardise the current multiple requests for ESG data (which represent a significant burden for SMEs), thus reducing the number of uncoordinated requests they receive. This is expected to help them have better access to lenders, investors and customers. The VSME ED is structured into:

- 1) a Basic Module
- 2) two optional add-on modules:
 - Narrative-Policies Actions and Targets (PAT) module
 - Business Partners module.

VSME B1

This report is drawn up on an individual basis. In the text, references are made to all three of the above-mentioned forms, dealing, where possible the materials and the required topics.



euro3plast today



EURO3PLAST TODAY

GRI 2-1, GRI 2-2

Euro3plast's current production facility is on a large industrial plot in the municipality of Barbarano Mossano (VI), and consists mainly of four buildings used as follows:

- Rotational-moulding department
- Injection-moulding department
- Finished products department
- Packaging warehouse
- Moulds-maintenance workshop

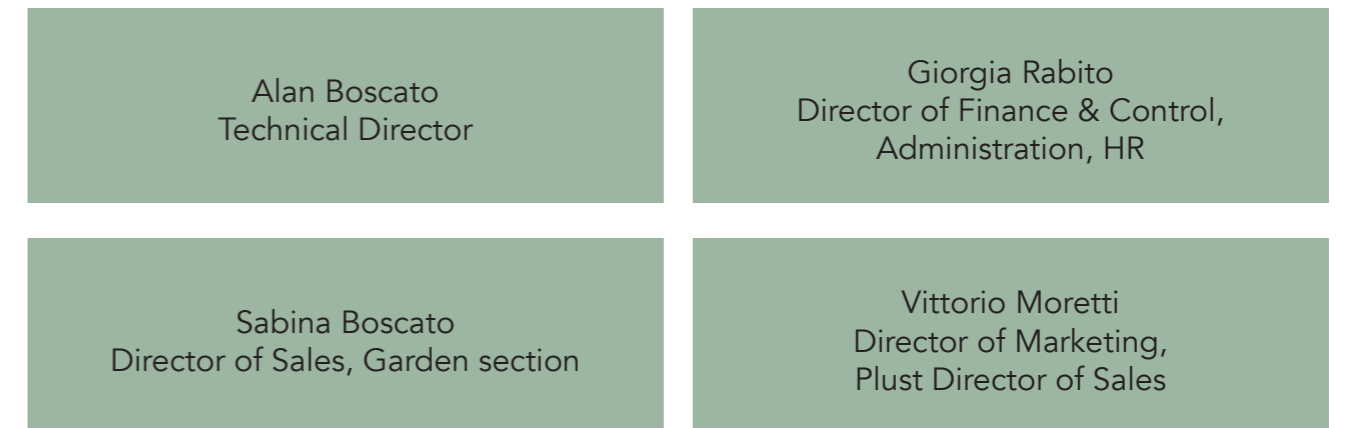
And an office building for administrative, commercial and technical staff.



THE GOVERNANCE SYSTEM

GRI 2-9, GRI 2-10, GRI 2-11, GRI 2-12, GRI 2-13, GRI 2-14, GRI 2-15, GRI 2-16, GRI 2-17, GRI 2-18, VSME N3, N5

The company's governance is currently held by members of the Boscato and Rabito families, each of whom plays a key role in achieving environmental, social and economic objectives, and in protecting the company's interests.



Euro3plast's governance structure is rooted in the corporate history of the two owner families (Boscato and Rabito) who currently see their respective offspring in the key roles (until recently held by founders Alvisè Boscato and Sergio Rabito):

Alan Boscato (Technical Director),
Giorgia Rabito (Administration, Director of Finance & Control, and HR), with her husband Vittorio Moretti (Marketing Management, Plust and Third Party Sales Management),
Sabina Boscato (Garden Commercial Management)

All are within the company's Administrative Management Committee.

Family governance has never involved conflicts of interest, and any issues are managed with clear processes of disclosing any critical issues to the stakeholders.

Specific governance for sustainability involved the setting up of two committees in 2022:

- **STRATEGIC GUIDANCE COMMITTEE:** Restricted working group (V. Moretti, A. Boscato and G. Ponso, the latter responsible for the QAS Integrated Management System) to take operational and strategic decisions, the latter to be submitted to the extended Sustainability Committee.

- **SUSTAINABILITY COMMITTEE:** an extended work-group with an advisory function to Management that assesses the organisation's performance on the economy, environment and people, and serves to set up, check, draw up and approve the Sustainability Report. It has about ten members, representing the various stakeholders inside and outside the organisation.

OUR PRODUCTS

GRI 2-6-B, VSME N1

Euro3plast is a forward-looking company that has been making modern plastic pots since 1974. Ours is a story of accomplishments for we have always believed that innovation is what truly makes a difference.

We provide pots and planters for indoors and outdoors of sophisticated design, in different shapes, colours and sizes: all our products offer the possibility of expressing a unique style and personality, respecting the needs not only of our customers, but also of the environment in which we operate. We have chosen to work with plastic for its:

- VERSATILITY

Plastic is a ductile and fully-recyclable material. This means that we can imagine and design new shapes every day, to make garden or indoor pots that suit all spaces and environments in the best possible way.

- QUALITY

The quality of the plastic we use to produce our garden pots gives them a unique resistance and extra safety for our customers, who do not have to worry about knocks, bumps or falls causing damage to them.

- LIGHTNESS

Our plastic pots have one great advantage over pots made of other materials: they are extremely light, which means that if you wish to move them to change their arrangement in the house or garden, you can do to at any time and effortlessly.

- COLOUR

We all have one or more colours that we prefer over others, colours that speak of our personality, our style. Our plastics can cater for a wide variety of tastes with forty different shades, and guarantee consistently beautiful looking pots over time.



THE WORLD OF EURO3PLAST PRODUCTS

VSME N1

Euro3plast was founded in 1974 manufacturing plastic products for the garden and home. Innovation in the production of pots, furnishing accessories and lamps is the basis for the continuous growth of the company, which today distributes its products worldwide.

Euro3plast operates in two areas:

- Pots
- Design products

The product lines are described below:

- **HOBBIES:** Essential and functional products to cultivate a passion for gardening. Simple, clean lines for pots and accessories that favour creativity without being imposing.

- **HOME:** A strong degree of originality sums up this product line. These are pots and complements with a marked identity that characterise the settings they are placed in.

- **STYLE:** Technology that makes unique and very durable products has generated this wide range of pots and furnishing accessories. The manual finishing that distinguishes all items contributes to their being attended to in every detail.

- **GREENER:** is the new line of pots made entirely of recycled plastic, to meet the demand for a cleaner planet and offer nature lovers the chance to be truly sustainable and 'greener'.

- **PLUST COLLECTION:** The PLUST Collection explores the sculptural potential of materials and enjoys partnerships with internationally renowned designers, and presents a new approach to the concept of king-size pots, furniture and light that starts with their positioning in the setting: all designs can indeed be used both indoors and outdoors. www.plust.it



GREENER FOCUS

VSME N1

In 2021, euro3plast set the goal of increasing the line of articles produced with recycled post-consumer raw material '**GREENER**', to reach a 25 per cent proportion of recycled material use of the total raw material processed in 2023 (in 2020, the percentage of recycled used out of total material was 6.5%).

The target was not reached on time, but was revised due to the difficulty in finding the (certified) material on the market.

In 2022, we focused on recycled material from industrial waste, increasing the ratio from 1.1% in 2021 to 3.5% in 2022.

Our continuing commitment is to find alternative suppliers to increase the ratio of post-consumption recycled materials, and to start the process for certification as a product derived from recycled plastics. In 2023, the Greener supply chain verification project started, which is expected to be audited by an accredited external body during 2024; the audit will provide evidence of the use of recycled raw material in its products.

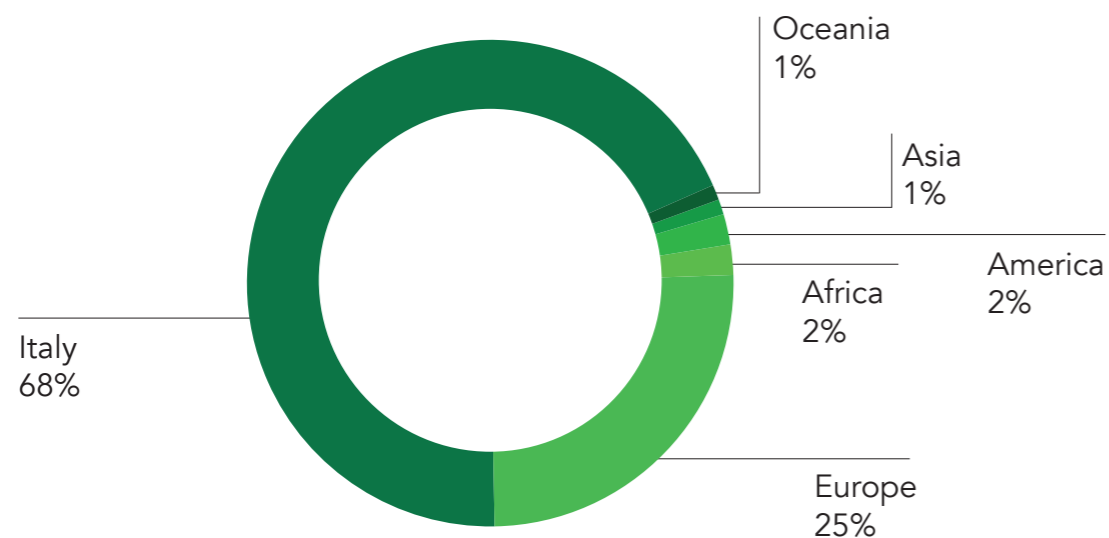
MARKET PRESENCE

GRI 2-6-B, VSME N1

MARKETS SERVED	Euro (2023 figure)
Total products sold	16 ML
Products sold in Italy	53%
Products exported	47%
Key markets	Italy, France, Germany and Spain
Sales channels	Distributors/importers, retailers, specialised large-scale distribution

The activities, products, services and markets served by euro3plast are not subject to risks/concerns at the level of environmental, economic or ethical issues.

Consistent with the internationalization strategy undertaken, the company currently operates in many markets, and intends to expand its business constantly with its customers by also seeking new customers in countries not yet served.



SUPPLY CHAIN

GRI 2-6-B, GRI 308, VSME N1

The types of suppliers of raw materials and additives and their geographical location testify to euro3plast's propensity for a short-range supply chain with long-standing ties to the area it operates in.

The nature of business relationships with suppliers, based on historical relationships without a specific contract, but with precise qualification according to the IMS.

TYPE OF SUPPLIERS (raw materials and additives)		
PRODUCERS	DEALERS	DEALERS only
N.8	N. 2	N. 0

SUPPLIERS (2022)	QUANTITY	PAYMENTS MADE	LOCATION
PRODUCTION (raw materials, additives)	N. 10	€ 4,75 ML	1 UK, 1 Netherlands, 1 Portugal, rest of Italy
PRODUCTION (semi-finished products of various components)	N. 40	€ 2,6 ML	2 France, rest of Italy
OTHER SERVICES (prod. packaging, workshops, waste management, maintenance, etc.).	N. 71	-	Italy

COMPLIANCE

GRI 307



The six-monthly internal audit of legislative compliance was carried out in September 2022, as was the last update of the register to include new legislation.

During 2022, euro3plast analysed environmental and safety laws at regional and European level, as per its management system, and identified a number of environmental and workplace safety laws that euro3plast is potentially affected by. The analysis did not bring out any particular need for changes to the IMS resulting from their application.

