



SUSTAINABILITY
REPORT
2022

ITELYUM 
SUSTAINABILITY
REPORT
2022

Letter to the stakeholders

Dear readers,
 The publication of this report comes just over a month after the celebration of Itelyum's 60-year anniversary. It all began in May 1963 with the construction of a waste oil regeneration plant in Pieve Fissiraga, owned by the company then known as Viscolube, a venture that anticipated the concept of the circular economy by several decades. Today, we continue to be guided by the same pioneering approach, recognizing the importance of investing in innovation and technology to compete in increasingly challenging markets in terms of quality, from the high-performance automotive and motorcycle industries to pharmaceuticals and cosmetics, to name a few. During 2022 and early 2023, the growth project promoted by the Itelyum Group in

Italy, resulted in our expansion into new sectors. These included environmental consulting, port services, and the energy valorization of non-recyclable waste. This expansion made the integration of recently acquired companies more complex. Moreover, the integration process plays a key role in aligning newly acquired entities with the Group's mission and vision, which include the achievement of the sustainability targets that form the basis for the Sustainability-Linked Bond issued in October 2021.

The acquisitions of the Crismani Group companies in Trieste, in addition to Secomar and Ambiente Mare in Ravenna, launched a new line of business for us, focused on providing environmental services in ports, which closely align with the services already offered by our



Environment Division. By entering this sector, we intend to expand horizontally and introduce our circular economy model to a new industry. All of this confirms our desire to apply our business model to new supply chains and optimize the circular destinies of managed waste as a result.

On the other hand, the acquisition of Ecowatt in early 2023 forms part of the Group's vertical integration strategy. This acquisition is focused on establishing a final destination plant that generates energy from non-recyclable waste, which perfectly aligns with the Company's circular economy objectives.

Despite the difficult context and challenging socio-economic dynamics, notably influenced by the escalating conflict in Ukraine, we successfully grew as a company. These dynamics did not limit our social commitment, first and foremost to our employees, who play a strategic role in Itelyum's success.

One such example is the "1000 x 1000," project, which sought to foster proximity and inclusion. As part of the initiative, the Group granted a special bonus of Euro 1000 to all employees to help them manage rising energy costs and inflation. Today, we are a unified Group consisting of 28 companies and over 1,300 employees. Together, we foster local excellence and operate harmoniously within the region, guided by shared values and a unique culture of sustainability, which forms a core part of our circular business model.

Our attempts to promote a culture of sustainability in the local area also continued, both with projects involving schools and



In the photo above:
Antonio Lazzarinetti
 Chairman

In the photo below:
Marco Codognola
 Chief Executive Officer



ITELYUM: 60 YEARS OF HISTORY OF CIRCULAR ECONOMY, WITH A MINDSET ORIENTED TO THE FUTURE AND TO NEW SECTORS AND GEOGRAPHIES

universities, which seek to promote STEM subjects and green jobs opportunities, and with local community initiatives.

Over the past year, we put this commitment into practice by hiring new professionals from STEM backgrounds. We also placed emphasis on attracting women, acknowledging the increasing interest they have shown in our sector, which used to be predominantly male-oriented. At the same time, we sought to create training and talent development paths that allow our employees to grow, promoting inclusion at all organizational levels. This year, the Group confirmed environmental topics as a priority, not least due to the commitments enshrined in the sustainability targets associated with the Sustainability-Linked Bond issued by Itelyum.

It is also important to mention the updates to the IFEU study¹, promoted by the European association of used mineral oil regenerators (GEIR). The study revealed that the use of regenerated lubricant bases has an even more substantial impact on the reduction of emissions than previously thought, contributing 70% fewer emissions than those produced from virgin raw materials. While we are on the topic of environmental concerns, the macro-economic

landscape focused the attention of all companies on the importance of energy efficiency. Given the energy-intensive nature of Itelyum's regeneration plants and the need to use heat for waste treatment processes, we have always paid close attention to our energy consumption. As a significant achievement, we obtained ISO 50001 certification for our plants in Pieve Fissiraga (LO) and Ceccano (FR) in 2022.

This achievement serves as a launch pad for a collaborative project to reduce consumption and the related emissions, which will be facilitated by an ongoing digitalization process that will provide access to the essential information and simulations required to make the necessary improvements.

The impressive economic results we achieved this year accelerated our sustainability projects, revealing a positive correlation between the two. Economic results are synonymous with shared value for the Group as our core business is sustainable. When it comes to sustainable business within our sector, integrity serves as a fundamental value. It is ingrained in our approach, starting with the due diligence processes we conduct at target companies, and extending to our everyday management

ITELYUM DEMONSTRATES ITS DESIRE TO PLAY A KEY ROLE IN THE ONGOING ECOLOGICAL TRANSITION PROCESS

¹ www.geir-rerefining.org/ifeu-study-summary

² www.agcm.it/competenze/rating-di-legalita

practices, so much so that all Group companies boast high legality ratings², an achievement we continued to uphold this year. Integrity also requires us to comply with the strictest health and safety standards, enabling us to surpass industry benchmarks.

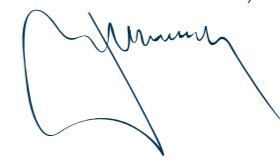
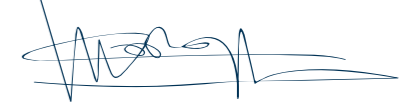
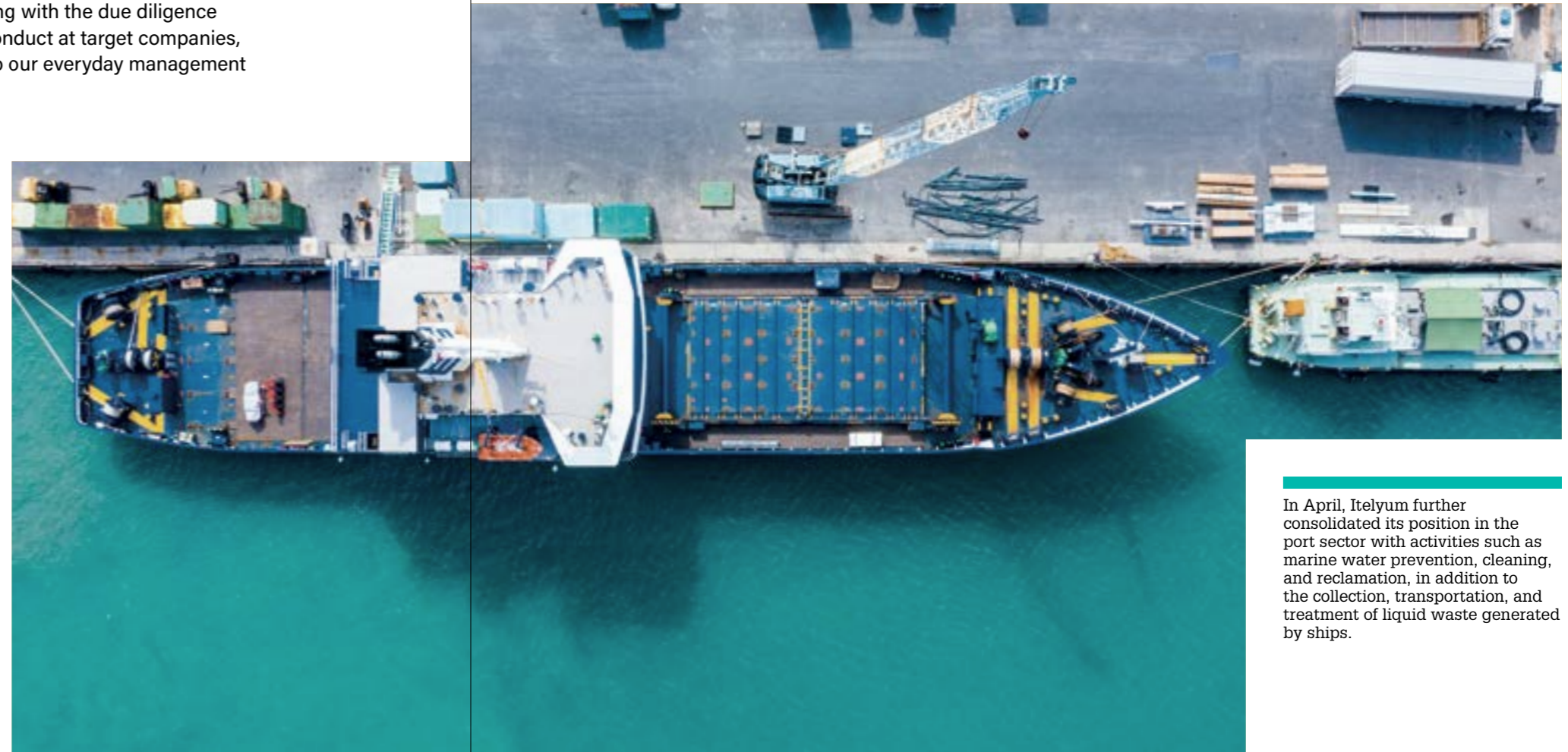
Thanks to this approach, our Ceccano plant celebrated ten years without any recorded injuries this year. In addition to the indicators and initiatives outlined in this report, our commitment to sustainability is further demonstrated by our participation in the UN Global Compact and the Global Compact Network Italia Foundation, of which Itelyum is a founding member. We adhere to the ten principles defined by these organizations in our Code of Ethics.

This Sustainability Report is an opportunity to communicate with our stakeholders and share our results. This year's materiality analysis also seeks to define key topics for our sustainability strategy, which we are committed to formalizing and sharing with you next year.

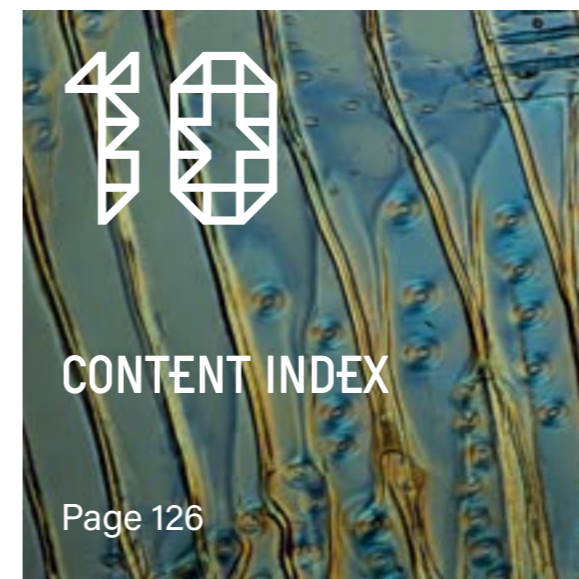
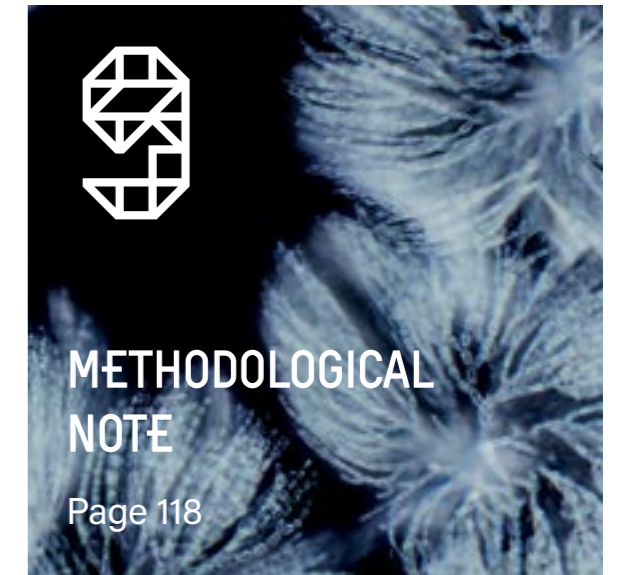
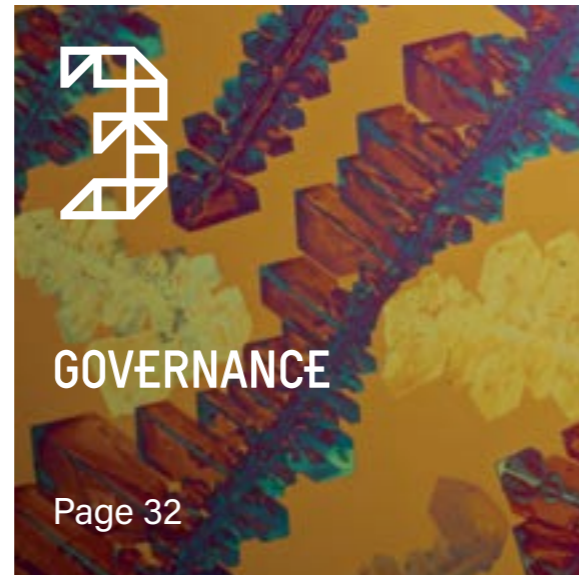
By being transparent about its challenges, projects, and results – as it has done for several years in its reports – Itelyum demonstrates its desire to play a key role in the ongoing ecological transition process, and it is important that our stakeholders are aware of this.

Antonio Lazzarinetti

Marco Codognola

In April, Itelyum further consolidated its position in the port sector with activities such as marine water prevention, cleaning, and reclamation, in addition to the collection, transportation, and treatment of liquid waste generated by ships.



For further information, scan the QR code and visit the Itelyum Sustainability page.





INTRODUCTION

"Do not judge wrong what you don't know, take the opportunity to understand".

Pablo Picasso

1.1 Group profile

The Itelyum Group is a national leader and international player in the field of industrial waste management and recovery. As a global pioneer of the circular economy, Itelyum places sustainability at the heart of its business strategy.