ASSESSMENT OF SIGNIFICANT ENVIRONMENTAL ASPECTS AND MAIN OSH RISKS	
Assessment of environmental aspects	The introduction of new technologies, and plant and systems has meant that the assessment of environmental aspects has not changed. The last update of the assessment was done in February 2020 and involved the assessment of life-cycle aspects/impacts of raw materials from plastic recycling and 'bioplastics', as well as related emissions from moulding the same raw materials. Last review: June 2023.
OSH risk assessment	The latest update of the General Risk Assessment Document dates from 17/10/2022 (Rev. 3 ed. 2), after changes to the company organisation chart. Also carried out during 2022 were specific risk assessments of noise, work-related stress, fire, and an update of manual handling of loads. Evidence and results of the assessments were discussed and reported in the periodical meeting minutes. Last review: June 2023.

Monitoring and measurement of the quality system were carried out precisely as per system procedures and instructions. The data collected were used to develop indicators and performance analysis.

From 24-25 May 2023, environmental measurements were carried out to monitor and verify the healthiness of the air in the working environment.

In May 2023, atmospheric emission point sampling and analysis were carried out, confirming compliance with the limits imposed by the control body, and in February 2024, waste-water analysis of industrial discharges was carried out in order to maintain the AUA authorisation amended in July 2023.

THE CERTIFICATIONS OBTAINED



QUALITY, ENVIRONMENT, OCCUPATIONAL HEALTH AND SAFETY

With three different management systems we can guarantee quality and reliability from production to distribution.

We have chosen to follow **stringent regulations** to ensure not only customer **satisfaction**, but also **respect for the environment** and **health protection**.

INTEGRATED QUALITY-MANAGEMENT SYSTEM (IMS) (ISO 9001:2015)

Introduced in 1997 to affirm the commercial reliability of our products and fulfil our customers' requirements, it follows the **ISO 9001:2015** Standard and is DNV GL-certified (Det Norske Veritas, Germanischer Lloyd).

ENVIRONMENTAL MANAGEMENT SYSTEM (ISO 14001:2015)

We have always been **sensitive to environmental issues**: in 2001, as a confirmation of our commitment, we also adopted an Environmental Management System certified by DNV GL in accordance with **the ISO 14001:2015** Standard.

WORKPLACE HEALTH AND SAFETY MANAGEMENT SYSTEM (ISO 45001:2018) certified by DNV


Our commitment to **safety in the workplace** has always been constant. As a testimony to our focus, in 2013 we attained certification for the **Health and Safety Management System ISO 45001:2018**, the standard, which confirms the **propensity for continuous improvement** in the tasks performed by those working for our organisation, **in compliance with current legislation** and the most advanced national and international standards.

In 2022, the company performed the REPORTING OF GAS AND GREENHOUSE EFFECT EMISSIONS related to its operations according to ISO 14064-1:2018, reference year 2021, with the statement verified by DNV Business Assurance USA on 27/10/2022.

CORPORATE POLICY

VSME B2, N3

Euro3plast pursues customer satisfaction as its primary goal, while respecting the requirements of protecting the health and safety of people and, more generally, the environment. With a view to **continuous and sustainable development**, euro3plast has always directed its strategy towards identifying, assessing and managing events and actions that could compromise its ability to achieve its objectives. Management, with the cooperation of all euro3plast company staff, aims to meet the challenge of change and promotes all actions necessary to manage risks and opportunities in business and management.



COMPANY POLICY FOR QUALITY, THE ENVIRONMENT AND SAFETY

Euro3Plast, a leading company in the sector of moulding plastic articles for the garden, furniture and pets, sets customer satisfaction as its primary goal, while respecting the needs to safeguard the health and safety of people and, more generally, the environment. With a view to continuous development, Euro3Plast has always oriented its strategy towards the identification, evaluation and management of events and actions that could compromise its ability to achieve its objectives. The Management, with the cooperation of all Euro3Plast staff, aims to rise to the challenges of change that are shaping the current socio-economic situation.

To achieve this, we set out to promote and implement these actions:

- to incorporate this policy as a reference for identifying, verifying and updating the objectives of the Integrated Management System;
- to know the needs of customers, anticipate their expectations and take action to satisfy them;
- to comply with both applicable environmental and occupational health and safety legislation, and with any requirements endorsed by management, including extended manufacturer responsibility;
- to commit to continuously improving environmental and occupational safety/health performance, eliminating hazards where possible, reducing OSH risks, preventing occupational accidents and diseases as well as environmental pollution;
- to educate, train and involve all the personnel working in the company on the objectives and contents of the integrated management system to improve their professional skills, to make them acquire a mentality that is oriented towards continuous improvement, and to make them aware of the opportunities and potential risks associated with the work they carry out;
- to provide the human and instrumental resources necessary to maintain the Integrated Management System;
- to undertake to consult and involve workers and their representatives in the integrated management system activities;
 - to involve customers, suppliers, contractors and external collaborators in order to improve the value chain of the goods produced by Euro3Plast;
 - to guarantee a frank and transparent relationship between the company and the competent control bodies;
 - to reduce the environmental impact of its own products, improving their environmental performance throughout their life cycle.

Euro3Plast undertakes to disseminate this Policy at all operational levels of the company, to customers and external suppliers, making the document available on the website www.euro3plast.com and carrying out specific awareness actions managed by the Quality, Environment and Safety Department.

Barbarano Mossano, 05 July 2019

The Management

This policy has been drawn up in accordance with the UNI EN ISO 9001:15, UNI EN ISO 14001:15 and UNI ISO 450001:18 standards Date first drafted Quality Policy: 12/06/96

Date first drafted Environmental Policy: 10/02/00

euro3plast spa
 viale del lavoro, 45
 35048 ponte di barbarano (vi) - italy
 tel. +39 0444 788200 • fax +39 0444 788290

r.e.a. Vi n. 125725
 cap. soc. € 3.000.000 int. vers.
 reg. imp. Vi n. 00331710244

pi/cf/vat. (IT) 00331710244
 pec: euro3plast@pec.comfindustriavicenza.it
www.euro3plast.com • info@euro3plast.com

Below is an overview of the core areas that guide and motivate our work, involving euro3plast staff at all levels.

COMPLIANCE

Full compliance with both the applicable legislation and every requirement subscribed to by management, including extended producer responsibility, with particular attention to

- Regulatory requirements for products
- Environmental and occupational health-and-safety obligations
- Compliance with company procedures.

SUSTAINABILITY

Constant commitment to reducing the environmental burden of our products, through:

- Analysis of environmental performance throughout their life-cycle
- Use of raw materials and masterbatches free of heavy metals
- Production of 10% recyclable products
- Use of recyclable packaging.

INNOVATION AND COMPETITIVENESS

Knowledge and awareness of customers' needs, made possible by knowing their expectations, to achieve full satisfaction:

- Offering an extensive catalogue of always innovative, reliable and sustainable products;
- Design and development of customised products and display spaces;
- Optimisation of technologies and equipment to bring increasingly high-performance products to the market;
- Customer proximity also with an efficient logistics service.

WORKERS' HEALTH AND SAFETY

Commitment to continuous improvement in environmental and safety/health performance on the job:

- Eliminating hazards where possible, reducing those of both Occupational Safety and Health (OSH), and environmental pollution;
- Training and involving all the company's personnel on the goals and content of the integrated management system to improve their professional skills, help them acquire a mentality orientated to continuous improvement, and enhance their awareness of the opportunities and potential risks associated with their work.
- Providing the human and instrumental resources necessary to keep the Integrated Management System active;
- Committing to consulting with and involving workers and their representatives in the work of the IMS.

TRANSPARENT COMMUNICATION

Promotion of communication projects and initiatives with all stakeholders to convey the company's values and actions related to the implemented environmental and quality performances. In addition:

- Involvement of customers, suppliers, contractors and external collaborators in order to improve the value chain of the goods produced;
- Commitment to ensure a frank and transparent relationship between the company and the relevant control bodies.

responsible production

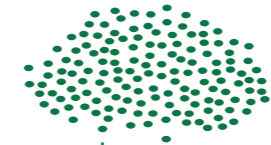
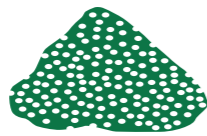
RESPONSIBLE PRODUCTION



Through its Integrated Management System and the constant attention it devotes to all aspects of sustainability, euro3plast has embarked on a course of monitoring and analysing its significant environmental impacts, enabling it to identify measures to improve its performance, and then implement them.

In particular, in this report we have treated the following as material topics:

- Use of material resources
- Use of energy resources
- Measures to adapt to climate change and reduce GHG (Green-House Gas) emissions
- Waste management



Extraction

Taking up of fossil fuels necessary to produce plastics.

Refining and polymerisation

Plastic creation processes.

Industrial production

Creation of everyday items.

Recycling

Collection of plastic not incinerated or dispersed in the environment.

Transformation

Production of granules and flakes of old-plastic, with reintroduction into the moulding plants.

Industrial production

Creation of new products from regenerated plastic.

THINK GREEN



OUR ECO-FRIENDLY MANIFESTO

We believe in a sustainable world, treating the environment with the respect owed to our planet, and future generations. We are committed to implementing production processes that minimize waste, and promote recycling. We are careful to respect nature and raise awareness among our staff to recycling, and avoid buying disposable products.

THE VIRTUOUS CYCLE OF RECYCLING

Giving plastic a second life is our commitment to the environment and to all living things. A promise that does not end in a pot but favours the development of a dynamic, circular and potentially-infinite economy.

THE LOVE OF NATURE TAKES SHAPE

The Greener pots are made of a polymer compound derived from the most common recycled plastics (mainly polypropylene) that have been reprocessed to create new products that are equally strong, durable, and recyclable.

SUSTAINABILITY, ADAPTING TO CHANGE

GRI 201-2, VSME B2, N3



The repercussions of the international economy related to raw-material shortages and energy costs, even before the war in Ukraine, affected plastic polymer purchases and production costs in 2021 and much of 2022.

In particular, the cost of energy is, on the one hand, safeguarded by the 'Energy Industria' consortium and, on the other, has benefited from the tax concessions (tax credit and fixed tariff reduction) granted by the government to energy-intensive companies.

Euro3plast reacted by seeking to optimise purchasing and contain the final cost of products. While in 2022 there were also planned shut-downs of production at the peak of energy costs, in 2023 there were no interruptions.

The last three years have also been marked by the increasing use of a new raw materials in injection moulding that come from recycled post-consumer plastics.

During 2023, the following changes were made to the organisation's products and technologies:

- In May 2023, a new injection moulding machine (PR24) was installed in the injection department. It is more efficient in terms of both energy consumption and productivity (replacing an old machine dating back to 2000).
- In October 2023, an electric hoist was added to the warehouse's production cycle for setting up shipping pallets over six feet high in order to bring the items to be palletised to a height that facilitates the manual handling of loads.

USE OF MATERIAL RESOURCES

GRI 301-1



The raw material used by euro3plast is plastic in:

- **Polyethylene (PE) powder**, stored loose in dedicated silos or in palletised bags;
- **Polypropylene (PP) granules**, also stored loose in dedicated silos or in palletised bags.

The table below shows the amount of raw material used as input for the last three years:

MATERIAL INBOUND	2021	2022	2023
Total	3.561.483,5	2.148.393,1	2.468.817,6
PE powder (rotational dept.)	691.140,0	607.331,0	633.944,0
PP granules (injection dept.)	2.870.343,5	1.541.062,1	1.834.623,6

Transport from the silos to the operating machines takes place pneumatically, while the material stored in bags is moved from the warehouses to the operating machines by fork-lifts powered by electric motor.

SUSTAINABLE PROCUREMENT PRACTICES

GRI 204

MATERIAL WITHDRAWALS FIRST (EXCLUDING MASTERS AND ADDITIVES)	2020		2021		2022	
	kg	%	kg	%	kg	%
1st choice	2.116.114	75,5	956.660	63,4	1.326.558	75,6
2nd choice	591.155	21,1	477.423	31,6	337.312	19,2
Euro3plast post production regenerated	32.110	1,1	52.536	3,5	55.648	3,2
Recycled after consumption	63.608	2,3	22.635	1,5	35.986	2,0
TOTAL	2.802.987	100	1.509.254	100	1.755.504	100

THE PRODUCTION PROCESS

GRI 301-2, GRI 301-3, VSME B6, B7

Euro3plast's production operations are essentially divided between two distinct lines:

- Production of PE (Polyethylene) plastic products in the rotational department from raw material stored in silos, mixed with qualifying additives, processed in natural gas thermoforming machines and then packaged and stored;
- Production of PP (polypropylene) plastic products in the *injection moulding department*, from raw material stored in silos, mixed with qualifying additives, processed in injection moulds and then packaged and stored;

The production of the various plastic items takes place in several stages depending on the type of materials used.

The production of polyethylene (PE) materials is carried out in the rotational department (ROT) and involves the initial storage of the raw material either in bulk in silos or in palletised bags. The material is conveyed to a mixing plant that allows dyes or additives to be applied in order to enhance or modify its physical or colour characteristics. Then the plastic material is pneumatically conveyed to the thermoforming equipment; it is fed into moulds and subjected to a baking cycle in an oven and subsequent natural cooling. The products are then packaged and sent to the 'finished products' warehouse.

The production of polypropylene (PP) materials is done in the injection moulding department (INI) and involves the initial storage of the raw material either in bulk in silos or in palletised bags. The material is conveyed to a mixing plant that allows dyes or additives to be applied in order to enhance or modify its physical or colour characteristics.

Then the plastic material is pneumatically conveyed to the moulding presses for the moulding of the article. The molten material is injected into moulds that are thermostatically controlled with cooling water produced by a refrigeration system.

The products are then packaged and sent to one of the 'finished products' warehouse.

Below is a representation of the materials used to produce and package euro3plast products in the three-year period 2021-2023, divided into renewable and non-renewable:

MATERIAL TYPE	Materials used	Units of meas.	2021	2022	2023
Non renewables	PE packaging bags	kg	110.926	73.517	63.819
	PE articles (ROT)	kg	691.140	607.331	591.153
	PP articles (INI)	kg	2.870.343	1.541.062,1	1.800.925
Renewable	Cardboard for packing boxes	kg	293.743	207.594	228.669
	Disposable wooden pallets	kg	16.620	131.783	154.705

The table below gives the materials used to produce and package euro3plast products in the three-year period 2020-2022, divided into renewable and non-renewable.

Recycled materials	Units of meas.	2021	2022	2023
TOT. PP used	kg	2.802.987	1.509.254	1.755.504
Recycled after consumption	kg	63.608	22.635	35.986
Calculation formula used to obtain the percentage of post-consumer recycled materials used		$\frac{63.608}{2.802.987} \times 100$	$\frac{22.635}{1.509.254} \times 100$	$\frac{35.986}{1.755.504} \times 100$
%		2,3%	1,5%	2,0%

The percentage of recycled products and related packaging materials for each euro3plast product category.

ARTICLES	2021	2022	2023
Total injection production (INI) sold	/	5.394.519	5.132.819
Total rotation production (ROT) sold	/	96.554	72.483
Total articles sold	9.000.706	5.491.073	5.205.302
Total articles sold of recycled materials (INI)	533.765	382.231	460.530
Formula used to obtain the percentage of regenerated products by product category	$\frac{533.765}{9.000.706} \times 100$	$\frac{382.231}{5.491.073} \times 100$	$\frac{460.530}{5.205.302} \times 100$
%	5,9%	7%	8,9 %

NOTE: Recycled packaging materials are not used. Customer returns were not counted, as they were an irrelevant amount.

Finally, an estimated 943 cubic metres of water were consumed in 2023.

USE OF ENERGY RESOURCES

GRI 302-1, VSME B2, VSME B3, N3



The main energy sources used by euro3plast in manufacturing its products are:

- Electricity, supplied by the local distributor for plant operation, lighting, air conditioning and mould cooling stations;
- Natural methane gas, supplied from the local distributor's network, for domestic heating;
- Natural gas, supplied by the local distributor's network, for production.

The indicator relating to **total energy consumption** in relation to the quantity of raw material processed (methane + EE / kg mp) **is in line with recent years**, in which an improvement in performance was recorded, especially electricity in the injection-moulding department, the result of optimisation of consumption and shrewd management of the moulding equipment (especially in terms of reducing downtimes).

Energy consumption within euro3plast

CONSUMPTIONS	Units of meas.	2021	2022	2023
electricity consumption (production, warehousing, services)	KWh	3.137.468,2	1.912.461,5	2.088.175,9
electricity consumption (offices)	KWh	146.867,7	151.715,9	76.944,1
Methane consumption for civil heating	m3	188.225,7	169.309,4	139.615,0
Methane consumption for civil heating	m3	25.160,3	23.122,6	19.128,0
CONSUMPTIONS	Units of meas.	2021	2022	2023
Energy consumed	MJ	38.485.113,6	26.201.966,1	25.994.646,4

CARBON FOOTPRINT

GRI 305-1, GRI 305-2, GRI 305-3, VSME B3



Also for 2023, euro3plast decided to calculate its Carbon Footprint in accordance with UNI EN ISO 14064-1:2019.

See below the statement on our GHG emissions reporting (closed in summer 2023 with DNV certification).

STATEMENT

Introduction

DNV Business Assurance USA, Inc. (DNV) has been commissioned by the management of EURO3PLAST S.p.A. to carry out an independent verification of its GHG emissions relevant to the 2023 calendar year.

EURO3PLAST S.p.A. has sole responsibility for preparation of the data and external report. DNV, in performing our assurance work, is responsible to the management of EURO3PLAST S.p.A. Our assurance statement, however, represents our independent opinion and is intended to inform all stakeholders including EURO3PLAST S.p.A.

Verification Objective

The verification objective is to assess conformance with applicable verification criteria, including the principles and requirements of relevant standards or GHG programmes, within the scope of the verification related to: the 2023 organization's GHG inventories - as described in the GHG emission report "Euro3Plast SpA Corporate Carbon Footprint" rev_02 issued in 29-05-2024 and the organization's GHG related controls.

Verification Scope

2023 Greenhouse Gas (GHG) emissions inventory which include: Direct GHG emissions (Cat.1), Indirect energy GHG emissions (Cat.2), Indirect GHG emissions from transportation (Cat.3), Indirect GHG emissions from products and services used by the organizations (Cat.4) and Indirect GHG emissions from use of the organization products (Cat.5).

Verification Level of Assurance

The verification was conducted by DNV to a limited level of assurance with the eventual modifications reported in the below Verification opinion.

Materiality Level

Errors / omissions which represent, single or aggregated, the 5% of total emissions are considered material.

Verification Criteria

- ISO 14064-1:2018: Greenhouse gases - Part 1: Specification with guidance at the organization level for quantification and reporting of greenhouse gas emissions and removals

Verification Protocols

- ISO 14064-3:2019 Greenhouse gases - Part 3: Specification with guidance for the verification and validation of greenhouse gas statements

DNV Business Assurance USA, Inc., 1400 Ravello Drive, Katy, TX 77449
VERIFICATION STATEMENT DNV-2024-ASR-642825 Page 1 of 2

Operational Boundary

- Operational control consolidation approach
- Sites of:
 - Viale del Lavoro, 45- Frazione Ponte Barbarano Vicentino (Vi) Italy
- Reporting Period: 1 January 2023 to 31 December 2023

2023 Verified GHG Emissions in t CO₂-eq (*)

Category 1: Direct Emissions	405
Category 2: Energy Indirect Emissions (Location based)	744
Category 3: Indirect Emissions from Transportation	539
Category 4: Indirect GHG emissions from products used by organization	5 924
Category 5: Indirect GHG emissions from use / end of life of organization products	1 322

(*) CO₂ biogenic emissions are not included

Assurance Opinion

Based on the verification process conducted by DNV, we provide a Limited Assurance of the 2023 GHG Emissions Inventory of EURO3PLAST S.p.A. as DNV found no evidence that the assertions reported in the aforementioned Report are not:

- materially correct;
- a fair representation of the GHG emissions information; and
- prepared in accordance with the Verification Criteria

Independence

DNV was not involved in the preparation of any part of EURO3PLAST S.p.A. data or report. We adopt a balanced approach towards all stakeholders when performing our evaluation.

DNV Business Assurance USA, Inc.
10 July 2024

Piergiorgio Moretti

Lead Verifier
Piergiorgio Moretti

Francisco Zamarron

Technical Reviewer
Francisco Zamarron

Shruthi Bachamanda

Approver
Shruthi Bachamanda

ANAB
ANSI National Accreditation Board
ACCREDITED
VERIFICATION BODY

This Statement is for the sole use and benefit of the party contracting with DNV Business Assurance USA, Inc. to produce this Statement (the "Client"). Any use of or reliance on this document by any party other than the Client shall be at the sole risk of such party. In no event will DNV or any of its parent or affiliate companies, or their respective directors, officers, shareholders, employees or subcontractors, be liable to any other party regarding any statements, findings, conclusions or other content in this Statement, or for any use of, reliance on, accuracy, or adequacy of this Statement.

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GHG EMISSIONS

VSME B3; BP3

The table below gives the results of our GHG emission calculation:

	2021	2022	2023
Verified Green House Gas emissions (*)	t CO2-eq	t CO2-eq	tCO2-eq
Category 1, Direct Emissions	553,93	475,50	405,30
Category 2, Indirect emissions from energy (location based)	1.162,10	763,16	744,43
Category 3, Indirect transport emissions	1.190,05	551,78	538,75
Category 4, Indirect greenhouse gas emissions of products used by the organization	7.595,79	4.675,11	5.924,29
Category 5 Indirect greenhouse gas emissions from the use/end of life of the organization's products	1.883,68	1.150,12	1.322,27

An analysis of the data in the table shows that the euro3plast's major causes of GHG emissions are in category 4, related to "Indirect GHG emissions from products purchased by the organization" (61.3% of total impacts).

Specifically, in category 4, these emissions arise particularly from the production of polypropylene (over 40%) and polyethylene (approx. 10%) used in euro3plast products; the contribution of category 5, due to the end of life of products and packaging is also worth attention (15.2%).

This is followed by category 2 and category 3 respectively with a percentage contribution of 8.3%, mostly resulting from the production of electricity from the grid, and 6.0%, associated mainly with materials procurement and shipping.

Category 1 is last, with a contribution of 4.5%, mainly associated with methane combustion for production and heating.