Its focus lies on providing innovative, integrated services with high environmental and social value. Itelyum's objective of creating shared value for its business partners, society as a whole, and the environment is based on three strategic approaches: the provision of sustainable solutions to regenerate waste lubricant oils, to purify solvents and chemical waste, and to provide environmental services for industrial purposes.

- The **Regeneration** division, which oversees the re-refining of waste mineral oils at its two plants in Pieve Fissiraga (LO) and Ceccano (FR);
- The **Purification** division, which oversees the production and trading of solvents following the extraction of value from chemical waste and high-purity solvents. This process has involved the manufacture of starting materials for the pharmaceutical industry at a plant in Landriano (PV) and a drum filling site in Rho (MI) for a number of years;
- The **Environmental Solutions** division, which comprises several companies offering a comprehensive range of environmental services for business that produce special waste, managing about 975,000 tons of waste a year, a significant share of which is hazardous.

Today, Itelyum is able to handle a total of 1.8 million tons of special waste, including transport and services.

Three strategic lines define Group's pathway: Regeneration, Purification and Environmental Solution.

1.2 Highlights 2022

		2021	2022
Revenues ³	Milioni di €	466.0	552.4
Adjusted EBITDA	Milioni di €	89.6	105.5
Employees	#	867	1,139
Emissions avoided	tCO ₂	473,783	497,804
Circularity index ⁴	%	85%	84%
Injury frequency index ⁵	# per million hours worked	12.3	17.8
Managerial positions held by women ⁶	#	14%	15%

This report will delve into key relevant information, providing coverage on the above details.

³ "Reported revenues" that adhere to the accounting principles used to prepare the Consolidated Financial Statements of Itelyum Group S.r.l. at December 31, 2022 (formerly Verde Midco S.r.l.). New companies acquired during the year are consolidated from the date they joined the Group. Given that the Consolidated Financial Statements for the year ending December 31, 2021 are the first set of consolidated financial statements prepared by the Parent Company, we note that they pertain to a specific company scope defined on October 4, 2021. Consequently, the economic and financial results presented in the 2021 Sustainability Report and the Directors' Report for the Consolidated Financial Statements of Itelyum Group S.r.l. at December 31, 2021 (formerly Verde Midco S.r.l.) cover a time frame of only three months. To provide a comprehensive

overview, the financial results for 2021 are based on unaudited "pro-forma" and uniform Group data at December 31, 2021. This includes the consolidation of Itelyum Regeneration S.p.A. (formerly SSCP Green Holdings S.A.), which was acquired in October 2021, along with its subsidiaries, including Castiglia S.r.l. and Nuova Satro S.r.l. (acquired in July 2021), in addition to Padana Recupero S.r.l. (acquired in October 2021), for a 12-month period.

⁴ The circularity index is calculated as the ratio of the sum of product outputs, purified water, and waste sent for recovery by third parties to waste and raw material inputs. The index does not account for transported waste.

⁵ Employee injuries that resulted in more than 24 hours of absence from work are accounted for.

⁶ Number of managers and Executives per total employees in that job category.

Highlights

People

1,100+

Tons of waste managed

1,800,000

Circularity index

84%

Tons of avoided emissions

500,000

1.3

Market overview and global challenges

The primary defining event of 2022 was undoubtedly Russia's unilateral invasion of Ukraine, which led to a bloody conflict that continues to this day and whose potential duration and outcome remain uncertain. The conflict has had, and continues to have, indirect worldwide repercussions, involving all Western countries due to the support given to the Ukrainian government.

Economic sanctions imposed on Russia and disruptions to food supplies from Ukraine set off a chain of events that affected the entire world, resulting in an energy, economic, and food crisis. From an economic standpoint, the defining phenomenon of 2022 was inflation, which escalated to significant levels, impacting various sectors. The food sector, in particular, experienced the highest price levels ever recorded⁷, ultimately triggering a global crisis that only started to show the first signs of improvement at the beginning of 2023. In Europe, the combination of the pandemic and subsequent inflation significantly increased

the number of households categorized as living below the poverty line, leading to increased inequality. This had a disproportionate impact on vulnerable segments of the population, including women, young people, non-nationals, people with disabilities, and their families.

In the environmental world, awareness and daily evidence of the impact of climate change increased in 2022. The concept is no longer a future possibility but a current phenomenon, primarily due to the drought that struck northern Italy and Europe, affecting industrial policies, which will have to be adapted to encourage the more efficient use of resources.

The risk of a Russian supply disruption, coupled with soaring gas and electricity prices, also spurred the adoption of efficient processes and reduced consumption in the energy sector. This was achieved through a combination of conditional initiatives and increasingly competitive renewable energy investment projects. The impact of these efforts on reducing climate-altering emissions is not yet apparent.

The need to limit gas consumption, the drop in hydropower production due to drought, and the economic recovery (with a GDP growth of 2.6%) collectively contributed to a 1% rise in nationwide CO₂ emissions⁸. Amid the challenges of limited resources, soaring prices, and the crucial climate change debate, the circular economy is playing an increasingly relevant role.

It serves not only as a valuable source of (recycled) resources but also as a catalyst for decarbonizing supply chains. Finally, an emerging topic that is entering the environmental sustainability discourse concerns the protection of biodiversity, both due to its environmental and social value as a crucial food source and its impact on maintaining the equilibrium of ecosystem services. This includes all associated risks (such as potential pandemics linked to new viruses). Environmental factors impact our society. The climate crisis, accompanied by extreme events ranging from droughts to floods, lead to an escalation in migratory movements. This phenomenon is further exacerbated by

ongoing conflicts. The real challenge and opportunity from a social standpoint in the upcoming years will be the ability to welcome and integrate migrant individuals into an aging Europe and Italy with low birth rates. Italy is struggling to recruit talent and professionals in various fields, including the medical, nursing, and technical sectors. Addressing this issue requires an inclusive approach, working to ensure a more diverse set of individuals have access to employment through supportive policies and initiatives.

⁷ www.fao.org/worldfoodsituation/foodpricesindex/en

⁸ www.isprambiente.gov.it/it/archivio/notizie-e-novita-normative/notizie-ispra/2022/12/nel-2022-stimato-aumento-dello-0-9-rispetto-al-2021



**SUSTAINABILITY
DEVELOPMENT
ALLOWS TO FACE
GLOBAL CHALLENGES**



THREE WAYS, ONE MISSION

Though it presented a challenging environment, 2022 was another year of strong growth for Itelyum. In April, the Group strengthened its position as a multifunctional player in the circular economy, expanding the range of services provided to various industrial supply chains.

2.1 Business model and value chain

Though it presented a challenging environment, 2022 was another year of strong growth for Itelyum. In April, the Group strengthened its position as a multifunctional player in the circular economy, expanding the range of services provided to various industrial supply chains. This expansion involved adding activities related to the design and maintenance of water treatment and purification plants for many large industrial customers to the Group's integrated waste management endeavors.

This addition was made possible by the acquisition of S.C.I.E. S.r.l., a reputable company based in the province of Bologna. Since its foundation in 1982, S.C.I.E. S.r.l. has established a team of skilled technicians and professionals equipped with valuable expertise in water treatment technologies. In July, Itelyum further expanded its offerings with the acquisition of companies from the Trieste-based Crismani Group, which has been active in waste management for more than 50 years and operates in the port sector in Trieste, Monfalcone, and San Giorgio di Nogaro.

The acquisition marked Itelyum's entry into the port environmental management market and into the activity of sea protection and reclamation, while also strengthening its services business for major industry as a "global service provider". Crismani, now Itelyum Sea FVG, also offers buoyancy, towing, and emergency response services at sea, has a fleet of more than 30 vessels, and is equipped with bilge and ballast water treatment plants and soil washing facilities.

Today, we are a unified Group consisting of 28 companies and over 1,300 employees. Together, we foster local excellence and operate harmoniously within the region, guided by shared values and a unique culture of sustainability, which forms a core part of our circular business model.

At the end of the year, Itelyum finalized the acquisition of Ecologica Tredi S.r.l., which is involved in the treatment and addition of value to both hazardous and non-hazardous industrial waste, with consolidated expertise in the recycling of oil filters – from which iron, aluminum, and contaminated metal packaging are recovered – in addition to the preparation of mixtures to reduce energy.

In addition, Itelyum Net was founded at the beginning of 2022, thus allowing the Group to act as a single entity in negotiations with public and/or private third parties and represent the needs of participating companies in terms of economic results, SOA certifications (certification for participation in tenders), enrolment in Italy's National Register of Environmental Operators, site capacity needs, and the availability of vehicles and equipment. The first few months of 2023 also featured growth, with the acquisition of Ecowatt Vidardo S.r.l.. This is a strategic transaction designed to

vertically integrate the Environment Division's activities with a final destination plant that generates energy, thus perfectly aligning them with the Company's circular economy objectives. Ecowatt carries out within its own plant in Castiraga Vidardo, in the province of Lodi, the waste-to-energy activity of CSS (secondary solid fuel) derived from non-hazardous and non-recyclable special waste, in addition to waste biomass. Lastly, in April, Itelyum further consolidated its position in the port sector through the majority acquisition of Secomar S.p.A. and Ambiente Mare S.p.A..

These two companies operate in the port of Ravenna, engaging in activities such as marine water prevention, cleaning, and reclamation, in addition to the collection, transportation, and treatment of liquid waste generated by ships. Ambiente Mare owns and manages a treatment plant dedicated to handling various types of liquid waste, including oil, sludge, and hazardous and non-hazardous substances.



Presence in Italy



- 1 - Torino
- 2 - Settimo Torinese (TO)
- 3 - Trecate (NO)
- 4 - San Giuliano Milanese (MI)
- 5 - Filighera (PV)
- 6 - Mezzanino (PV)
- 7 - Mortara (PV)
- 8 - Landriano (PV)
- 9 - Rho (MI)
- 10 - Casirate d'Adda (BG)
- 11 - Pieve Fissiraga - Headquarter (LO)
- 12 - Castiraga Vidardo (LO)
- 13 - Verona
- 14 - Legnago (VR)
- 15 - Vittorio Veneto (TV)
- 16 - Oderzo (TV)
- 17 - Motta di Livenza (TV)
- 18 - Gradisca di Sedegliano (UD)
- 19 - Palmanova (UD)
- 20 - Trieste
- 21 - Lendinara (RO)
- 22 - Fiorano Modenese (MO)
- 23 - Bologna
- 24 - San Pietro in Casale (BO)
- 25 - Ravenna
- 26 - Perugia
- 27 - Ceccano (FR)
- 28 - Massafra (TA)

Regeneration Solutions

Itelyum Regeneration S.p.A.
 Pieve Fissiraga (LO) / Itelyum Headquarter: regeneration of waste oils; treatment of oily emulsions.
 Ceccano (FR): regeneration of waste oils.

Purification Solutions

Itelyum Purification S.p.A.
 Landriano (PV): regeneration and recovery of used solvents; production and trading of pure solvents; synthesis of pharmaceutical starting materials.
 Rho (MI): bottling and logistics.

Im.Tra.S. S.r.l.
 Landriano (PV): transport of waste and chemicals (operational site).

Soluzioni per l'Ambiente

Aeco S.r.l.
 Bologna: waste brokerage.

Agrid S.r.l.
 Casirate d'Adda (BG): sale of products and by-products from the recycling of industrial and food waste.

Ambiente Mare S.p.A.
 Ravenna (RA): chemical, physical and biological treatment of hazardous and not hazardous liquid and muddy waste.

Area S.r.l.
 Gradisca di Sedegliano (UD): industrial water treatment.
 Motta di Livenza (TV): administrative office.

Carbo-Nafta Ecologia S.r.l.
 Perugia: brokerage, collection, transportation, and storage of hazardous and non-hazardous waste.

Castiglia S.r.l.
 Massafra (TA): management of waste/sludge generated by water/sewage treatment processes; maintenance of water networks/systems; environmental decontamination; design and revamping of waste disposal plants; port services; brokerage and transport.

Centro Risorse S.r.l.
 Motta di Livenza (TV): storage, treatment, recovery and extraction of value from hazardous and non-hazardous waste.

De Luca Servizi Ambiente S.r.l.
 Vittorio Veneto (TV): collection, transportation, and storage of solid and liquid waste. Treatment of oily emulsions.
 Verona: collection, transportation, and storage of solid and liquid waste.

Ecologica Tredi S.r.l.
 Legnago (VR): storage, treatment, recovery and extraction of value from hazardous and non-hazardous waste.

Ecowatt Vidardo S.r.l.
 Castiraga Vidardo (LO): waste-to-energy of non hazardous and biomass waste.

Fer.Ol.Met. S.r.l.
 San Giuliano Milanese (MI): brokerage, collection, transportation, and storage of hazardous and non-hazardous waste.

Idroclean S.r.l.
 Casirate d'Adda (BG): treatment of hazardous and non-hazardous liquid waste.

Innovazione Chimica S.r.l.
 Motta di Livenza (TV): ISO 17025 accredited laboratory Water, soil, waste, microbiology, and emissions analysis; environmental consulting.

Intereco S.r.l.
 Fiorano Modenese (MO): storage, treatment, and recovery of hazardous and non-hazardous industrial waste.

Itelyum Sea FVG S.r.l.
 Trieste: Waste and cleaning services for port, for municipalities and large industries.

Keoma S.r.l.
 Motta di Livenza (TV): waste collection and transportation.

Labio.Lab S.r.l.
 Casirate d'Adda (BG): laboratorio analisi chimiche.

Neda Ambiente FVG S.r.l.
 Palmanova (UD): solid and liquid waste collection, transportation, and storage; Environmental assistance and consulting on waste management.
 Oderzo (TV): safety, environment, and food hygiene consultancy services; management of certification systems; training.