WASTE MANAGEMENT

GRI 306-1, GRI 306-2, GRI 306-3, GRI 306-4, GRI 306-5, VSME B7, BP6



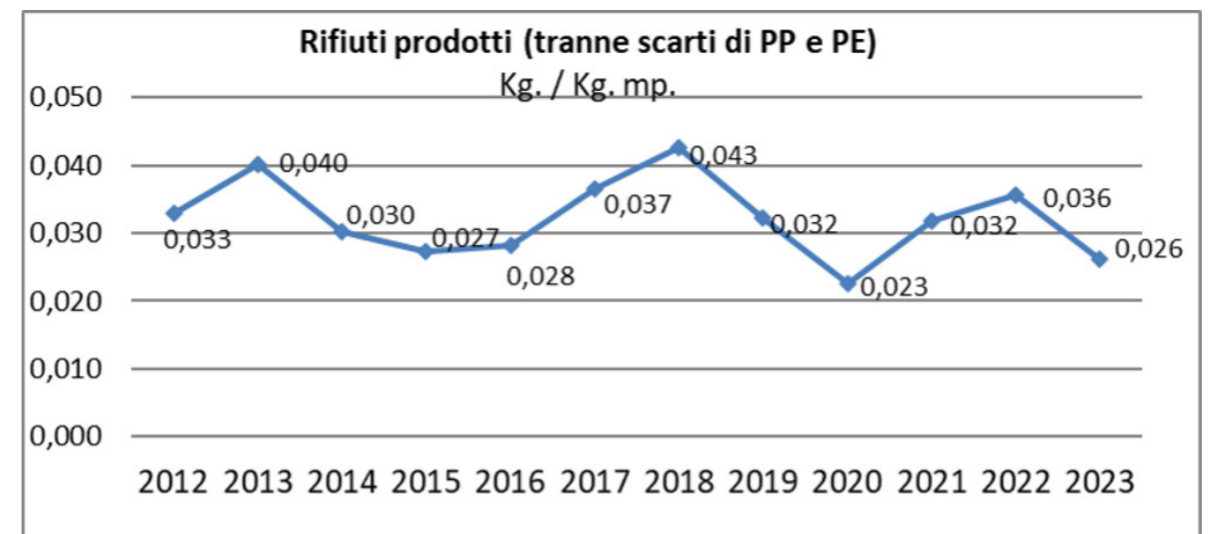
The table below gives the total weight of waste generated by euro3plast, the total weight of waste subtracted from disposal and the total weight of hazardous and non-hazardous waste subtracted from disposal, the total weight of hazardous, and non-hazardous waste destined for disposal in the three-year period.

INDICATOR	WASTE GENERATED	Units of meas.	2021	2022	2023
A	Total products	tonnes	250,6	167,4	178,5
	of which hazardous	%	2,0 %	0,5 %	0,9 %
B	Waste for recycling	%	8,2 %	6,8 %	11,3%
	of which hazardous	%	1,1 %	0,0 %	3,3 %
	Waste for recycling	%	91,8 %	93,2 %	88,7 %
	of which hazardous	%	2,2 %	0,6 %	0,7%

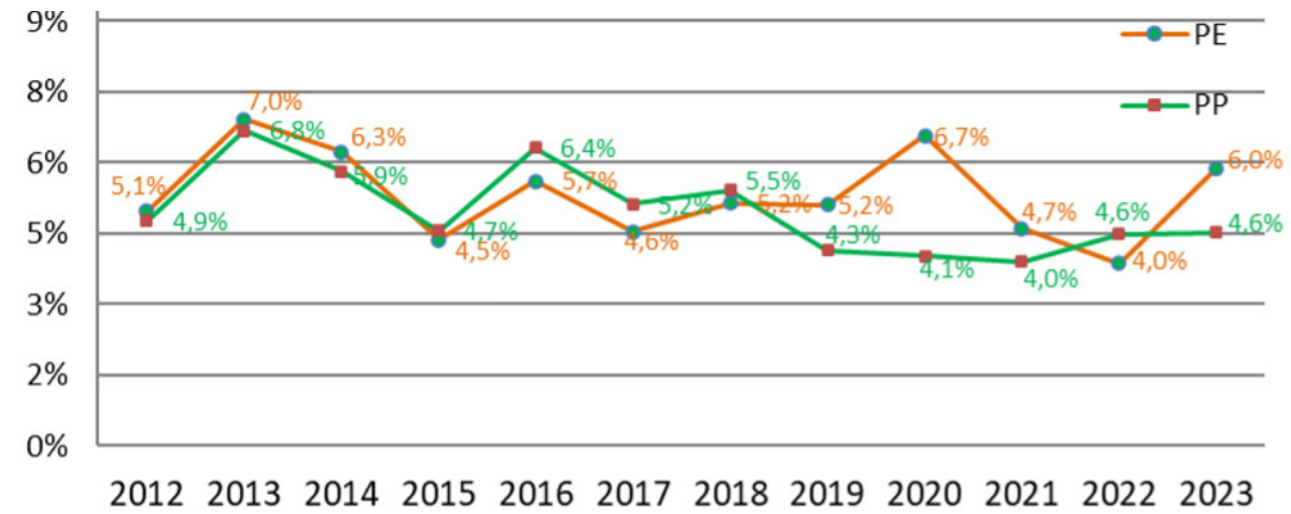
Below some data are given from the 2022 report on the waste we returned for recycling:

1) Indicator (A) on total waste produced has been monitored for more than 10 years; below is the breakdown between waste produced (excluding PP and PE waste), indicator A1, and production waste on raw material used, indicator A2.

WASTE GENERATED (EXCEPT POLYPROPYLENE AND POLYETHYLENE WASTE)

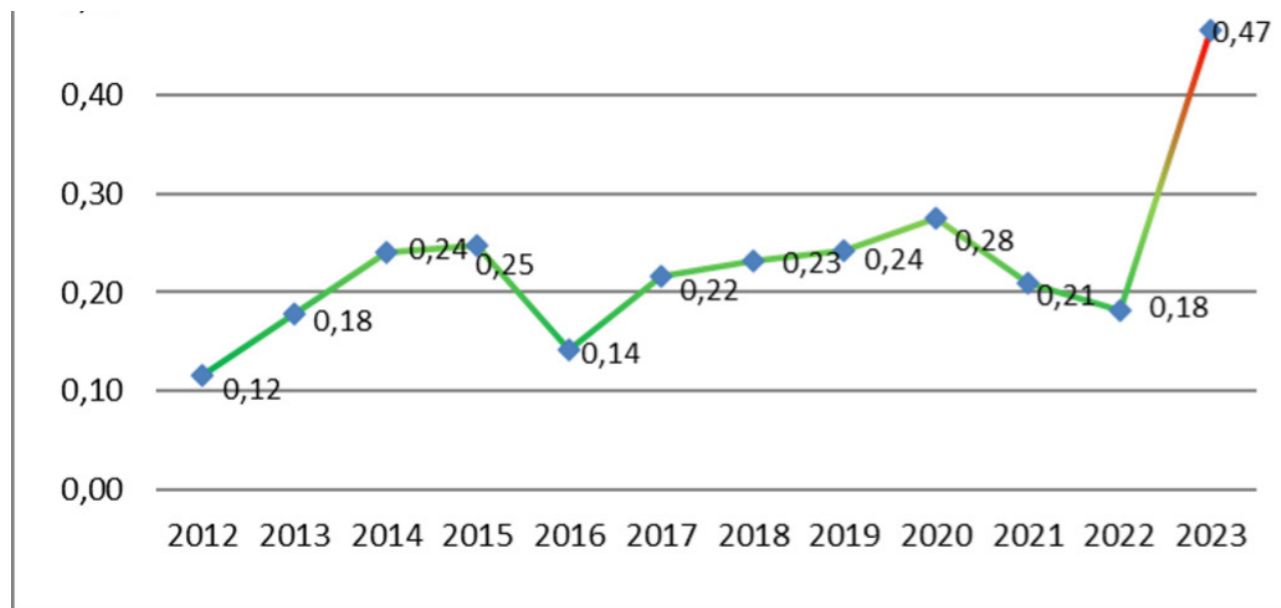


PRODUCTION WASTE
(KG OF POLYPROPYLENE WASTE - POLYETHYLENE/KG OF RAW MATERIALS X 100)



Indicator A2

WASTE SENT FOR DISPOSAL (KG OF WASTE DISPOSED OF/KG OF WASTE SENT)



Indicator (B) expresses the proportion of waste that is sent to landfill in relation to total waste that is recovered (excluding production waste).

N.B. the sharp rise in waste to disposal is due to a transfer of various kinds of material (sampling and raw material residues) that cannot be sorted.



People at the centre



THE IMPORTANCE OF HUMAN CAPITAL

GRI 2-7, GRI 2-8, GRI 2-30, VSME B8, BP7, BP11

Euro3plast checks that personnel, including HR recruited through temporary agencies, cooperatives, or outside agencies during the reporting period, are hired under a contract that complies with the national Collective Bargaining Agreement (CBA); it also defines recruitment methods and describes them in a company regulation.

Based on an up-to-date list of workers employed, it monitors company turnover trends over time, including the type of contract applied, worker origin, gender, age, length of contract, length of employment, and turnover. Finally, it calculates annually the number of employees hired on a permanent basis out of the total.

Almost all of the company's employees, including management positions, come from the Veneto region, confirming the strong ties to the local area and the ability to maintain qualifications and skills locally.

The following table shows the average number of employees by category, and calculated considering the daily average.

	Executives	Middle managers	White-collar employees	Part-time employees
Data at 31/12/2022	4	6	13	8
	Blue-collar workers	Part-time blue-collar workers	Total employees	
	48	7	86	

The table below gives the corporate population over the three-year period 2020-2022.

WORKERS	2021	2022	2023
EMPLOYED staff involved	82	87	92
TEMPORARY staff involved	13	18	12
INTERNS involved	2	/	/
TOTAL	97	105	104

The table below gives the calculation of FTE workers (number of full-time equivalent employees based on total working hours) in 2022

ACTIVE WORKERS	Calculation	FTE/YEAR
71 Full-time employees	$71 \times 40 \text{ hrs/wk} \times 40 \text{ wks/yr} = 113,600 \text{ hrs}$	Total hrs full-time (113,600) + total hrs part-time (14,600) = = 128,200 h <hr/> 1,600 (constant value: 8 hrs/day x 5 days/week x 40 wks/yr) = 80,125 FTE
4 Part-time employees (30 hrs/wk)	$4 \times 30 \text{ hrs/wk} \times 40 \text{ wks/yr} = 4,800 \text{ hrs}$	
4 Part-time employees (25 hrs/wk)	$4 \times 25 \text{ hrs/wk} \times 40 \text{ wks/yr} = 4,000 \text{ hrs}$	
5 Part-time employees (21 hrs/wk)	$5 \times 21 \text{ hrs/wk} \times 40 \text{ wks/yr} = 4,200 \text{ hrs}$	
2 Part-time employees (20 hrs/wk)	$2 \times 20 \text{ hrs/wk} \times 40 \text{ wks/yr} = 1,600 \text{ hrs}$	

EMPLOYMENT AND EMPLOYMENT PRACTICES

GRI 401, GRI 2-8, VSME B8

Over the past three years, the company's open-ended contracts have added to by the hiring of staff previously working on temporary contracts.

The table below gives the number of workers by contract type over the three-year period 2021-2023.

CONTRACT TYPE	2021	2022	2023
Fixed-term recruitment	6	/	11
Permanent recruitment	/	2	1

Euro3plast's remuneration policies refer to the national Collective Bargaining Agreement (CBA) for the rubber and plastics industry, maintaining a correct balance between the highest-paid person and the average employee, which results in a ratio of 1 to 3.6 (ratio of the total annual remuneration of the highest-paid person in the organization to the average total annual remuneration of all employees excluding the highest-paid person).

EMPLOYEE SALARIES AND GENDER PAY GAP

GRI 202-1, 405-2, VSME B2, B10

Euro3plast guarantees a salary higher than that specified in the specific national collective bargaining agreement for its sector (Rubber and Plastics - Industry) as shown in the table below (salary data 2023):

LEVEL	AV. GROSS ANNUAL SALARY FROM NAT. AGREEMENT	E3P GROSS ANNUAL SALARY	DIFF. AV. GROSS ANNUAL SALARY	% DIFF.
A	28.274,7	39.381,4	11.106,7	39%
B	26.674,3	39.243,8	12.569,4	47%
C	26.324,1	31.403,5	5.079,4	19%
D	25.993,2	30.251,8	4.258,6	16%
E	24.944,1	29.133,9	4.189,7	17%
F	24.298,6	26.611,5	2.312,9	10%
G	22.643,4	25.131,6	2.488,2	11%
H	21.593,4	22.820,6	1.227,2	6%
I	19.412,9	20.474,4	1.061,5	5%
MANAGER	30.029,6	60.693,4	30.663,8	102%

The company also has a smaller Gender Pay Gap than that found in the European Union of 12.7%¹. Indeed, as shown in the table below, for the A, C and H levels the pay gap is positive while for the other levels the difference is negative but on average about 5%.

LEVEL	FEMALES	MALES	F/M DIFFERENCE	F/M % DIFFERENCE
A	42.027,2	35.412,8	6.614,4	17%
B	/	39.243,8	/	/
C	32.067,1	30.297,6	1.769,5	6%
D	28.609,9	31.237,0	-2.627,1	-9%
E	28.824,9	29.168,2	-343,3	-1%
F	25.486,1	28.187,0	-2.700,8	-10%
G	24.980,8	25.186,4	-205,5	-1%
H	23.620,4	22.602,5	1.017,9	4%
I	20.474,4	/	/	/
MANAGER	/	60.693,4	/	/

¹ <https://www.europarl.europa.eu/topics/it/article/20200109STO69925/divario-retributivo-di-genere-le-donne-guadagnano-meno-degli-uomini-nell-ue>

DIVERSITY, INCLUSION AND EQUAL OPPORTUNITIES

GRI 405-1, GRI 405-2, GRI 406-1

In this section, we will tell about euro3plast's commitment and determination to foster as much diversity and inclusion as possible.

We intend to strive to fulfil the desires and needs of all our employees while promoting the pursuit of an important goal, which also appears in the list of the 17 Sustainable Development Goals of the UN Agenda 2030.

We believe that an inclusive environment stimulates business growth and adds value to our work.

During the reporting period, no incidents occurred (internal or external to the company's operations) of discrimination on the grounds of race, colour, sex, religion, political opinion, national origin, and social background.

GENDER EQUALITY

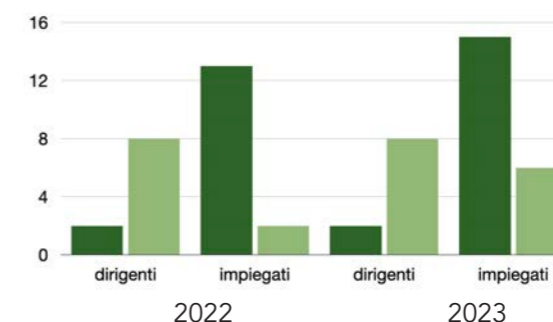
VSME B2, B8, BP2

Euro3plast has consistently pursued and supported the goal of increasing female employment within the workplace, with the intention of eliminating the gender pay-gap, and increasing career and professional development opportunities for women.

The table below shows the active company population by gender:

GENDER	2022		2023	
	NUMBER	%	NUMBER	%
women	31	35,6	29	33,7
men	56	64,3	57	66,3

The bar chart below shows that the majority of female staff are employed in clerical positions, and the presence of women is also found in managerial positions.



	2022		2023	
	Executives and middle managers	Employees	Executives and middle managers	Employees
women	2	13	2	15
men	8	2	8	6



ETHNICITIES AND NATIONALITIES



Within euro3plast's active workforce, there are also non-Italian nationals, who currently reside in the municipalities surrounding the company's headquarters. Fostering diversity and inclusion in the company is also about promoting an environment that respects all cultures, and implementing selection procedures above discrimination.

The table below gives the relevant figures:

NATIONALITY	2022		2023	
	NUMBER OF CURRENT WORKERS	NUMBER OF CURRENT WORKERS	NUMBER OF CURRENT WORKERS	NUMBER OF CURRENT WORKERS
Italiana	85		81	
Albanese	1		1	
Gambiana	/		1	
Senegalese	3		3	

AGE GROUPS



The table below shows the working population in the company by age group in the various corporate roles:

PERSONALE	2022				2023		
	LESS THAN 30 YRS OLD	30 TO 50 YRS OLD	OLTRE I 50 ANNI	OVER 50 YRS OLD	30 TO 50 YRS OLD	OVER 50 YRS OLD	
Total	5	43	40	5	37	44	
In the Governance bodies	0	4	0	0	4	0	
Among the employees	5	29	40	5	33	44	



PROXIMITY TO THE WORKPLACE



Over time, euro3plast has given priority to hiring and stabilizing personnel whose residence is close to the company or at least within the Province of Vicenza.

The awareness that a good balance between work and everyday life positively influences people's health and well-being has prompted us to move in this direction.

It has proved successful, and contributes to creating a healthy and favourable working environment.

The table below summarises the situation:

WORKERS		RESIDENTS WITHIN 10 KM OF THE COMPANY	RESIDENTS BETWEEN 10 AND 50 KM FROM THE COMPANY	RESIDENTS BEYOND 50 KM FROM THE COMPANY
		2022	N	52
	%	59,0%	28,5%	12,5%
2023	N	53	29	4
	%	61%	34%	5%

WORKERS' RIGHTS COMPLIANCE

VSME B2, BP10



Euro3plast wants to protect **the personal side of its employees' work**, and is committed to offering an opportunity for fulfilment, which guarantees the individual's well-being within the company and society, while not depriving them of their own existence, contact with family, friends, and leisure time.

Leisure time is also protected by the company, **guaranteeing the right to holidays and daily rest**, within the time limits set by law.

Our **commitment to safety in workplaces** has been continuous. As a testimony to our focus, in 2013 we attained certification for the **Health and Safety Management System ISO 45001:2018**, the standard, which confirms the **propensity for continuous improvement** in the tasks performed by those working for our organisation, **in compliance with current legislation** and the most advanced national and international standards.

TRAINING OF RESOURCES

GRI 404, VSME B2, B10, N3

Personnel are continuously informed and trained on their specific duties and responsibilities, safety issues related to their job and tasks, procedures and instructions to ensure compliance of manufactured items, and on environmental compliance. Training activities are planned annually, and consist of in-house training courses or more specific courses held elsewhere, organized by agencies or associations, or on-site with teachers who are experts in the subjects covered.

These training initiatives are discussed and approved by management at the Annual Review Meeting, as required by our IMS. In 2020 training had slowed down due to the COVID19 emergency, and was limited to comply with legal obligations (0.29% of hours worked). In 2021 training resumed, including voluntary training, returning to previous years' levels, covering 0.41% of hours worked. Training continued in 2022, reaching 0.52% of hours worked, not only for safety but also for tasks that affect the environment and quality. Training in 2023 amounted to 0.42% of the hours worked.

TRAINING	2021	2022	2023
% of hours worked	0,41	0,52	0,42

WORKERS' HEALTH AND SAFETY

GRI 403, GRI 410



In 2022 there were no injuries; for statistical purposes, in the last three years we recorded 2 accidents, lowering the frequency and severity index that still remains below the regional average for the rubber/plastic sector.

INJURY STATISTICS	2021	2022	2023
gT - temporary disability days	13	0	11
gP - permanent conventional disability days	0	0	0
gM - conventional disability days fatal cases	0	0	0
Total hours worked	133.598	131.479	133.180
Injury severity index - annual	0,97	0,00	0,83
Injury severity index - average of the previous 3 years	0,90	0,73	0,60
Average injury severity index for the three-year period 2008-2010 INAIL (national institute for accident prevention) Veneto rubber/plastic sector	2,53		
Percentage compared with regional average	1	0	2
Number of injuries	133.598	131.479	133.180
Total hours worked	7,49	0	15,02
Injury frequency index - annual	7,72	5,17	7,50
Injury frequency index - average of the last 3 years	5,23	7,72	5,17
Average Injury frequency index for the three-year period 2008-2010 INAIL Veneto rubber/plastic sector	33,3		

CONSUMER HEALTH AND SAFETY

GRI 416-1, GRI 416-2 VSME B2, B4, B11, N3



AIR QUALITY:

In May 2022, workplace air quality surveys were conducted, focusing on the levels of formaldehyde found; the analyses confirm an insignificant level of exposure risk for both production departments (injection and rotational).

Checking air quality is not a legislative obligation for euro3plast, but has been carried out since 2004 to verify the healthiness of the working environments in which its employees work.

COMMUNITY

For euro3plast, ensuring the health and safety of the community in which it operates is a top priority, which is why the adoption of policies and the implementation of programs and actions focus on managing any impacts the company's activities may have on people.

As to operations, the company uses a site that is suitable for production activities (Industrial Zone of Barbarano Mossano) which does not cause any interference with residential areas adjacent to the production site.

CHECKS

Euro3plast is very attentive to the well-being and needs of its customers. It believes it is essential that consumers receive products in line with their expectations, without risks to personal health and safety. That is why it conducts constant checks through an external testing laboratory on all products that must meet regulations on safety of use, such as stability, strength, fire resistance, and food suitability. Constant monitoring of parameters has meant that in 2022 no non-compliances with current regulations regarding health and safety of products have been found.

	2021	2022	2023
Average number of samples analysed	5	8	7

The company uses potentially-hazardous products for its production cycle (generally detachment substances, thinners, and mould-maintenance products); to manage these products, euro3plast has a specific procedure for minimizing the use and updating the MSDSs of the products. Staff have been trained to handle such products properly.

CERTIFICATIONS OF COMPLIANCE

During 2023, we obtained the following compliance certifications:

- 1) The "BOOM Armchair" (art. 6478 - 8478) was tested according to EN tests for the European market by meeting the strength, durability and safety requirements of the 1st level of EN 16139:2013+AC:2013;
- 2) The "BOOM Sofa" (art. 6478 - 8478) was tested according to ANSI BIFMA tests for the American market by meeting the mechanical and structural safety requirements of ANSI BIFMA X5.4-2020;
- 3) The article 'BOOM Low Stool' (art. 6475 - 8475) was tested according to the EN tests for the European market, meeting the strength, durability and safety requirements of level 1 of EN 16139:2013+AC:2013;
- 4) The article 'BOOM Low Stool' (Art. 6475 - 8475) was tested according to the ANSI-BIFMA tests for the American market, meeting the mechanical and structural safety requirements of the ANSI BIFMA X5.4-2020 standard;
- 5) The article 'BOOM Coffee Table Décor' (art. 6481) was tested according to EN tests for the European market, meeting the strength, durability and safety requirements of level 2 of EN 15372:2016;
- 6) 'BOOM Coffee Table' and 'BOOM Coffee Table Décor' (Art. 6479 - 6481) were tested according to the ANSI-BIFMA tests for the American market in compliance with the mechanical and structural safety requirements of the ANSI BIFMA X5.5-2021 standard;
- 7) Our lighting kits were tested according to EN tests for the European market to verify that they meet the requirements for electrical safety and IP degrees of protection with reference to EN 60598-1 :21-01.