Rimondi Paolo S.r.l.
 Bologna: collection, transport, storage and treatment of solid and liquid waste; treatment of oily emulsions.

Rirae S.r.l.
 Trecate (NO): WEEE collection and recovery.

SAM S.r.l.
 Mezzanino (PV): stoccaggio rifiuti liquidi.

SCIE S.r.l.
 San Pietro in Casale (BO): design and maintenance of treatment and water purification plants.




Secomar S.p.A.
 Ravenna (RA): port services, prevention and marine pollution remediation, withdrawal of ship-generated liquid waste, cleaning water mirrors, supply of oil products and bunkering.

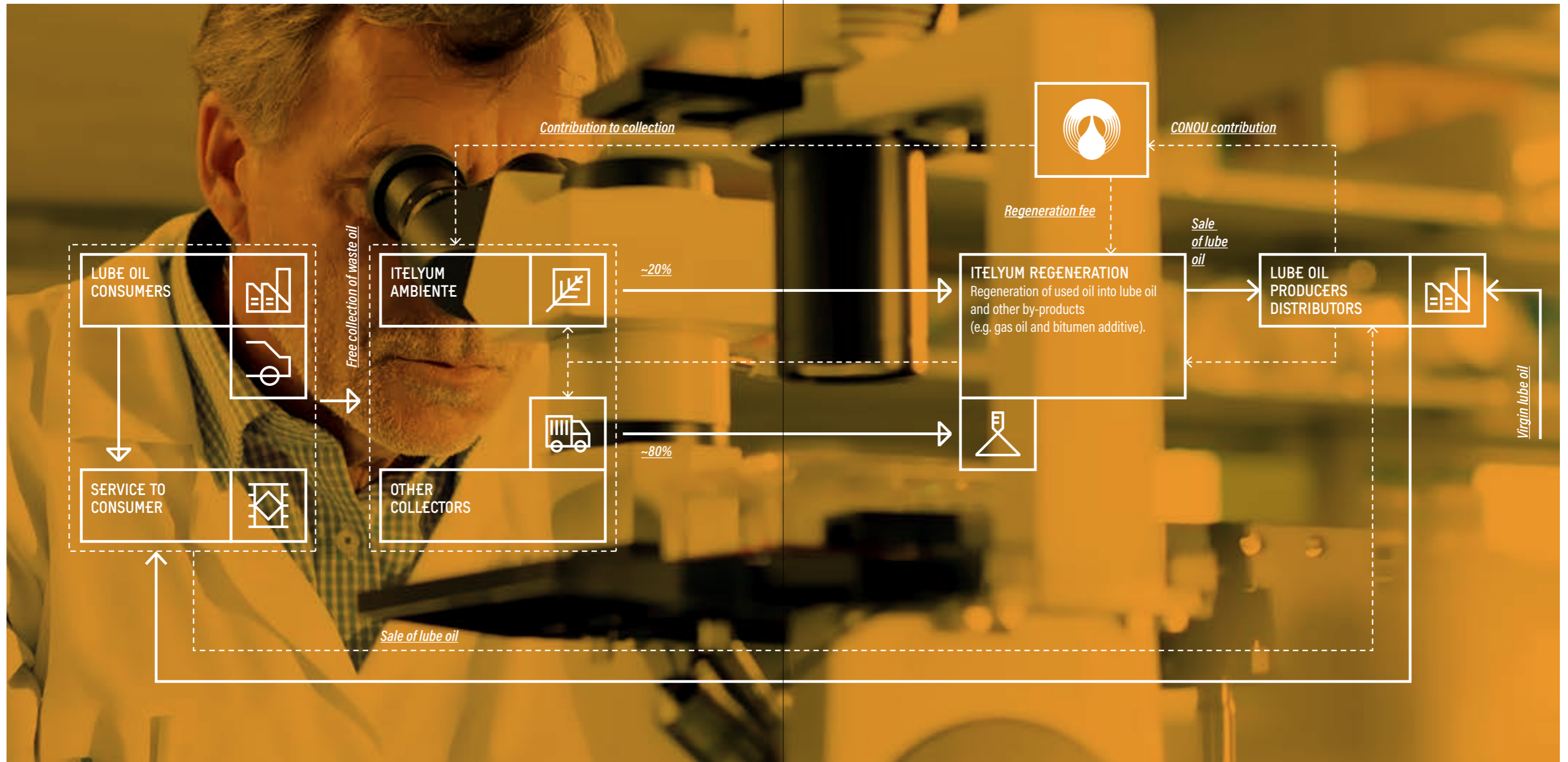
Sepi Ambiente S.r.l.
 Settimo Torinese (TO): collection, transport, storage and treatment of solid and liquid waste.
 Torino: collection, transport and storage of solid and liquid waste.

Regeneration

For more than 50 years, Itelyum Regeneration S.p.A. has led the way in Europe with regard to the regeneration of waste mineral oils in order to produce quality lubricant bases using a proprietary process.

Legend




- Waste 
- Products 
- Money 

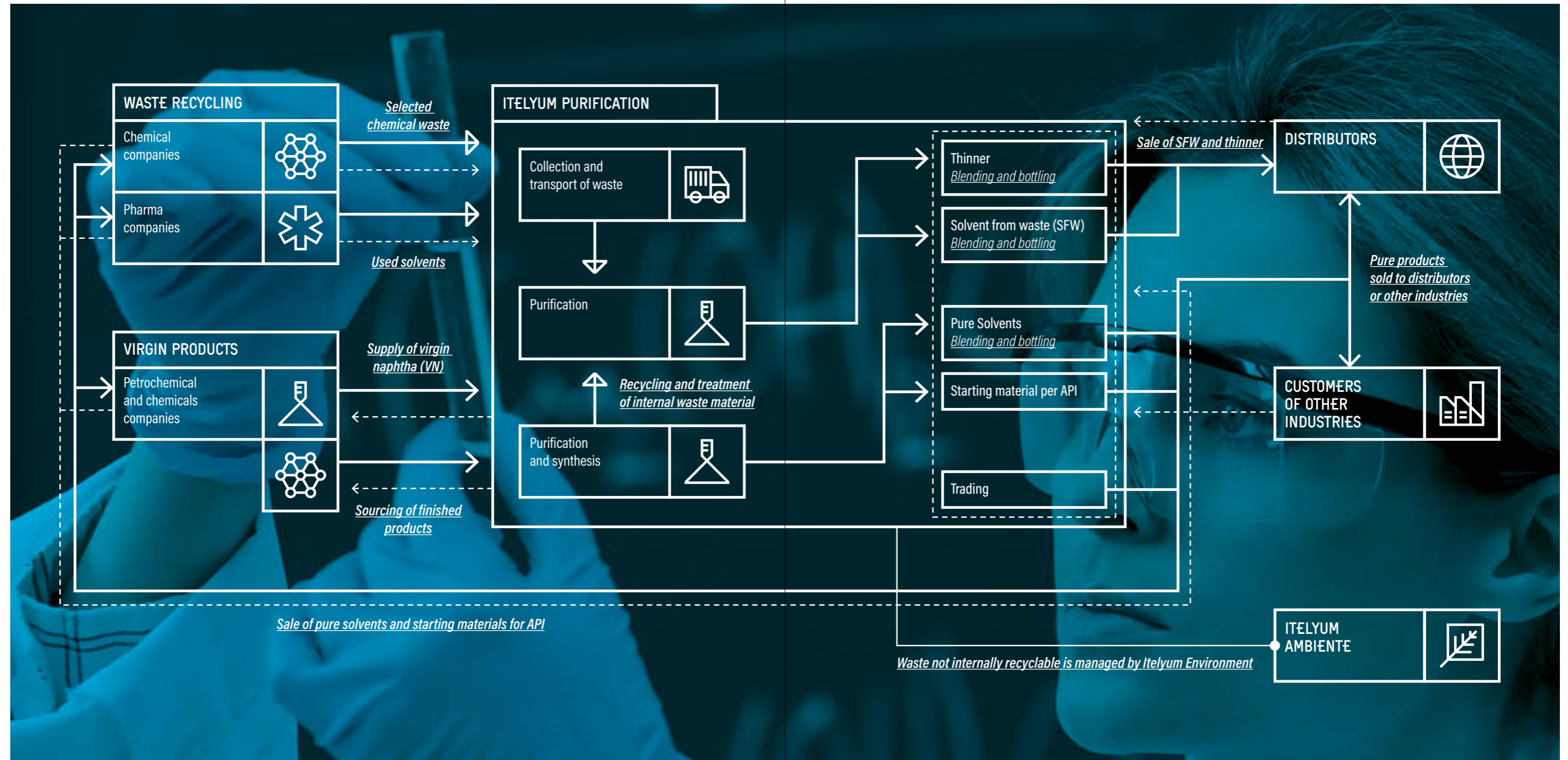


Purification

Itelyum Purification S.p.A., has been a market leader in the production and trading of solvents by extracting value from chemical waste and high-purity solvents for over 40 years, and has also manufactured starting materials for the pharmaceutical industry for several years.

Legend

- Waste 
- Products 
- Money 

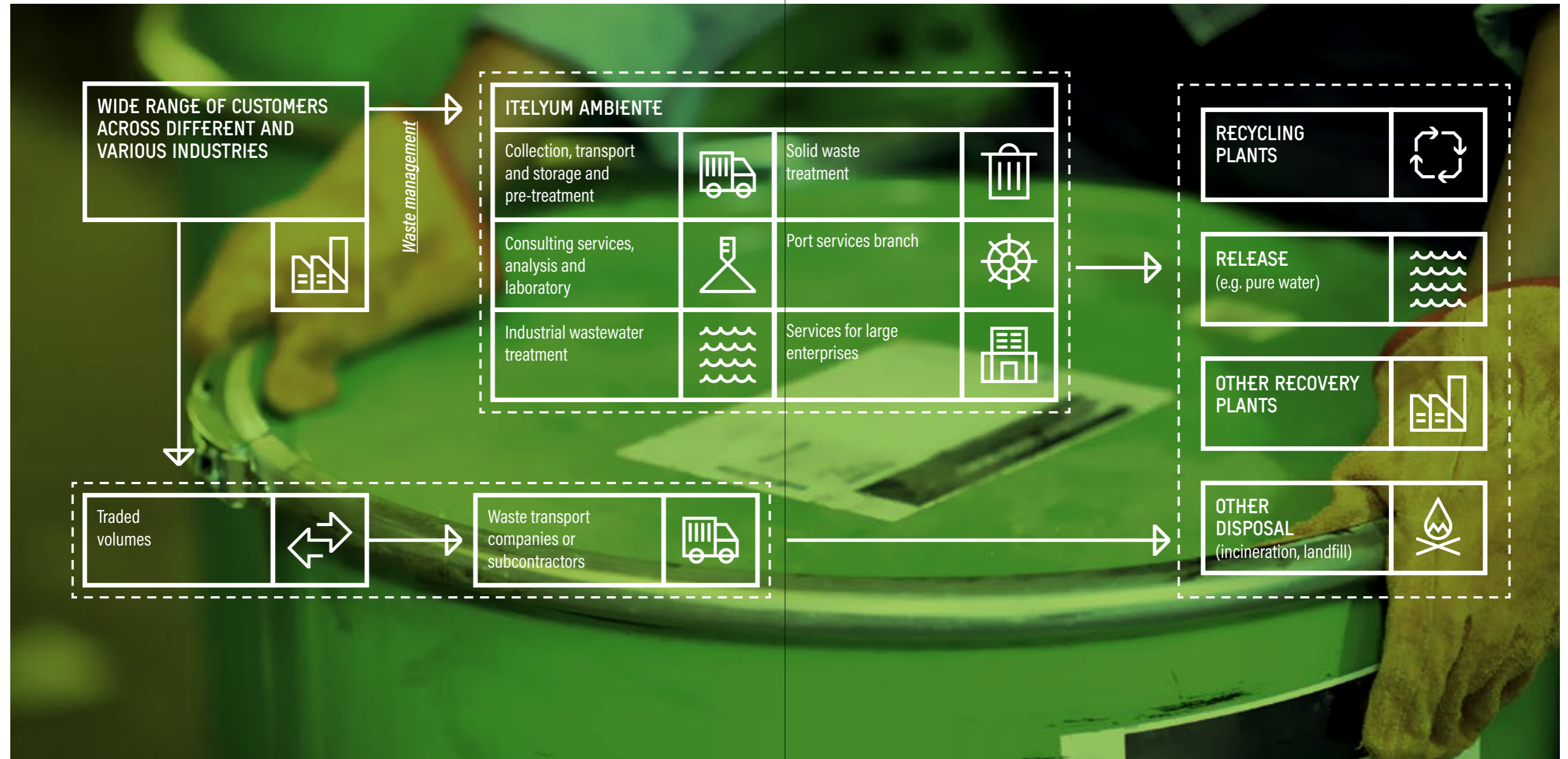


Environmental solutions

The Group provides a comprehensive range of environmental services for companies that produce special waste. It plays an active role in the hazardous waste collection sector, collecting, managing and sending approximately 950,000 tons of waste for recovery or disposal each year.

Legend

Waste 

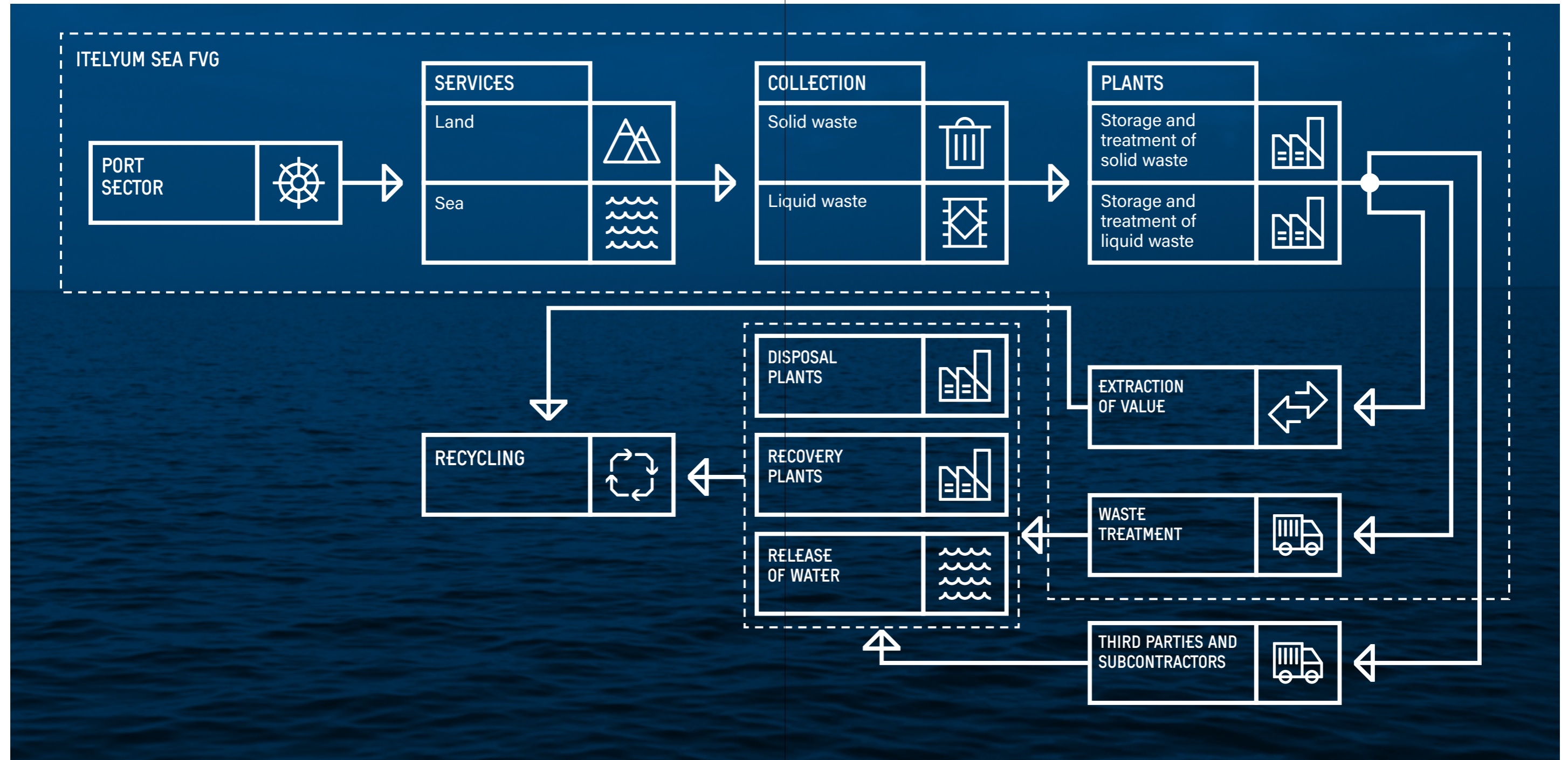


The new port services branch

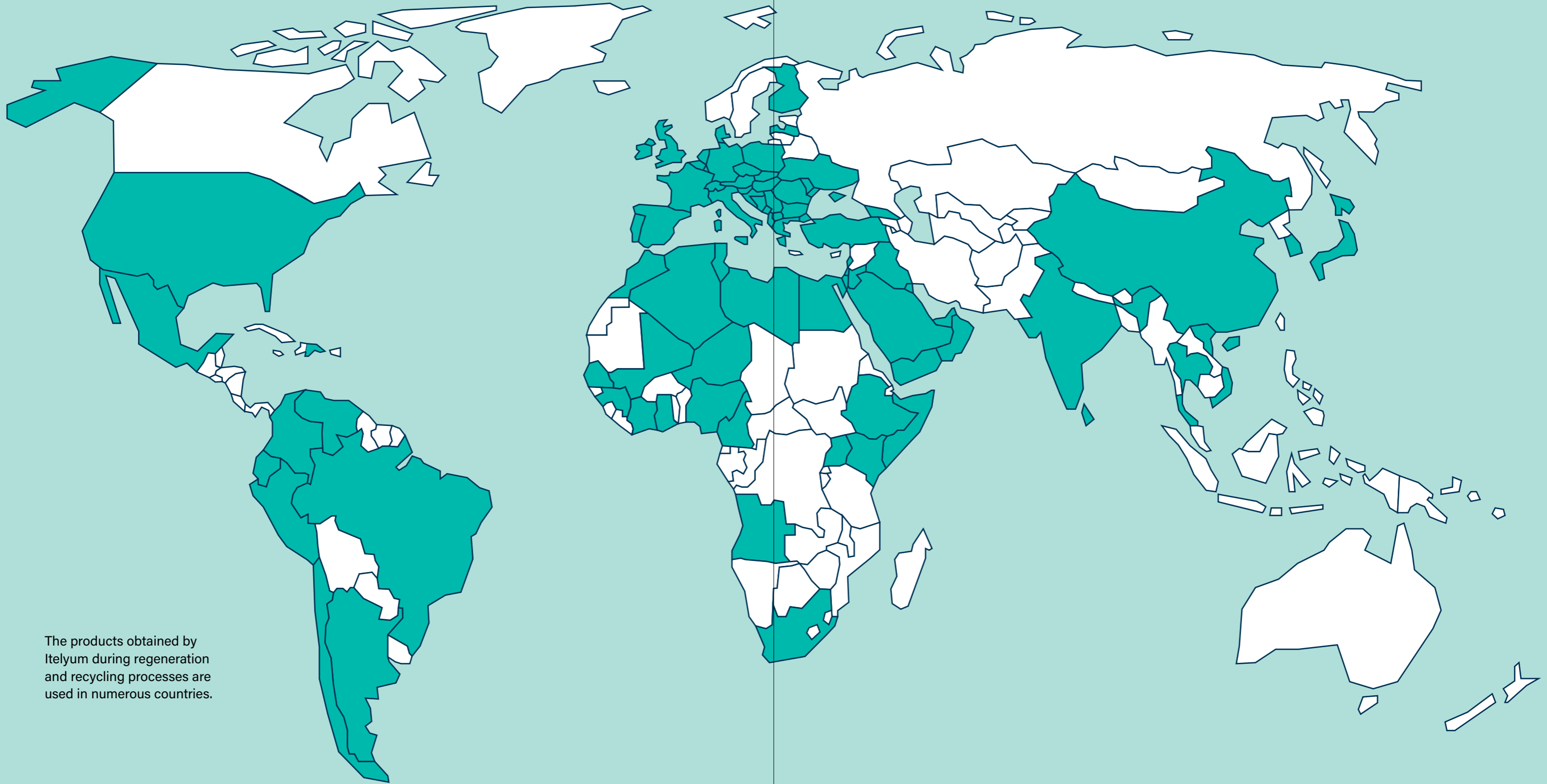
A new supply chain that expands the services offered by the Environment Division to the port area and to marine water cleaning and reclamation.

Legend

Waste 



Markets served



The products obtained by Itelyum during regeneration and recycling processes are used in numerous countries.



Sustainability is one of the main drivers in the Itelyum Group's decision-making processes, both with regard to its parent companies and each individual investee company. The Group's orientation towards the holistic adoption of this concept lies primarily in the attention and care that its majority shareholder pays to these topics.

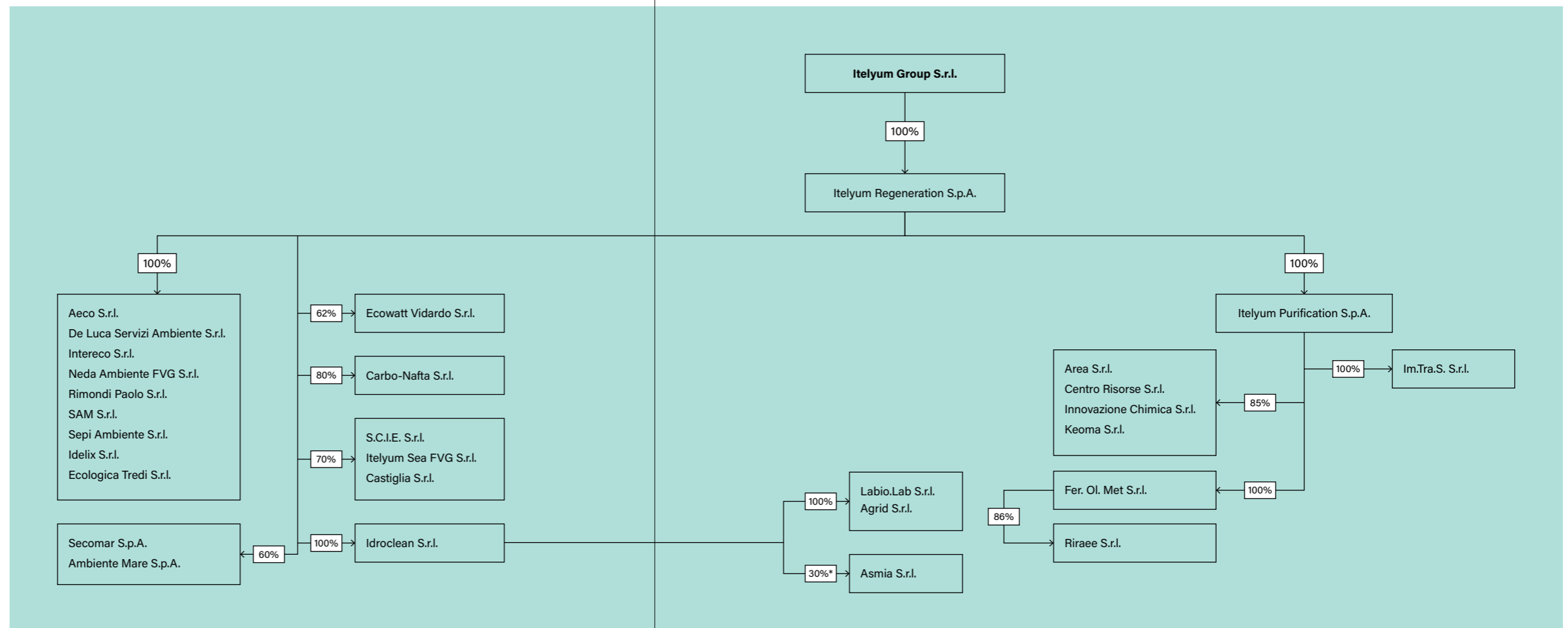
Corporate governance is intrinsically linked to a growing awareness of all the topics that are connected to, or at the very least relevant to, sustainability.

Governance and sustainability boards

Sustainability is one of the main drivers in the Itelyum Group's decision-making processes, both with regard to its parent companies and each individual investee company. The Group's orientation towards the holistic adoption of this concept lies primarily in the attention and care that its majority shareholder, the private equity fund, Stirling Square Capital Partners, pays to these topics. For example, the shareholder bases every step of the investment,

planning, and control process for improving sustainability performance on the United Nations Principles for Responsible Investment (PRI).

The diagram below shows the Group's organizational chart at April 31, 2023. The major corporate changes made in early 2023 will be described in the paragraph that follows.



(*) Consolidated P&L at 68%

A governance model in which sustainability is managed at highest level through the Sustainability Advisory Committee and the Chief Sustainability Officer reporting directly to the CEO.



Environmental and social responsibility and general responsibility for sustainability topics are inherent in Itelyum Group's corporate governance structure, which is constantly focused on creating shared value for all of its companies.

Corporate governance is intrinsically linked to a growing awareness of all the topics that are connected to, or at the very least relevant to, sustainability. This awareness is justified by the need to consolidate ethical and moral objectives and the fact that the market now perceives it as a tool capable of generating economic benefits in terms of increased revenue and capital attraction. It therefore serves as a basis for the creation of new value. For this reason, the Itelyum Group promotes a policy of supporting social and environmental initiatives and participating in roundtable discussions, in addition to educational sustainability events. In keeping with this policy, the Group also intends to be perceived by third parties, including customers and suppliers, as a brand that is mindful of these values.

At the structural and organizational level, the main governance bodies of each company are the Shareholders' Meeting and the Board of Directors (hereinafter also the "Board").

Even though both entities hold decision-making powers that influence the Company's operations at various levels, the Board remains the central hub of corporate governance and is the governing body responsible for overseeing routine activities and day-to-day operations. The Shareholders' Meeting, on the other hand, solely decides on matters assigned to it by law and the Company's By-Laws, including the appointment of Directors. In any case, whether it results from a decision made or adopted by the Board following a motion passed by the Shareholders' Meeting, the Group's management policy and business strategy are the result of a thorough assessment of all the potential consequences and risks associated with sustainability and the circular economy.

At December 31, 2022, the Board of Directors of Itelyum Regeneration S.p.A. consisted of three members: the Chairperson, Antonio Lazzarinetti;



the CEO, Marco Codognola; and the CFO, Stefano Cavacini.

As a further demonstration of the Itelyum Group's commitment to sustainability, we highlight the presence of a Sustainability Advisory Committee. The latter comprises members of the Board of Directors of Itelyum Regeneration S.p.A., in addition to a third-party expert who acts as Chairperson of the Committee. The Sustainability Advisory Committee has the primary task of providing ongoing assistance to the entire corporate team on various sustainability topics, making strategic recommendations to improve the Group's involvement, and implementing guidelines for all Group companies based on new ESG trends.