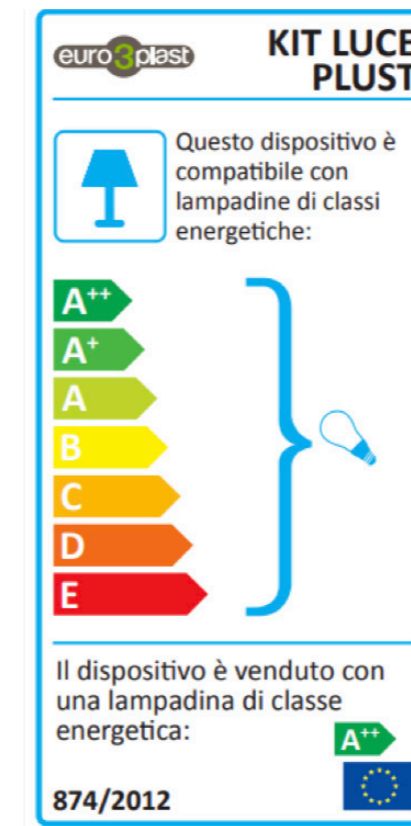
OUR BRAND LABEL GRI 417



In addition to being the company's main selling point, the brand label is also a very important means of communicating the care we take over our products (lightness, resistance against UV light, impact, extreme temperatures) as well as the environment (product made from recyclable plastic polymers).



Recent legislation on labelling of packaging products has been implemented at euro3plast in a time and manner to ensure prompt and informed recycling of packaging by end consumers.



Special attention is paid to the lamps line, where regulations on energy consumption of lighting materials are met. (Example energy efficiency label)

RESPONSIBILITY

PUBLICATIONS, EXHIBITIONS, EVENTS, COMMUNICATION



As part of the **JDC GARDEN TRENDS** trade fair in Marseilles, France's most important professional gardening exhibition, euro3plast premièred its new **CAPSULE COLLECTION**, featuring three new colour trends that evoke the sunny and vibrant atmospheres of the Mediterranean.

Euro3plast presented its first Sustainability Report and unveiled products from the Greener line of recycled plastic pots at JDC Garden Trends, along with some classic top-selling pots from the Hobby, Home and Style lines, and the 'Mediterraneo' Capsule Collection.

At Milan's Salone del Mobile, Plust presented Fade Shell, Fade Lamp M and Fade Stack Chair to extend the Fade by Marco Gregori range.

It also reintroduced the absolute novelty of 2023: the ecological DECOR finish, a unique and exclusive blend of 80% recycled plastic from post-industrial waste.



GREENER

Our **GREENER collection of recycled-plastic pots** was presented at the seventh edition of **Myplant & Garden at Milan Fair in Rho (MI)**, Italy's leading professional horticultural, nursery, garden and landscaping fair. Our line of pots made from recycled plastic, ideal for all lovers of greenery and with environmental awareness at heart as well, is euro3plast's line of pots that combine high technology and love of nature.

Comprising a collection of eco-sustainable pots, saucers and crates made of recycled plastic, and with its modern design, Greener tells a great love story for a greener planet starting in our cities, neighbourhoods, and homes, to close the circle of a circular economy that is possible, while respecting environmental needs.

At Myplant & Garden, a trade fair with more than 600 exhibitors and an attendance of almost 19,000 people at the last edition, we will be exhibiting all of the products from our Greener line, as well as our classic top-selling pots from our Hobby, Home and Style lines.



continuous improvement



CONTINUOUS IMPROVEMENT

GRI 2-25, VSME B2, N3, BP3

The opportunities identified by euro3plast for continuous improvement are:

1) Inclusion of recycled material in the production cycle of polypropylene moulded products. The goal is to increase the "greener" line produced from post-consumer recycled raw material.

In 2021, the percentage of recycled material used out of the total was not at the level of expectations (2.3 % compared to 6.5 % last year), due partly to the difficulty of finding the material on the market, and partly to the increase in cost, comparable to the raw materials chosen.

Thus, in 2022 we aimed to increase the use of 'pre consumer' recycled material (scrap from the industrial cycle, whether from in-house production or from other activities) that is more readily available. This indeed brought an increase from 1.1 percent in 2021 to 3.5 percent in 2022, while still being able to monitor the post-consumer market trend and materials availability.

The goal for 2023 has been to increase the share of post-consumer recycled materials to return to 2020 values (about 6.5% of PP used), by using suppliers who can guarantee a continuity that has hitherto been lacking. At the same time, we will evaluate initiating the process for certification as a product derived from recycled plastics.

2) Continuation, also for 2023, of the monitoring of the goal of reducing accidents caused by the use of forklift trucks, and the training of personnel. The goal was achieved and a figure of 0 was recorded in 2023; however, staff training and monitoring continues.

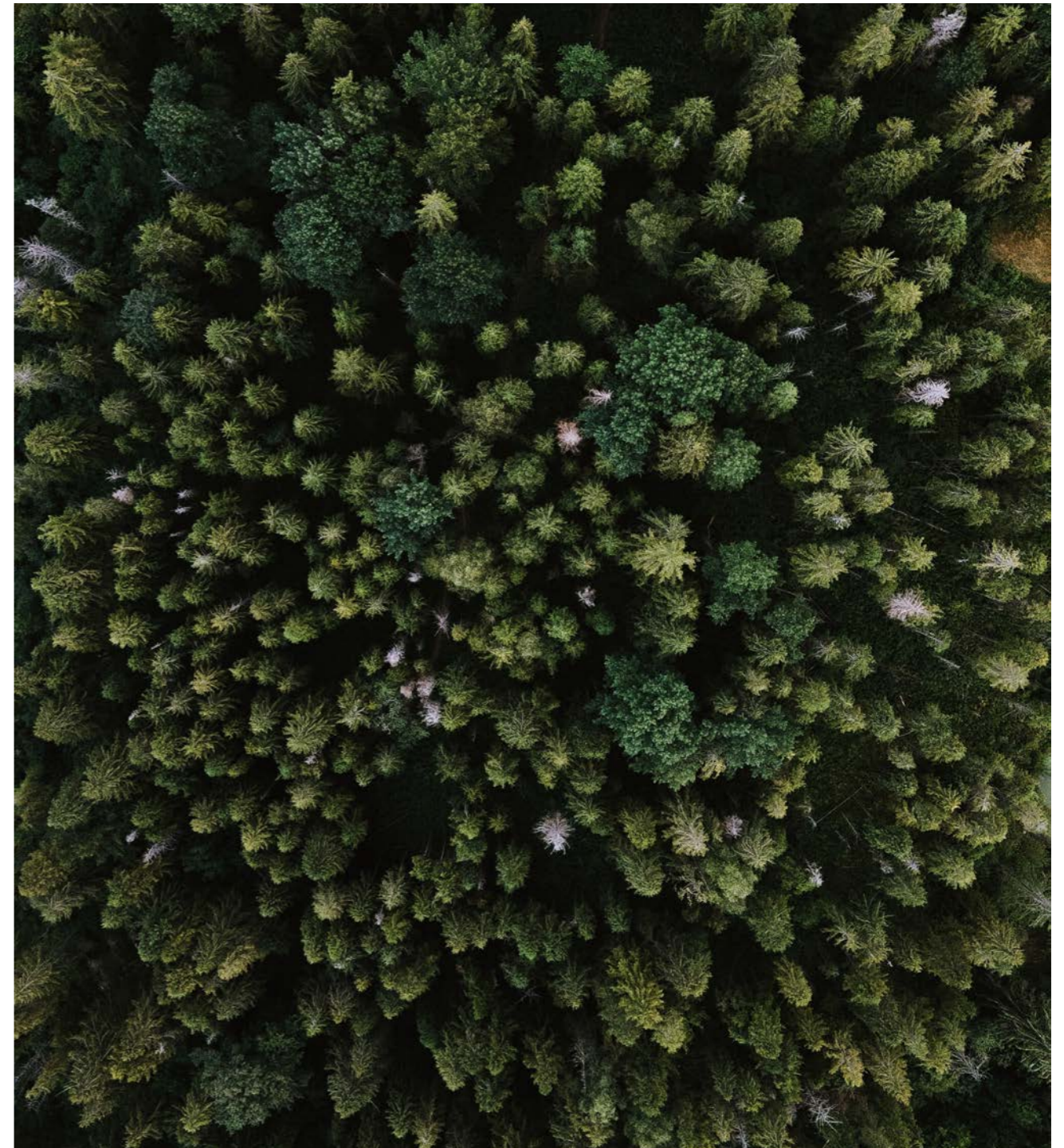
3) Completion of installation of the SGI management software "Discovery Quality"; analysis of data from processes and processing of specific indicators from the second quarter of 2023. As of 01 March '23, data was migrated to the new software and new data from the processes were entered. From the second quarter of '23, we started analysing and processing the specific indicators presented at the annual management review meeting held in early 2024.

4) Continuation of the 'sustainability pathway' project the phases and timelines of which for 2023 are:

- Publication of our 'Sustainability Report' for spring 2023 with GRI sustainability indicators on economic, environmental and social issues;
- Update, by summer 2023, of the organisation's 2022 Carbon Footprint calculation in accordance with UNI EN ISO 14064-1:2019.

5) Machinery and equipment maintenance management: the Technical Management has decided to implement maintenance management through computerised planning and control tools (scheduler, check-list, fault-reporting, works-reports, document-digitisation, reporting, costing, etc.). Selection of the best tool and implementation initiatives will be developed in 2023 with target-setting and progress-monitoring into the following two years.

The tool initially identified for managing maintenance activities as per schedule did not prove to be as effective as expected. In the course of 2024, the management decided to evaluate other solutions that are better suited to our production situation.



COMPLAINTS MANAGEMENT

GRI 2-25, GRI 2-26, GRI 2-27, GRI 2-28, VSME B12, BP8, BP9

The Company deals with customer complaints related to the products and/or service provided, in order to identify the reasons for them, and to activate the necessary actions for their removal. Responsibility for handling customer complaints is with the Sales Manager, in collaboration with the Sales Department and with any appropriate support from other members of the company team.

Complaints raised in written, verbal and/or telephone form involve the opening of a report. By using an *ad hoc* quality-management software, the details of the supply and description of the non-conformity detected/reported by the customer are logged and forward to the appropriate office for and analysis of the causes:

- Non-conformities related to shipping errors, such as: missing goods, wrong item/colour. The complaint is notified to the Control and Management Office to check whether there were any errors by the attendant during order preparation (picking and setting up).
- Non-conformities regarding order processing and billing such as: order entry errors, omitted/incorrect discount. The claim is dealt with by the Sales Department, which will check the contractual conditions stated in the customer registry, and the correspondence of the customer's original order with what is stated in the order confirmation, and then in the invoice.
- Product non-conformities, such as damaged goods, production non-conformities (related to moulding or subsequent processing such as product identification or packaging). The complaint is notified to the Quality, Environment and Safety Manager who, in collaboration with the Production Managers, will check the causes of the non-conformity.