At the managerial level, the Group's sustainability journey is overseen by the Sustainability and Corporate Identity Department, which includes the Chief Sustainability Officer, who reports directly to the CEO, along with a supporting team. This Department manages stakeholder engagement activities and associated projects,

utilizing a network of focal points across the Group's various corporate entities. These focal points promote a culture of sustainability within their respective companies and serve as contact persons for various project and reporting initiatives.

Composition of the BoD	3	100%
Of which male	3	100%
Of which female	0	0%
Of which under 30	0	0%
Of which between 30 and 50	0	0%
Of which over 50	3	100%

Itelyum Group growth and reorganization policy

The Itelyum Group has adopted a policy of continuous expansion, including through the acquisition of companies and a corporate reorganization process, all with the intention of making the management of activities and the Group's strategy more effective and easier to pursue. Vertical and horizontal exponential growth naturally made the process of integrating successively acquired companies more complex.

The integration process is necessary to align the Group's mission and vision with those of acquired entities and includes the pursuit of specific sustainability targets alongside other objectives. A number of mergers between subsidiaries yielded the first concrete results to the benefit of the Group's pre-set streamlining goals. Where a synergy is identified between two or more Group companies, such as in the case of Crismani Group S.r.l. and Navigazione Stoini S.r.l., the aforementioned corporate transaction takes place. An example of this is the merger of

the two companies into Sea Service S.r.l. (now known as Itelyum Sea FVG S.r.l.).

The corporate reorganization also involved Itelyum Regeneration S.p.A. and a number of companies superordinate to it. Specifically, the merger by incorporation of Verde Bidco S.p.A. and Green Holdings S.p.A. (which, until May 16, 2022 was SSCP Green Holding S.A.) into Itelyum Regeneration S.p.A. (hereinafter also the "Merger") took place on January 11, 2023. The Merger can be seen as a key contributor to the simplification of internal processes: Itelyum Regeneration S.p.A. became a direct subsidiary of Verde Midco S.r.l. (now Itelyum Group S.r.l. following the renaming process).

This decision places the latter in a position to influence the operations of Itelyum Regeneration S.p.A. and all the companies it directly or indirectly controls through the exercise of management and coordination activities. In addition, the Merger resulted in the reconstitution of the internal bodies of Itelyum Regeneration S.p.A. Specifically, as the approval



The integration process plays a key role in aligning newly acquired entities with the Group's mission and vision, which include the achievement of some sustainability targets.



INTEGRATION AND SIMPLIFICATION ARE THE CORE OF CORPORATE REORGANIZATION

of the 2022 budget coincided with the expiration of the Board of Directors' term of office in both Itelyum Group S.r.l. and Itelyum Regeneration S.p.A., the latter being the company into which all the legal relationships of Verde Bidco S.p.A. (including the Sustainability-Linked Bond, mentioned later) and Green Holdings S.p.A. were merged, the decision was made to appoint a new Board of Directors for Itelyum Regeneration S.p.A.. This new Board consists of five members, as opposed to the previous composition of three members. Specifically, on April 28, 2023, the Shareholders' Meeting of Itelyum Group S.r.l. made the decision to appoint the new Board of Directors for Itelyum Regeneration S.p.A.

The appointment included not only the Directors who were previously appointed in 2021 but also two additional Directors who were already serving on the Board of Directors of Itelyum Group S.r.l. These two Directors were nominated by the majority shareholder, Stirling Square Capital Partners Fund IV, and the minority shareholder, DBAG, respectively. In contrast, the composition of the Board of Directors of Itelyum Group S.r.l. remained unchanged.

The planned new appointments to the Board of Directors of Itelyum Regeneration S.p.A. are designed to strengthen representation

OVER THE PAST YEAR, THE ITELYUM GROUP SHOWED THAT IT CAN EASILY ADAPT ITS STRUCTURES AND PROCEDURES TO DYNAMIC AND CONTINUOUS GROWTH



on the Company Board. Alongside these new appointments, the Sustainability-Linked Bond has been integrated into the Company through the Merger. In fact, we note that as part of a financing transaction in 2021, Verde Bidco S.p.A. proceeded to place a Euro 450,000,000 Senior Sustainability-Linked Bond on the market, followed by two "TAP" issues equal to Euro 30,000,000 each. The Sustainability-Linked Bond, which has the unique feature of connecting the financial structure to the attainment of predefined sustainability objectives, known as Sustainability Performance Targets, has been integrated into Itelyum Regeneration S.p.A., along with all the financing agreements associated with the transaction.

Meanwhile, establishing a clear and transparent corporate framework, both within subsidiaries and parent companies, is an ambitious and important objective from the perspective of corporate governance as it is crucial for adopting effective business policies, and sustainable initiatives and strategies.

All policies and strategies require clear information channels and solid coordination among the management bodies of the various companies. Over the past year, the Itelyum Group showed that it can easily adapt its structures and procedures to dynamic and continuous growth and that it continues to be an advocate of its founding principles, including sustainability. A pertinent example of the above is the Group's now well-established process of requiring newly acquired companies to adopt – or at least having them agree to adopt – its 231 Model and Code of Ethics, a description of which is provided in Section 5.5.



SUSTAINABILITY AS A LEVER OF SUCCESS

Stakeholders engagement is the first step of Itelyum's sustainability journey and for the definition of the Group's sustainable purpose.

4.1 The sustainability journey

Itelyum's sustainability journey began 60 years ago, when the then Viscolube's Pieve Fissiraga plant for the regeneration of waste mineral oils opened its doors in May 1963. It was a truly circular economy process, invented long before the term itself was coined.

Viscolube was the first company to launch the Itelyum project, laying the foundations for a Group that now comprises 28 companies dedicated to the sustainable core business of the circular economy, specifically the management of special waste, including hazardous waste.

As such, we can therefore state that sustainability sits at the very core of the Group's business, as demonstrated by the multitude of certifications it has attained, including in the environmental field - for all operating entities - and the safety sector. Itelyum views certifications as a starting point for pursuing continuous improvement and a management tool for reaching the highest standards.

9
For specific product types.

10
For the manufacture of starting materials for the pharmaceutical industry.

		ISO 9001	ISO 14001	EMAS	ISO 45001 / OHSAS 18001	SA 8000	ISO 17025	ISCC	SGS-PIR	UNI 10617	Remade in Italy®	DMF	Responsible Care	ISO 50001	ISO 39001	ISO 37001	
Regeneration	Pieve Fissiraga	■▲	■▲		■▲	■▲			■	▲	■▲ ⁹		■▲				
	Ceccano	■▲	■▲	■▲	■▲	■▲			■	▲	■▲		■▲				
Purification	Landriano	■▲	■▲		■▲				■			■ ¹⁰					
	Rho	■▲	■▲		■▲				■								
	Im.Tra.S.	■▲	■▲		■▲												
Ambiente	Aeco		■▲														
	De Luca Servizi Ambiente	■▲	■▲					■▲									
	Neda Ambiente FVG	■▲	■▲														
	Rimondi Paolo	■▲	■▲	■▲				■▲									
	Sepi Ambiente	■▲	■▲					■▲									
	SAM	■▲	■▲	■▲													
	Area																
	Centro Risorse	■▲	■▲														
	Innovazione Chimica	■▲	■▲		■▲		■▲										
	Keoma		■▲														
	Carbo-Nafta Ecologia	■▲	■▲														
	Agrid	■▲															
	Idroclean	■▲	■▲		■▲												
	Labio.Lab	■▲	■▲														
	Intereco		■▲														
	Fer.Ol.Met	■▲	■▲	■▲													
	Rirae																
	Castiglia	■▲	■▲		■▲	■▲									■▲	■▲	■▲
	Itelyum Sea FVG	■▲	■▲		■▲	■▲									■▲		
	SCIE	■▲	●														

In the opposite table:
 Management systems/protocols (■)
 Implemented or in progress (●)
 System certifications (▲)

Management systems serve as a governance mechanism for individual companies within the Group. Additionally, at the corporate level, the Sustainability Department directly reports to the CEO and oversees the coordination of stakeholder engagement activities and sustainability projects.

As previously highlighted, a Sustainability Advisory Committee was set up at the managerial level and approved a three-year plan in December 2022 to establish a structured sustainability strategy with targets monitored through KPIs. The first step in this direction involved updating the materiality analysis from an impact perspective to define the priority areas on which to focus the Group's sustainability strategy through the involvement of stakeholders (see the following section for details on the process and outcomes). Itelyum also maintains its commitment to the United Nations Global Compact, and its role as a founding member of

the Global Compact Network Italy Foundation, participating in best practice exchange initiatives and promoting the ten principles. During 2022, the Group joined Global Compact's "Target Gender Equality" training pathway promoted in Italy for the first time to share best practices and build internal expertise on DE&I (Diversity, Equity and Inclusion) topics, with a specific focus on gender equality.

In addition, we highlight that Itelyum's sustainability strategy was further consolidated in 2021 through the aforementioned Sustainability-Linked Bond, which expresses the Company's commitment to the investor community. The bond is based on binding commitments to meet two specific sustainability targets by 2025 compared with 2020. These are an increase of 25% in avoided emissions from sold products, and in circular waste disposal, through regeneration, recycling, water treatment and recovery.

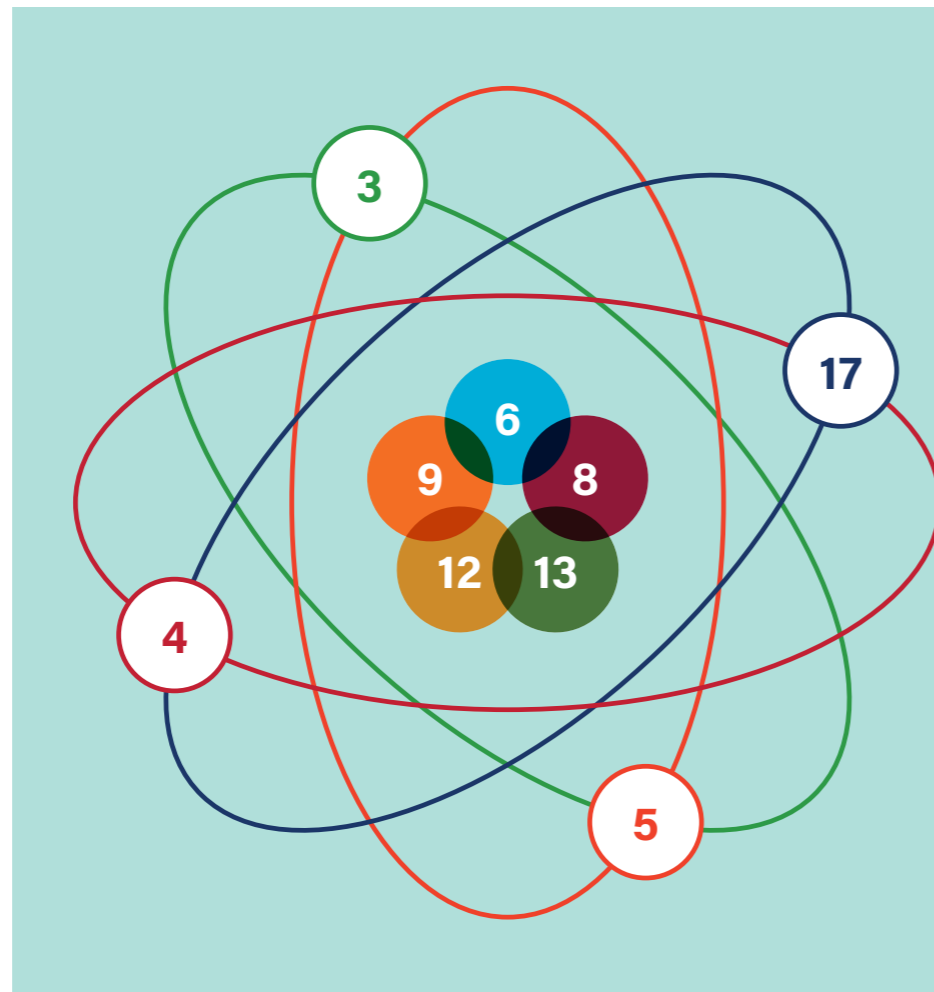
Another major project saw Itelyum Regeneration and Itelyum Purification calculate the carbon footprints of their products.

This endeavor sought to accurately assess the impact of their regenerated and purified products on the decarbonization of their customers' supply chains, using robust metrics for evaluation purposes. Itelyum's commitment to the environment is accompanied by a dedication to the local community. As part of its efforts to strengthen its social impact in the areas in which it operates, it launched a project called "Sustainability Objective" with schools in 2021, which continued in 2022. This project focused on promoting the principles of the European Green Deal and the goals of the 2030 Agenda, via a web portal and a series of meetings, connecting pupils and students, institutions and sustainability professionals, with a focus on the circular economy, digital innovation, gender equality, and STEM training (see paragraph 6.1).

In summary, Itelyum, aware of its leadership in the field, wanted to make a systemic commitment by contributing to the United Nations 2030 Agenda, focusing, in particular, on certain SDGs (Sustainable Development Goals) considered to be of greatest impact, with the core business orientated towards achieving the five main SDGs (6, 8, 9, 12 and 13).

This will be achieved through continuous innovation and the recovery of materials, water purification and decarbonization, and working methods focusing on health and safety (SDG 3), diversity (SDG 5), and continuous training and promotion of the culture of sustainability (SDG 4). Finally, we firmly believe that the circular economy demands a joint effort by various supply chain players, with a collaboration and partnership approach (SDG 17).

Itelyum's Group, aware of its leadership in the environmental field, wanted to make a systemic commitment by contributing to the United Nations 2030 Agenda, focused, in particular, on certain SDGs (Sustainable Development Goal) considered to be of greatest impact, synthesized in the next diagram.



<p>6 CLEAN WATER AND SANITATION</p> 	<p>8 DECENT WORK AND ECONOMIC GROWTH</p> 	<p>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</p> 	<p>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</p> 	<p>13 CLIMATE ACTION</p> 
<p>Ensure availability and sustainable management of water and sanitation for all.</p>	<p>Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.</p>	<p>Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation.</p>	<p>Ensure sustainable consumption and production patterns.</p>	<p>Take urgent action to combat climate change and its impacts.</p>
<p>3 GOOD HEALTH AND WELL-BEING</p> 	<p>4 QUALITY EDUCATION</p> 	<p>5 GENDER EQUALITY</p> 	<p>17 PARTNERSHIPS FOR THE GOALS</p> 	
<p>Ensure healthy lives and promote well-being for all at all ages.</p>	<p>Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.</p>	<p>Achieve gender equality and empower all women and girls.</p>	<p>Strengthen the means of implementation and revitalize the global partnership for sustainable development.</p>	

4.2 Stakeholder

After conducting an ESG assessment in 2020, which emphasized the Group's leadership in environmental and health and safety matters, the opportunity arose to expand structured stakeholder engagement and listening initiatives. This project began with a focus on employees, fostering a shared corporate identity based on common values. We note that the Group is experiencing rapid external growth, making it crucial to involve the employees of newly acquired companies and integrate them into the Itelyum ecosystem. At the same time, leveraging the unique strengths of newly acquired companies for the overall benefit of the Group has always proved successful.

To do this, over the last two years, various engagement initiatives have been launched, including the "Aqylone" newsletter, which, several times a month, brings news on Group companies and sustainability and development initiatives to all employees with corporate email accounts.

This sustainability report was also used as a tool for listening to employees, who participated in mixed groups for the first time and were able to discuss shared sustainability topics with colleagues from different Group companies (see below for details). The following is a summary of the main methods of listening and dialogue with the various stakeholders.

Itelyum works on its sustainable path along with all the stakeholders.

STAKEHOLDERS	METHODS	TOPICS
Employees and their representatives	<ul style="list-style-type: none"> • Newsletters • Safety initiatives • Sustainability objective project training • Institutional labor/management relations • Materiality analysis focus groups 	<ul style="list-style-type: none"> • Company initiatives • Health, safety and well-being • Sustainability
Partners and providers of capital	<ul style="list-style-type: none"> • Dedicated meetings and open dialogue • Emails and the dedicated investors section of the website • Questionnaires • Sustainability Advisory Committee • Materiality analysis interviews 	<ul style="list-style-type: none"> • Performance (economic, environmental and social) • News for investors • Strategic development • Business risk management • ESG topics
Suppliers and businesses	<ul style="list-style-type: none"> • Key supplier partnerships • Contact and insights during qualification audits • Invitations to events • Sustainability audits • Materiality analysis interviews 	<ul style="list-style-type: none"> • Contractual terms and conditions • Pre-qualification requirements (e.g. integrity, human and labor rights, health, safety and environmental criteria) • Audit feedback • Presentation of Itelyum • ESG topics
Customers and end users	<ul style="list-style-type: none"> • Fairs, forums and sector events • Group sustainability initiatives • Individual direct contact • Customer satisfaction and quality management • Invitations to events • Materiality analysis interviews 	<ul style="list-style-type: none"> • Customer services and product logistics • Products and solutions, with reference to environmental and social performance • Strategic partnership • ESG topics, particularly regarding product carbon footprint
Communities, NGOs, local and global media	<ul style="list-style-type: none"> • Individual and collective interactions (e.g. interviews, conferences, open days) • Community dialogue sessions • Schools social initiatives • Materiality analysis interviews 	<ul style="list-style-type: none"> • Transparency and accountability regarding sustainability issues • Environmental and social performance • Local presence and community investments
Memberships, partnerships and academia	<ul style="list-style-type: none"> • Individual and collective interactions (e.g. meetings, conferences, lectures) • Partnerships and support for sector master's programs • Research activities 	<ul style="list-style-type: none"> • Transparency and accountability regarding sustainability issues • Sustainable governance and impact mitigation • Social investments and community initiatives • Research and development projects, with a view to open innovation
Authorities and institutions	<ul style="list-style-type: none"> • Individual and collective interactions (e.g. meetings, conferences, events) 	<ul style="list-style-type: none"> • Legal compliance • Transparency and accountability regarding sustainability issues • New development initiatives

Itelyum is a founding member of the Global Compact Network Italy, which promotes a fair and sustainable business management model.



Itelyum maintains an open dialogue with various local, national and European institutions, authorities and organizations, in relation to the sectors in which it operates. The Group participates in CONOU, a national consortium that ensures nationwide management and collection of used lubricant oils, which are prioritized for the regeneration industry.

The Group actively contributes to public debate by participating in roundtables and conferences on issues of sustainability, innovation and the circular economy. On a national level, it acts as a leading voice on these issues within associations such as the Union of Energy for Mobility, UNEM, the Union of Circular Economy Companies, Fise Unicircular, and the Chemical Industry Federation, Federchimica. At a European level, it participates in major sector associations such as the European Union of Lubricants Industry, UEIL, the European Association of Waste Mineral Oil Regenerators, GEIR, which it has chaired since 2020, and the European Association of Waste Solvent Recyclers, ESGR. Itelyum is a founding member of the Global Compact Network Italy, which, in line with the United Nations Global Compact, promotes a fair and sustainable business management model through a series of principles concerning human rights, labor standards, environmental protections and corruption. In 2020, these principles were integrated into Itelyum's Code of Ethics, which has become an integral part of all the contracts it

stipulates with suppliers. Over the years, Itelyum has consolidated its partnership with the Italian environmental association Legambiente, for the promotion of the circular economy and the culture of sustainability. This partnership allowed top management to participate and share waste management best practices in the Ecoforum events held in 2022.

The leading European event on the ecological transition and new circular and regenerative economic model, Ecomondo, was, once again, one of the best opportunities of the year to present Itelyum's offer of integrated and constantly developed solutions to existing and prospective customers.

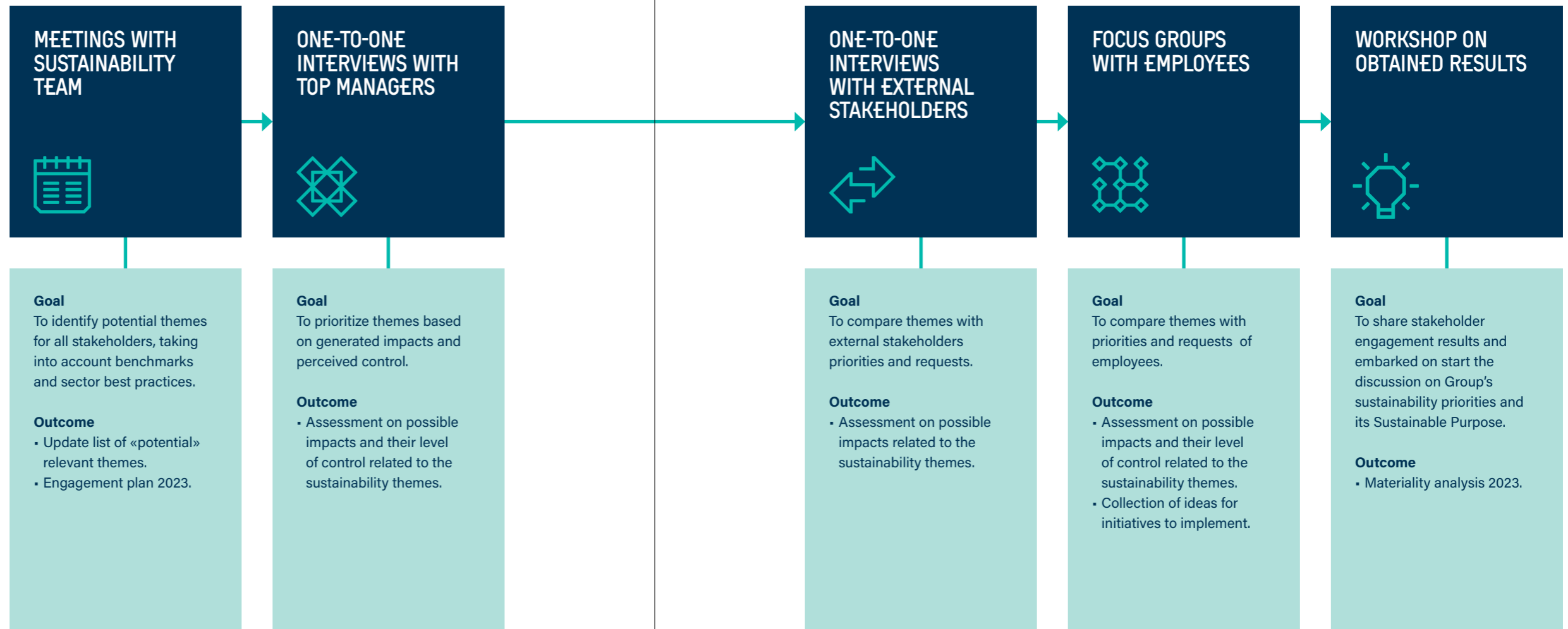
During the year, Itelyum renewed its partnership with the Sustainable Development Foundation, of which it is a founding member. This collaboration involved contributing to the drafting of the "L'Italia del Riciclo 2022" report and participating in the National Recycling Industry Conference, where companies and decision-makers discussed Italian excellence and potential within the circular waste management sector. In the same area, Itelyum supported Assoambiente and the publication of its "L'Italia che ricicla" report, which focused on plant needs and NRRP tools.

4.3 Materiality analysis

The Itelyum Group's updated materiality analysis for 2023 required the use of new methodological references. The Group is required to commence the process of complying with the EU Corporate Sustainability Reporting Directive (CSRD) legislation. This legislation was approved by the European Parliament on November 28, 2022, and will come into force in 2024. Draft standards outlining the approach for conducting materiality analysis have already been made available. The new GRI Universal Sustainability Reporting Standards, published in 2021 and due to take

effect in January 2023, form part of this new regulatory context and will require the Group to revise its materiality analysis process. The goal of the new GRI materiality (impact materiality approach) is to identify the type of impact (positive or negative) a company has on society and its surrounding environment (impacts generated). Consequently, the Group reported on material topics that encompass the most substantial impacts it has on the economy, the environment, and people, including human rights.

The infographic synthesized Itelyum's process to assess and report the main relevant impacts on economy, environment and society through external and internal stakeholders engagement.



4.3.1 / Updates to potentially material topics for the Itelyum Group

In view of the new GRI requirements and the newly adopted impact materiality approach, the Itelyum Group updated the material topics identified in the previous financial year.

Based on the material topics identified in the 2022 materiality analysis, changes to the Itelyum Group's operating context, and the benchmark analysis of relevant topics identified by peers and competitors, a total of 15 new topics that are potential material for the Itelyum Group were identified. These topics were the focus of stakeholder engagement activities conducted for the purpose of the 2023 materiality analysis (see table below).

The Sustainability and Corporate Identity Department conducted an impact assessment to evaluate the extent of the impacts the Group currently generates or may generate in relation to the 15 potentially material topics identified.

BUSINESS RESPONSIBILITY	ENVIRONMENTAL RESPONSIBILITY	SOCIAL RESPONSIBILITY
Business ethic and integrity	Responsible management of energy consumption	Local communities relations
Financial performance and shared value	Water management as a resource	Occupational health and safety
Environmental and social assessment of the supply chain	Circular and sustainable waste management	Human capital development
Cybersecurity and digitalization	Atmospheric emissions	Diversity and inclusion
Product quality and safety	Biodiversity	
Innovation and R&D		



11
In accordance with the methodology outlined in the "GRI 3: Material Topics 2021" standard, the significance of an actual negative impact depends on the severity of the impact itself, whereas that of a potential negative impact depends on both the severity and likelihood of the impact occurring. The significance of an actual positive impact depends on the scale (i.e., the actual or potential benefits of the impact) and scope (i.e., the actual or potential significance and spread of the benefits of the impact), while the significance of a potential positive impact depends on the scale, scope, and likelihood that the impact will occur.

Compared with 2022, the following changes were made to the 2023 materiality analysis:

- The topics "Environmental and Social Assessment of the Supply Chain," "Cybersecurity and Digitalization," "Biodiversity," and "Diversity and Inclusion" were added to the list of new potentially material topics for the Itelyum Group based on their relevance in the mega-trend analysis of the industries in which the Group operates and their frequent inclusion in sustainability disclosures by peers and competitors;
- The topic of "Circular and Sustainable Waste Management" was formed by combining the material topics of "Circular Economy" and "Waste Management" in 2021, highlighting the relevance and uniqueness of the Itelyum Group's business and its circular approach to waste management;
- The topic of "Human Rights" was excluded from the new list of potentially material topics, in keeping with GRI's inclusion of the topic as a core principle that should guide an organization's sustainable actions.

4.3.2 / Impacts generated by the Itelyum Group

A list of the main impacts generated by the Itelyum Group in relation to new potentially material topics was drafted alongside the list of potentially material topics for 2023. The activity was carried out through an analysis of both the external and internal context, which involved consulting company documentation, benchmarking against industry standards, and referencing GRI standards.

In collaboration with various internal departments, the Sustainability and Corporate Identity Department conducted an impact assessment to evaluate the extent of the impacts the Group currently generates or may generate in relation to the 15 potentially material topics identified.