Once the cause analysis is completed, the complaint returns to the Sales Department, where a decision is made on how to settle it:

- complaint not accepted due to lack of objective evidence - return of products found to be non-conforming by the customer and check in acceptance on their arrival. Depending on the checks made, a decision is made on whether to replace or credit the returned goods.
- acknowledgement of missing goods and consequent refund/credit.
- the Quality, Environment and Safety Manager identifies the need to address non-conformities reported by customers with appropriate corrective actions. The decision is then deferred to the outcomes of the corrective action.

The complaint is notified by the Sales Department to the Billing/Invoicing Office if credit or free assignment is to be issued and forwarded by them back to the IMS Manager for closure.

The complaint resolution and decisions are entered in the complaint registration form, and filed with the relevant documentation by the Quality, Environment and Safety Manager, who compiles the "Customer Complaint Situation" and keeps it updated.

Customer reports and any supporting documentation, if any, are stored by the Sales Department in a shared folder so that they are available for reference by all colleagues involved.

The contents of these sheets are prepared by the Quality, Environment and Safety Manager and analysed by the company's management during periodic Quality System Reviews.

TOOLS FOR SEEKING ADVICE AND RAISING DOUBTS

Euro3plast has specific tools that allow individuals to:

- raise concerns about the organisation's business conduct by reporting on the site, in the footer, under 'Whistleblowing'.

WHAT WHISTLEBLOWING IS

Legislative Decree No. 24 of 10 March 2023, implementing Directive (EU) 2019/1937 on Whistleblowing, introduced uniform regulations on reporting channels and protections for whistleblowers in the public and private sectors, to which Euro3plast SpA has also complied. 'Whistleblowing' refers to the institution that protects those who report, in the context of the organisation to which they belong, irregularities or situations of danger or risk that could cause harm to either their organisation or to third parties

COMPLIANCE WITH LAWS AND REGULATIONS

Since its foundation, euro3plast has never had any non-compliances related to laws and regulations, nor during the reporting period were there any cases for which they were imposed:

- monetary sanctions;
- non-monetary sanctions.

TRADE ASSOCIATIONS

Euro3plast has been a member of the Industrial Association of Vicenza for more than thirty years, actively participating in the periodic meetings and conferences, with particular reference to issues related to the environment, product safety, ethics, and the safety of its workers.

RESEARCH AND DEVELOPMENT



Euro3plast is always attentive to the needs of its customers, the trends influencing the markets, and to implementing the necessary changes to make its value chain more sustainable.

Below is a brief summary of the main research, design and development efforts undertaken during the reporting period:

LIGHTING

In view of an emerging market interest in lighting and illuminated articles, the company has taken action by studying new and state-of-the-art lighting solutions for its products. Internally, new light kits were developed - in cooperation with our suppliers - to meet new market demands. Also worth mentioning is the ongoing study of modifying earlier light-kits so as to serve markets outside Europe. These projects will be completed next year.

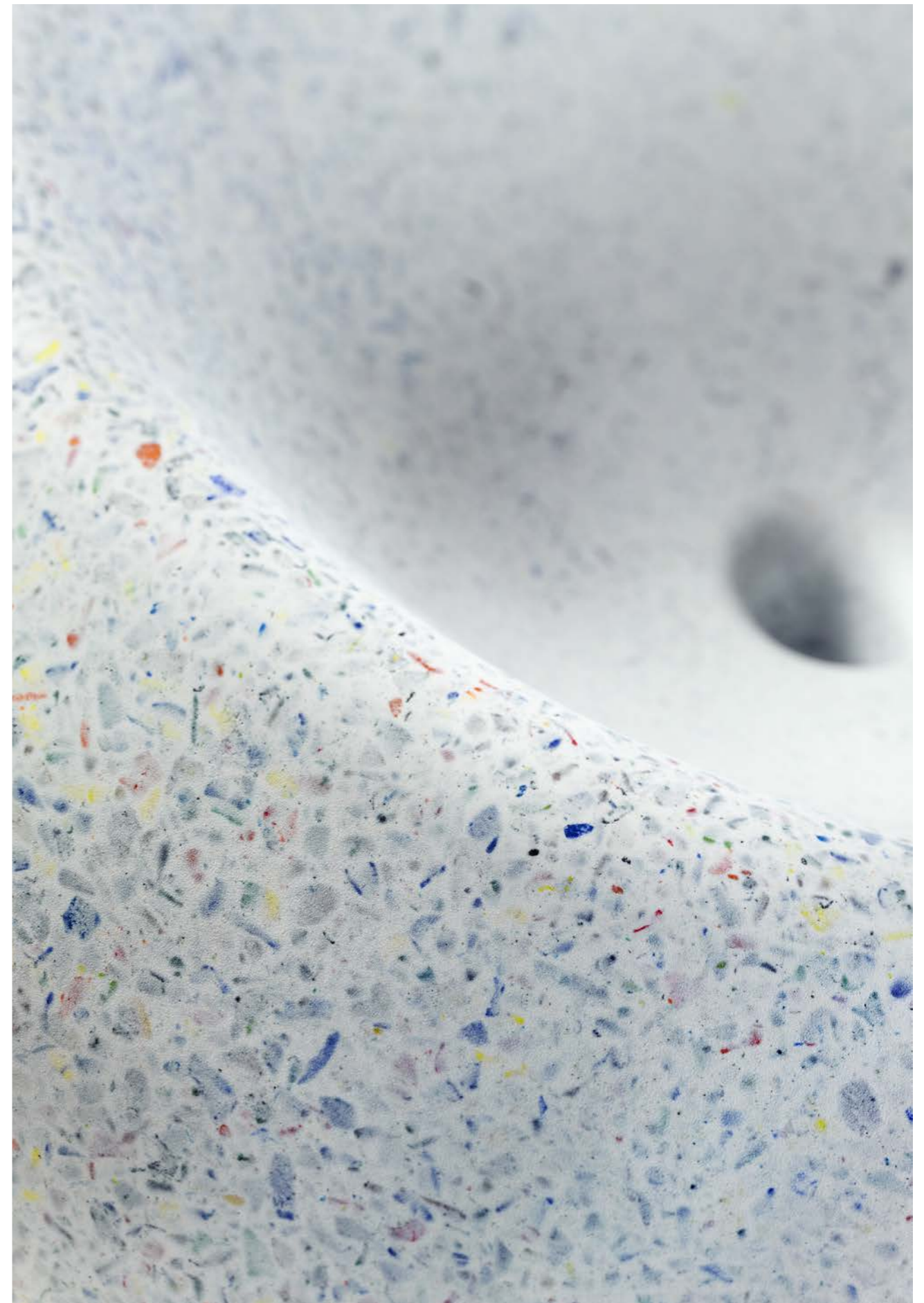
SUSTAINABILITY

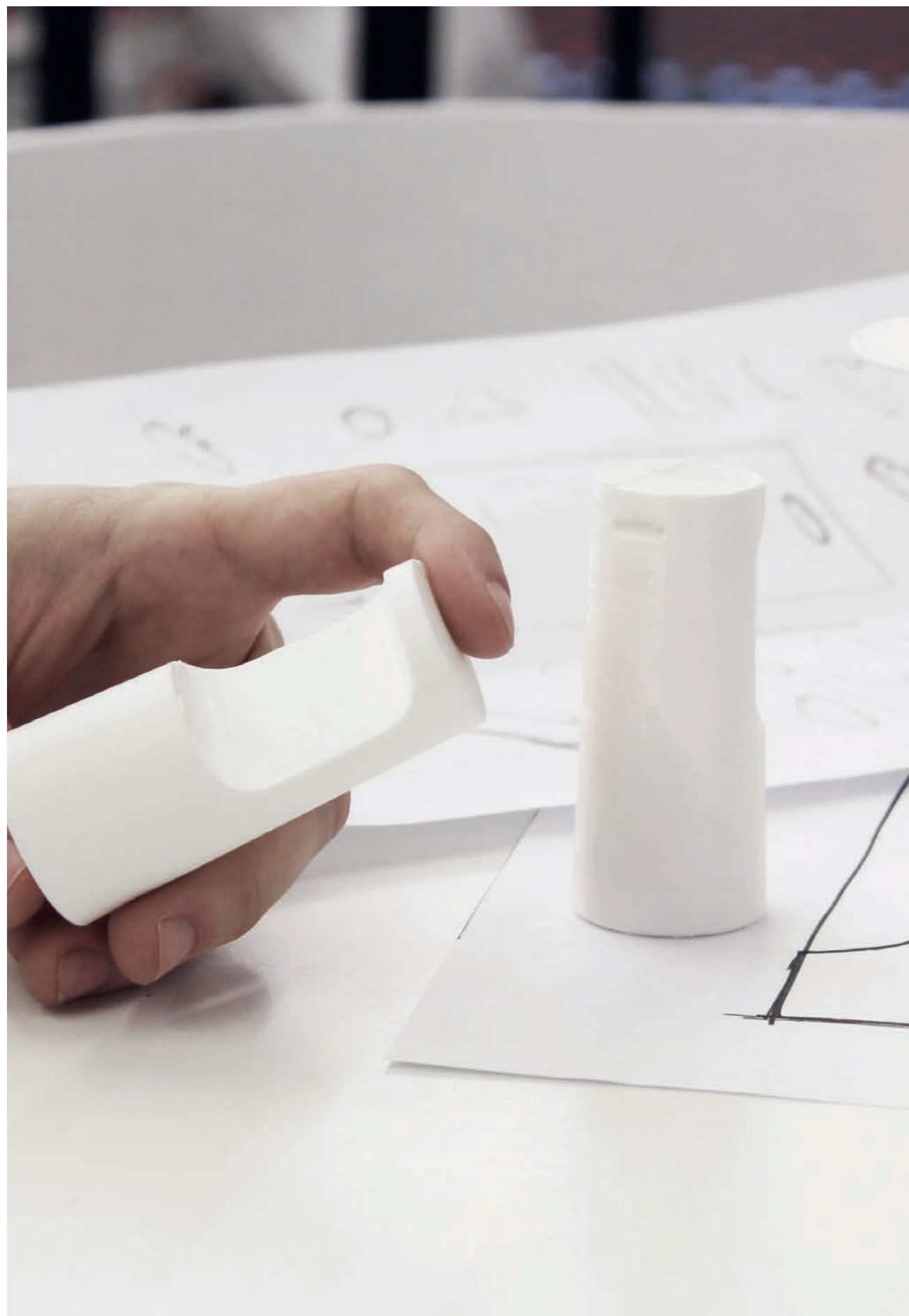
Given the ever-changing ecosystem of plastic materials and especially recycled material regulations, the company continues to keep abreast of all the changes in legislation and market demands by testing different pre- and post-consumer materials.

COLOURS

In the area of injection moulding, also this year the company continues with its experiment of offering a new colour proposal every 1 to 2 years ('capsule collection') following the latest market trends. This is so as to always be giving new inspiration to customers and new topics to salespeople. As for rotational moulding, instead, the company expanded its colour series called 'elements' with new variations on the theme. These colours are designed to have a more 'textural' finish than normal. This is to push the limits of what has previously been thought of as rotational moulding.

Next image: **DECOR** represents the pinnacle of Plust's research in the field of sustainability—a unique and exclusive blend consisting of 80% material derived from industrial processing waste, given a new lease on life. DECOR is a recycled and recyclable material that stands apart from any other achievement in the world of design, offering a refined, textured, and artistic finish. Plust furnishings made with DECOR radiate their distinctive finish, reminiscent of a contemporary and colorful Venetian terrazzo, enhancing outdoor spaces with elegant and sculptural forms.