4.3.3 / Stakeholder engagement

Stakeholder engagement process has collected the point of view of internal and external stakeholders, on the potential and actual impacts of the Group related to new material themes.

Internal stakeholders

To ensure that the perspectives of internal stakeholders were considered when evaluating the Group's impacts and monitoring potentially material topics, consultations were conducted with the 11 members of the Management Committee, the CEO, and the Chairperson of the Itelyum Group. Engagement took place through one-on-one online interviews.

External stakeholders

To validate external stakeholders' perceptions of the Itelyum Group's impacts in relation to potentially material topics, a consultation process was conducted with qualified representatives and experienced opinion leaders. Engagement took place through one-on-one online interviews and involved customers, suppliers, nonprofits, and foundations relevant to the Group's business.

Employee focus groups

With the objective of involving the Group's employees in the 2023 materiality analysis, three interactive focus groups were organized online, in which 32 employees participated. Employee feedback was gathered on the Group's ability to generate impacts and their perceived level of oversight in relation to potentially material topics.



IN VIEW OF THE NEW GRI REQUIREMENTS AND THE NEWLY ADOPTED IMPACT MATERIALITY APPROACH, THE ITELYUM GROUP UPDATED THE MATERIAL TOPICS IDENTIFIED IN THE PREVIOUS FINANCIAL YEAR

STAKEHOLDER ENGAGEMENT

Internal stakeholders

11 one-to-one interviews to the top managers and 1 one-to-one interview to the CEO and to the Chairman

32 employees participating in three focus group

Participation of the Sustainability Function

External stakeholders

4 clients

5 suppliers

1 shareholder

2 opinion leaders of important italian environmental NGOs

Shares of internal stakeholders



Shares of external stakeholders



- Top managers 11 (24%)
- CEO 1 (2%)
- Employees 32 (70%)
- Chief Sustainability Officer team 2 (4%)

- Clients 4 (33%)
- Suppliers 5 (42%)
- Shareholder 1 (8%)
- Opinion leaders 2 (17%)

Methodology

58 stakeholders involved about the three ESG responsibilities of the Group: social responsibility, environmental responsibility and business responsibility.

4.3.4. / Outcome of impact materiality

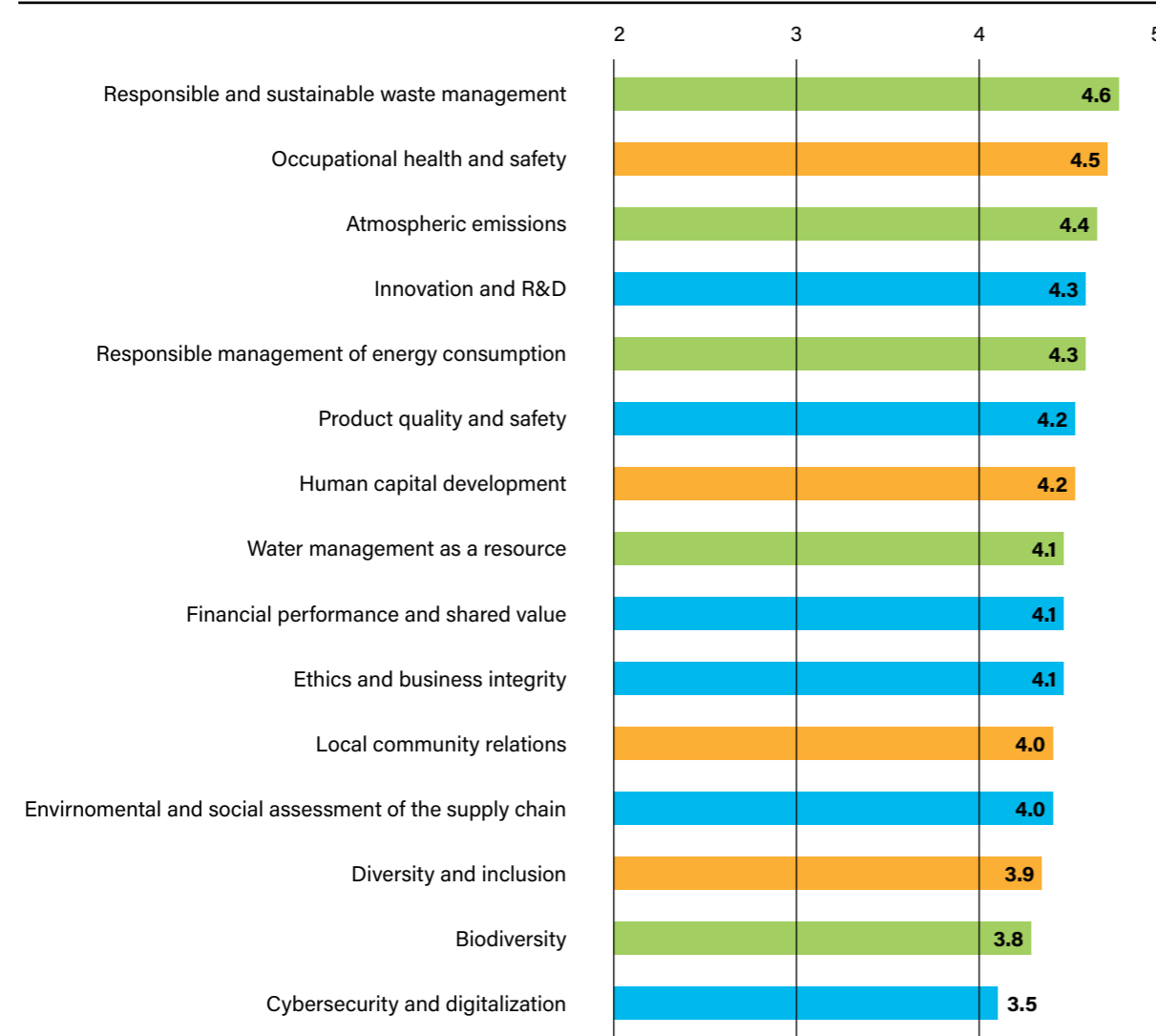
The final impact materiality score is the weighted average of the following contributions used in the analysis:

- the assessment of the ability to generate impacts carried out by internal stakeholders involved through interviews;
- the assessment of the ability to generate impacts carried out by external stakeholders involved through interviews;
- the assessment of the ability to generate impacts carried out by employees involved through focus groups.

Below is a representation of the outcome of the impact materiality process, showing the final score obtained for each material topic.

In conclusion, four pillars were identified to summarize the main contributions the Itelyum Group can make towards sustainable development goals, with a summary of the main impacts connected to the Itelyum Group's material topics (see table on the page beside).

Ability of Itelyum Group to generate impacts



Business Responsibility ■ Environmental Responsibility ■ Social Responsibility ■

Main impact pillar	Material themes	Main impacts (actual and potential)		SDGs
Circular economy	Circular and sustainable waste management	Support to ecological and circular transition through the creation of end of waste production models that enable the offer of recycled products on the market.	+	12 RESPONSIBLE CONSUMPTION AND PRODUCTION 9 INDUSTRY INNOVATION AND INFRASTRUCTURE 6 CLEAN WATER AND SANITATION
	Innovation, R&D	Increased support to client's needs and requests using innovation-oriented approach and through development of proprietary technologies.	+	
	Circular and sustainable waste management	Maximization of the quantity of waste sent to circular treatments through projects for the correct management of client's waste.	+	
H&S	Health and safety at work	Possible increase of work-related injuries due to lack of preventive measures as provided by laws and voluntary Management Systems.	-	3 GOOD HEALTH AND WELL-BEING
	Health and safety at work	Increased customer satisfactions thanks to improved quality and safety measures for products handling and management.	+	8 DECENT WORK AND ECONOMIC GROWTH
Emissions	Atmospheric emissions	Possible increase of Group's greenhouse gas emissions.	-	13 CLIMATE ACTION
	Atmospheric emissions	Reduction of customer's scope 3 through the offer of recycled product that allow to avoid emissions related to the supply chain of raw materials.	+	
Culture and skills	Human capital development	Skills and knowledge gap due to non structured programs in terms of training policies and human capital development.	-	4 QUALITY EDUCATION
	Relationship with the community	Promotion of sustainability culture through initiative on the territory, in particular with schools.	+	5 GENDER EQUALITY
	Innovation, R&D	Partnership with Italian universities and research centers for innovation and research projects in order to promote the technological progress.	+	

4.4

Towards a sustainable purpose

As part of its sustainability journey, the Itelyum Group embarked on a process of reflection to define its sustainable purpose. This entailed establishing a meaningful and enduring purpose for the organization that centered around its contribution to global sustainability challenges. The goal was to create shared value for the key stakeholders with whom the Itelyum Group interacts.

The Itelyum Group adopted a three-step methodology in order to progressively and gradually define its Sustainable Purpose:

1. analysis of the impacts generated by the Company;
2. definition of its sustainable purpose;
3. circulation of its purpose at all levels.

Based on the findings of the materiality analysis conducted in 2023, as discussed in the previous section, the Itelyum Group identified the primary areas of impact it generates towards the external world and its stakeholders. This consideration takes into account the Group's core activities and their most distinctive characteristics.

The analysis of the impacts generated by the Company was, therefore, a prerequisite for beginning the process of reflection to define the Sustainable Purpose. During the workshop held to present the outcomes of the materiality analysis, the members of the Management Committee, along with the Chairperson and CEO of the Itelyum Group, were invited to help identify the key concepts that contribute to the Itelyum

Group's Sustainable Purpose. These keywords and concepts represent the cornerstones of the Group's Sustainable Purpose, which should succinctly reflect its vocation and raison d'être with regard to sustainability.

The Sustainable Purpose formulated by the Itelyum Group, based on the active involvement of top management, is described as follows: **Pioneers of the Circular Economy.** Our business model is based on the circular economy, which we define as technology and innovation, support for the ecological transition, decarbonization of the supply chains in which we operate, and the creation of value for our stakeholders. The Itelyum Group is also committed to promoting its Sustainable Purpose at all levels

of the organization, in addition to all relevant categories of internal and external stakeholders, with a particular focus on its supply chain.

The Group seeks to promote and thus integrate its Sustainable Purpose into the organization's culture, governance, business strategy, management, and operations to permeate decision-making processes at all levels.



THE SUSTAINABLE PURPOSE FORMULATED BY THE ITELYUM GROUP, BASED ON THE ACTIVE INVOLVEMENT OF TOP MANAGEMENT, IS "PIONEERS OF THE CIRCULAR ECONOMY"

As part of its sustainability journey, the Itelyum Group embarked on a process of reflection to define its sustainable purpose.



BUSINESS RESPONSIBILITIES

Itelyum creates value for all stakeholders with a business that places integrity as an a priori value and boosting innovation aimed at improving quality and safety of its products and services.

5.1. Innovation and R&D

The circular economy sector in which Itelyum operates requires continuous investments in technology and innovation to ensure the competitiveness of products and services; therefore, the Group considers innovation to be a strategic asset and takes extreme care in governing its related aspects in terms of role and objectives, in order to respond to changes in the technological and market environment.

Innovation is deeply ingrained in the Group's DNA, as exemplified by its Pieve Fissiraga plant, which celebrated its 60th anniversary this year. The plant was a pioneer in the concept of the circular economy, with the filing of a project in 1963 to regenerate waste mineral oils.

Through consistent investment in innovation, the Group has developed its own cutting-edge technology, which is now widely utilized globally.

Although the general environment was not easy, research and development again continued in 2022, with the involvement of many personnel and an investment of more than Euro 1.4 million in projects that will generate tax credits in 2023.

Preliminary analyses, feasibility studies, plans and projects were carried out to develop new technological solutions, manufacture new products, improve the quality of existing products, and boost productivity, with the goal of improving the Group's competitive positioning in its target markets.

Investments in quality and R&D (M€)	2021	2022
Investments	1.7	1.4

Today, Itelyum Regeneration is involved in numerous projects to strengthen its role in the supply chain for waste oil, and to transfer its technological regeneration and recycling model to new emerging supply chains.

To do this, it takes an open innovation approach, encouraging interaction with Italian universities regarding various fields of interest; in particular, the most important areas of research are



developed in partnership with the Polytechnic University of Milan, University Federico II of Naples, University of L'Aquila, and Marche Polytechnic University.

The Group's fruitful collaboration with the Polytechnic University of Milan continued (Department of Chemistry, Materials and Chemical Engineering "Giulio Natta" - Centre for Super Sustainable Process Engineering Research). It is useful to point out that within this context, process simulators were incorporated into the design of single regeneration operations, and research was extended to base chemical engineering. This collaboration has enabled the launch of a project to introduce a cloud strategy to store the Big Data Record on one cloud platform. The project has had a practical response with the initiation of process data capture, which are then used for the data training of the process simulator algorithms through the application of machine learning.

This path allowed part of the process to be modeled, thus creating an optimization tool that can be used in the coming years both in the case of designing new plants and in improving the yield and energy efficiency performance of the Pieve Fissiraga plant.

The collaboration with the Polytechnic University of Milan has also enabled more in-depth studies into the Plasbreaker process to obtain lubricant bases from plasmix (a mixture of plastics) and diesel. This has led to the creation of the permanent Polytechnic University of Milan laboratory at the Pieve Fissiraga plant, with the construction of a laboratory pilot whose experimental activities began at the end of Q4 2022. In addition, a study began that seeks to obtain hydrogen from hydrogen sulfide. During the year, activities related to obtaining biolubricants, biofuels and biosolvents from used vegetable oil and the bio fraction of used mineral oil continued, cooperating in particular with the Federico II University of Naples.