INVESTMENTS



The year 2022 saw us committed, as we are every year, to strengthening the company's technical-production capacity, with a view to new and more ambitious goals. We would like to emphasise the company's ability to continue with its investment policy during the current financial year, which is certainly in contrast to the situation in the rest of Italy. Turning to the investments made, the main ones during the year are summarised below. The relevant figures are:

	BUILDINGS	PLANT AND MACHINERY	INDUSTRIAL AND COMMERCIAL EQUIPMENT	OTHER TANGIBLE FIXED ASSETS	TOT.
Investments	0	385.539	5.910	47.470	438.919

Recalling also that the budget states that EUR 315,000 were paid for leasing.

Investment in the development of the marketing area continues to show positive signs both in the expansion of new markets and new customers. We base our development strategies on information gathered from our sales force regarding the various markets, especially foreign ones. We believe we have to give visibility to our products while also having to deal with the market situation: we are investing increasingly in digital marketing.

In its development and control activities, euro3plast has increasingly refined the production of reporting, cost control and budgeting over time.

In view of the particular economic situation in the sector, we have for some time now introduced longer-term planning and, in doing so, we also constantly carry out internal audits of the process.

To support market turbulence, the reworking of budgets has become essential.

In particular, we continue the activity whereby we prepare plans with objectives of:

- growth;
- improved efficiency in terms of margins;
- containment of personnel costs;
- reduction of overheads and structural costs.

In addition, we have invested in a new position of Operations Manager, who is entrusted with managing the above objectives and related activities.

economic performance



ECONOMIC PERFORMANCE

GRI 201-1



In 2023, compared to previous years, our financial statements show a fall in revenues of 18% compared to the Revenues item given in item 3A1 of the income statement, below:

	2022	2023	% Var
Revenues from sales and services	15.454.157	14.621.338	-5%

Throughout 2023, after taking into account the sales mix, we consistently strived to maintain margins and cash flows in order to support investments too. All of which, we believe, confirms that the measures implemented have led to the results we expected.

Although the state provided financial aid to companies during the first two quarters of 2023, some suppliers saw a slight reduction in prices compared to the peaks reached during the pandemic years, but this decrease was slight compared to previous increases. On the contrary, some prices increased further or remained at high levels. This complex dynamic posed significant challenges, as in order to continue not to overburden consumers with price increases, we have had to continue to find innovative strategies to effectively manage costs.

We consider the result to be positive, mainly due to the policies implemented to control and contain costs, and to improve sales performances. The 2023 result, in sharp contrast to the previous year, once again demonstrates the work of our actions, confirming that the business plans and strategies enacted for cost efficiency are producing the expected results.

We feel we must press on with the actions taken to increase turnover, despite a market situation that is stagnant, if not recessionary, so as to take full advantage of the trends indicating that customers are increasingly interested in 'green' sustainability, after enduring the restrictions of the pandemic.

It is specified that the company is not active, and consequently does not receive revenue in the following areas:

- (a) controversial weapons such as anti-personnel mines, cluster munitions, chemical weapons and biological weapons;
- (b) cultivation and production of tobacco;
- (c) fossil-fuels sector (coal, oil and gas)
- (d) production of chemicals, as its business comes under Division 20.2 of Annex I of Regulation (EC) No 1893/20062.

INCOME STATEMENT

For a better understanding of the company's results of operations, a reclassification of the Profit and Loss Account is provided below.

Acc. Item	Fin. Yr. 2023	%	Fin. Yr. 2022	%	Overall changes	Change%
PRODUCTION VALUE	15.345.254	100%	15.220.237	100,00 %	(3.928.777)	(20,52) %
- Raw materials consumption	5.696.774	37.12%	6.097.425	40,06 %	(3.184.200)	(34,31) %
- Overhead expenses	4.388.002	28.60%	4.333.915	28,47 %	472.656	12,24 %
ADDED VALUE	5.260.478	34.28%	4.788.897	31,46 %	(1.217.233)	(20,27) %
- Other income	336.662	2.19%	444.138	2,92 %	174.077	64,46 %
- Personnel costs	4.055.808	26.43%	3.935.763	25,86 %	(255.170)	(6,09) %
- Provisions	/	/	0	0	0	0
GROSS OPERATING PROFIT	868.008	5.66%	408.996	2,69 %	(1.136.140)	(73,53) %
- Depreciation and write-downs	704.143	4.59%	776.063	5,10 %	(28.121)	(3,50) %
NET OPERATING INCOME	163.865	1.07%	(367.067)	(2,41) %	(1.108.019)	(149,54) %
+ Other revenues	336.662	2.19%	444.138	2,92 %	174.077	64,46 %
- Sundry operating expenses	115.169	0.75%	101.658	0,67 %	(21.559)	(17,50) %
OPERATING PROFIT BEFORE TAX AND FINANCIAL CHARGES	385.358	2.51%	(24.587)	(0,16) %	(912.383)	(102,77) %
+ Financial revenues	41.181	0.27%	3.184	0,02 %	3.050	2.276,12 %
+ Foreign exchange gains/losses	(5.097)	(0.03) %	3.330	0,02 %	(198)	(5,61) %
OPERATING RESULT (Current Margin Before Financial Charges)	421.442	2.75%	(18.073)	(0,12) %	(909.531)	(102,02) %
+ Financial expenses	(152.313)	(0.99) %	(111.734)	(0,73) %	16.270	12,71 %
INCOME BEFORE TAXES	269.129	1.75%	(129.807)	(0,85) %	(892.820)	(117,01) %
- Income taxes for the year	58.490	0.38%	(90.041)	(0,59) %	(330.149)	(137,50) %
NET INCOME	210.639	1.37%	(39.766)	(0,26) %	(562.671)	(107,60) %

The table below gives a breakdown of revenues from sales and services according to business categories.

Description	31.12.2021	31.12.2022	31.12.2023
Injection			
Italy	6.058.397	4.147.127	4.034.187
Exports	6.594.534	4.885.133	4.809.656
	12.652.931	9.032.260	8.843.843
Rotational			
Italy	3.990.192	3.862.155	3.442.916
Exports	2.272.985	2.559.742	2.334.579
	6.263.177	6.421.897	5.777.495

GENERATED AND DISTRIBUTED DIRECT ECONOMIC VALUE			2021	2022	2023
Direct economic value generated	REVENUES	€	18.878.953	14.776.099	15.008.592
Economic value distributed	Operating costs	€	10.085.809	6.873.488	6.400.917
	Wages and employee benefits	€	4.190.933	3.935.763	4.055.808
	Supplier/service payments	€	3.984.917	4.435.573	4.503.171
	Payments to the government	€	238.233	13.797	30.445
	Community investments	€	0	0	0
Retained economic value	"direct economic value generated" minus "economic value distributed"	€	379.061	18.249	-482.522

OBLIGATIONS FOR DEFINED BENEFITS AND OTHER PENSION PLANS

GRI 201-3

The total amount of severance pay as supplementary pension is given by the percentages in the table below:

Total share of severance pay for supplementary pensions	2021	2022	2023
%	5,35%	5,40%	5,28%

From the 2022 financial statements: below are the debts towards social security institutions for employees, managers and agents. The balances include both employee and company contributions:

Description	Detail	2022	2023	Overall change
Amounts owed to pension and social security institutions	INPS employees	133.846	74.021	-45%
	Social-security payments - employees	7.200	7.200	-
	Enasarco (assistance agency for sales reps.)	7.664	11.434	49%
	Sundry social security and welfare institutions	39.164	28.480	-27%
	Total	187.874	121.135	-36%

STATE FINANCIAL ASSISTANCE RECEIVED

GRI 201-4

The table below gives the state financial assistance received during the reporting period:

FINANCIAL ASSISTANCE RECEIVED		2021	2022	2023
Total value of state financial assistance received by the organization	€	65.663	308.187	196.519
Tax relief and tax credits	€	45.410	302.762	185.879
Subsidies (Sabatini Grant)	€	4.521	5.425	5.425
Financial incentives	€	3.341	0	10.640
Other financial benefits received or receivable from any government for any transaction	€	12.391	0	0

goals, commitments,
and future plans



GOALS, COMMITMENTS AND FUTURE PLANS

GRI 2-22, GRI 2-23, GRI 2-24

On sustainable development, euro3plast has adopted a medium-term strategy to help manage its effects on the economy, the environment and people.

Specifically from the environmental point of view, it has committed to:

- Producing products using more recycled raw materials;
- Pursuing a decrease in its carbon footprint.

In addition, initiatives are under way to:

- self-generate electricity using solar panels;
- reduce packaging per item sold.

From the social point of view, the company is committed to:

- reducing minimum wage gaps between men and women;
- reducing minimum wage gaps further.

We briefly summarise the main operations carried out during the financial year 2023:

- **Lighting:** we continue the business related to illuminated products, continuing the study of new and more innovative solutions for the illumination of our products. Internally, new light kits were developed - in cooperation with our suppliers - to meet new market demands. Also worth mentioning is the ongoing study of modifying earlier light-kits so as to serve markets outside Europe.
- **Sustainability:** given the ever-changing ecosystem of plastic materials and especially recycled material regulations, the company continues to keep abreast of all the changes in legislation and market demands by testing different pre- and post-consumer materials. For more details, please refer to the Sustainability Report. Then there is the line of pots made entirely of recycled plastic to meet the need for a cleaner planet and to offer nature lovers the chance to be truly sustainable.
- **Colours:** in the area of injection moulding, also this year the company continues with its experiment of offering a new colour proposal every 1 to 2 years ('capsule collection') following the latest market trends. This is so as to always be giving new inspiration to customers and new topics to our sales team. As for rotational moulding, instead, the company continues to expand its colour series called 'elements' with new variations on the theme. These colours are designed to have a more 'textural' finish than normal. This is to push the limits of what has previously been thought of as rotational moulding.

POLITICAL UNDERTAKINGS

Euro3plast does not currently have specific political commitments regarding human rights, but it has always respected internationally recognised human-rights conventions, and the rights of at-risk/vulnerable people or groups, to which the organisation pays particular attention.

NOTES ON METHOD

The Company's sustainability journey began with the adoption of a certified Environmental Management System according to ISO 14001:2015 and an Occupational Health and Safety Management System in compliance with ISO 45001:2018; it continued with GHG emissions reporting, and was supported by ongoing efforts to research new materials and pursue integrated sustainability goals.

Euro3plast decided to issue its first Sustainability Report in order to transparently report and disclose as much information as possible, and to communicate its growing commitment to reducing the environmental, social and economic effects of its business.

To ensure that information is conveyed clearly and comprehensibly for all the company's stakeholders, this report has been prepared in accordance with GRI Standards.

The data in this Report refer to the three-year period: 2021-2022-2023.

The reporting boundary refers to the company's management operations, production at the Ponte di Barbarano (VI) site, and the marketing of products on the market.

Each reported disclosure is explicitly mentioned in the document, at the beginning of the relevant paragraph.

Below is a list of GRI contents through a summary framework of the disclosures considered.



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Euro3plast S.p.A.
v.le del Lavoro, 45
36048 Ponte di Barbarano (VI)
Italy

t +39 0444 788200
info@euro3plast.com

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p. 65 Olena Bohovyk
p. 80-81 Johnny McClung



Viale Del Lavoro, 45
36048 Ponte Di Barbarano (VI)
T +39 0444 788200



www.euro3plast.com
info@euro3plast.com