In 2022, the ongoing collaboration with Ecopneus¹² involved research into the utilization of rubber dust. The objective was to extract pyrolysis oil, which could then be treated using



INNOVATION IS DEEPLY INGRAINED IN THE GROUP'S DNA, AS EXEMPLIFIED BY ITS PIEVE FISSIRAGA PLANT, WHICH CELEBRATED ITS 60TH ANNIVERSARY THIS YEAR

Itelyum Regeneration's technologies to develop ultra-low sulfur diesel and lubricant products. A significant collaboration began with the University of L'Aquila in the field of the recovery of rare earth elements from WEEE using hydrometallurgical processes.

This collaboration also led to participation in the European project NEW-RE, with the Erion Consortium as lead partner and supported by funding from EIT RawMaterials¹³ (a fund distributed by the European Commission) for the recovery of rare raw materials from permanent magnets of electric motors. Collaboration with the University of L'Aquila also made it possible to analyze the process of recovering Silicon and Silver from used photovoltaic panels (now in the group handled by Rirae S.r.l.). This activity will continue also in 2023.

National and European patents were also filed in 2022. In addition, an application for four patents has been filed regarding biolubricants

and the treatment of plastics, in addition to the regeneration of waste oil. Group research and development centers also on improving existing production processes and products, also in order to reduce energy consumption.

During 2022, Itelyum Purification enhanced its R&D department by incorporating new expertise and equipment. This initiative formed part of an improvement plan that seeks to foster the research and development of new productions in the areas of purification and the synthesis of fine chemical products, guided by the principles of green chemistry and circularity. Notably, partnerships were formed with leaders in the European chemical industry.

These collaborations seek to purify industrial streams with the objective of recovering specific high value-added chemicals instead of disposing of them. The recovered chemicals are then reintroduced into their production cycles or made available on the market.

At the same time, work began on green hydrocarbon production processes for the biofuel sector. In this field, Purification intends to innovate its established expertise in fractionating light hydrocarbons from complex mixtures.

Finally, through its longstanding partnerships with leading pharmaceutical companies, the Company started new projects to develop building block synthesis useful in the production of active pharmaceutical ingredients. Collaborations were also initiated with the cosmetics sector to study the production processes of active ingredients, using raw materials derived from plant products and green or low-carbon solvents.

¹²

Ecopneus is a non-profit association for the tracing, collection, treatment and recovery of End of Life Tires (ELTs), set up by Italy's main tire manufacturers.

¹³

EIT RawMaterials, established and financed by the EU-funded body EIT (European Institute of Innovation and Technology), is the largest consortium in the global raw materials sector.

5.2 Product quality and safety

The materiality analysis highlighted the topic of responsible product management as a priority, in terms of quality and safety.

Itelyum manages hazardous waste and transforms it into new products that, in order to compete with products from virgin raw materials, have to have the highest quality and safety characteristics, regardless of their origin.

This process requires the constant chemical-physical and toxicological monitoring of raw materials and products to guarantee full compliance with current regulations and best practices in the field of product safety, employing high-performance processes.

All products marketed, for whatever purpose, are accompanied by REACH-registered safety data sheets that contain the necessary information for proper and safe handling of substances and mixtures. Itelyum exports its products to 60 different countries. To handle the high complexity of all entities, it has registered its products in all continents and geographical areas in compliance with local regulations for several years now. All Group companies use management systems compliant with the ISO 9001 standard and other quality standards

as defined by the specific reference markets. External certification not only covers production systems, but also products distributed with quality marks of recognized certification bodies, e.g., Remade in Italy.

Products, on the other hand, are certified to applicable commercial standards, and, where necessary, sector-specific classifications (e.g., Active Pharmaceutical Ingredient - API). The commitment and investments to guaranteeing the quality of regenerated products are crucial for markets that demand ever more excellence in terms of sustainability.

At the Landriano plant, in particular, continuous product improvement research has led to the development of a new solvent, Hexane S. This product contains reduced quantities of n-hexane, a neurotoxic component of hexane, thus reducing its danger compared to traditional hexane for applications where the presence of n-hexane is not critical.

A laboratory renovation process began in Landriano in 2022. It included the installation of new equipment and a more adaptable and effective software platform for data management. In addition, new restrictions were introduced to prevent potential contamination from the transportation of goods sold in bulk and destined for processing in the pharmaceutical and food industries.

Leveraging its expertise, Itelyum helps its customers develop procedures and controls suitable for handling products that require special attention to safety. Itelyum helps customers choose the most appropriate products, packaging, and handling methods. In 2022, only one minor health and safety non-conformity was recorded for purification products. Any notification of such an event by customers activates specific internal management procedures, involving an investigation into measures to resolve the non-compliance.

Itelyum supports its customers in the development of procedures and appropriate management controls for products that need particular attention to safety.



5.3 Financial performance and shared value

For Itelyum, economic performance is strongly linked to its sustainable impact, as growth in the Group's results has a direct impact on the circular economy of treated waste and the generation of resources to invest in new supply chains. 2022 ended with good results, despite the very challenging macro-economic environment. Please note that data changes also relate to the expansion of the scope.



Determination of value generated (Euro millions)	31.12.2021	31.12.2022
Economic value directly generated ¹⁴	488.6	580.8
Economic value distributed	437.2	523.2
Operating costs	349.8	420.5
Employee wages and benefits	57.5	64.8
Investments in the community	0.1	0.2
<i>of which donations and sponsorship</i>	0.1	0.2
Payments to providers of capital	17.2	29.0
<i>of which financial charges</i>	17.2	29.0
<i>of which financial charges</i>	0.0	0.0
Payments to the Public Sector	12.6	8.7
Economic value retained	51.4	57.6

¹⁴ Economic results for 2022 relate to "reported" data that adhere to the accounting principles used to prepare the Consolidated Financial Statements of Itelyum Group S.r.l. (formerly Verde Midco S.r.l.) at December 31, 2022. New companies acquired during the year are consolidated from the date they joined the Group. Given that the Consolidated Financial Statements for the year ending December 31, 2021 are the first set

of consolidated financial statements prepared by the Parent Company, we note that they pertain to a specific company scope defined on October 4, 2021. Consequently, the economic and financial results presented in the 2021 Sustainability Report and the Directors' Report for the Consolidated Financial Statements of Itelyum Group S.r.l. at December 31, 2021 (formerly Verde Midco S.r.l.) cover a time frame of only three months. To provide a comprehensive

overview, the financial results for 2021 are based on unaudited "pro-forma" and uniform Group data at December 31, 2021. This includes the consolidation of Itelyum Regeneration S.p.A. (formerly SSCP Green Holdings S.A.), which was acquired in October 2021, along with its subsidiaries, including Castiglia S.r.l. and Nuova Satro S.r.l. (acquired in July 2021), in addition to Padana Recuperi S.r.l. (acquired in October 2021), for a 12-month period.

5.4 Environmental and social assessment of the supply chain

Itelyum is aware of the importance of extending its sustainable approach beyond the Company to the value chain. While the downstream impact on decarbonizing supply chains and ensuring product quality and safety remains significant, increasing attention is being paid to the supply chain, which has become a material topic for stakeholders, including at the regulatory level.

Therefore, the Group also started to analyze its suppliers to assess how many of them can be defined as local, i.e., located in the region in which the individual companies operate. However, it is crucial to acknowledge that waste management activities should be considered an essential service for the entire country.

Therefore, Itelyum's value chain not only contributes to the development of the local area by maximizing the utilization of local services and expertise but also has a national significance and impact. The assessment made net of nationwide utilities, however, shows a good local supply chain, which is another aspect of the Group's sustainable impact on local areas. Itelyum launched a project to include sustainability criteria in its supplier evaluation, which will be integrated with initiatives already underway in companies with management systems that incorporate various ESG criteria into purchasing procedures.

Proportion of spending on local suppliers (Euro)	Regeneration	Purification	Environment	Total
Percentage of procurement budget spent on local suppliers	55%	28%	56%	43%

5.5 Ethics and business integrity

The Itelyum Group is committed to promoting a corporate governance system that can generate long-term value on a daily basis, rooted in high ethical standards and integrity. In pursuit of this goal, it adopts policies and procedures, such as its 231 Model and Code of Ethics, to ensure compliance with applicable regulations and rules. In addition, the Itelyum Group considers it a priority to respect and adopt the principles of environmental and social responsibility in its operational and decision-making processes.

These principles of integrity and strict adherence to legality are applied right from the initial due diligence stage of new company acquisition procedures, as the selection process plays a vital role in ensuring their adoption. During the integration phase, companies that join the Group are required to obtain the legality rating¹⁵, which is a distinguishing factor for the Itelyum Group as all of its companies have achieved a high score to date.

Alongside the Board of Directors – which defines and adopts the Group's management policy and sustainability strategies, mainly by means of the powers delegated to the Chief Executive Officer – other important bodies also ensure that the principles of environmental and social responsibility are defined and adhered to. Of particular importance is the Supervisory Board (SB), which has been established for all relevant Group companies. This Board is responsible for supervising the functioning of and compliance with the Organization, Management and Control Model (hereinafter also referred to as the "OMM") and Code of

Ethics, pursuant to Legislative Decree No. 231 of June 8, 2001. The OMM adopted by the Group Companies seeks to prevent the risk of specific relevant offences being committed, primarily those relating to corruption, extortion, fraud against the State, corporate offences, the receipt of stolen goods, culpable homicide, serious personal injury in violation of injury prevention regulations, serious environmental offences, terrorism, offences against the individual, market abuse, and others.

Meanwhile, the Code of Ethics summarizes the fundamental ethical values and corporate conduct of those who work for the Group, in addition to the Group's sustainable strategy principles, including those expressed by the Global Compact. The OMM and the Code of Ethics are tools that provide a framework for proper business conduct in accordance with the principles of integrity and ethics. In 2022, several Itelyum Group companies appointed an individual to provide corporate governance support on matters related to the prevention and resolution of business ethics matters, referred to as the Ethics Officer.

More specifically, the role of this figure is to monitor and avert reputation-based risks for the Group following the emergence of ethical issues during internal and external relations. As such, the Ethics Officer plays a key role, alongside the Supervisory Board, in assisting with and implementing ESG topics. Thanks in part to these safeguards, no incidents of corruption were reported within the organization in 2022.



The Code of Ethics summarizes the fundamental ethical values and corporate conduct of those who work for the Group, in addition to the Group's sustainable strategy principles, including those expressed by the Global Compact.

5.6 Cybersecurity and digitalization

Cybersecurity describes the set of procedures used to protect systems, networks, and programs from cyber attacks.

The exponential rise in data and the growing use of networks globally has resulted in an increase in cybersecurity risks. Considering Itelyum's business and the impact this risk could have in the medium to long term, the Group has adopted various risk mitigation activities. Cybersecurity initiatives concern three main aspects:

1. the monitoring of IT infrastructure, i.e., all connected PCs and servers;
2. perimeter monitoring to protect data and detect anomalies;
3. the raising of awareness and the promotion of a cyber risk culture.

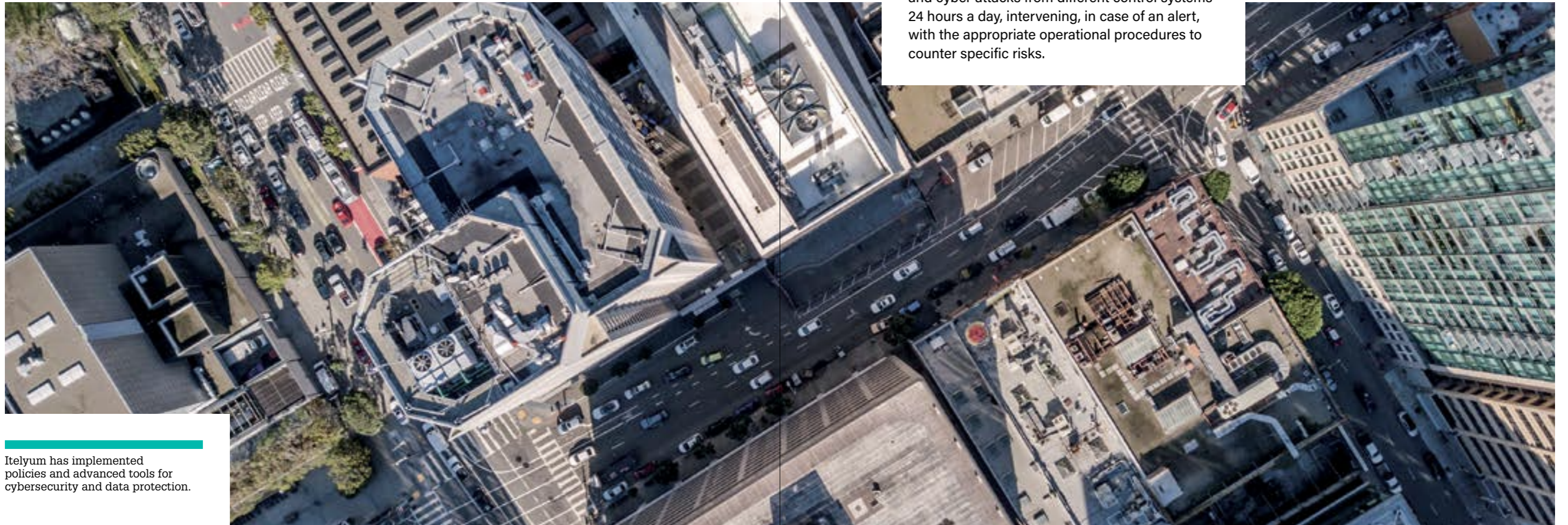
First, it is important to point out that despite the increase in cyber attacks, there were no data privacy breaches of customers or third-party entities and no incidents of loss of sensitive customer data in 2022.

In the area of infrastructure and systems security, Itelyum uses the outsourced service of the Data Protection Officer (DPO), in addition to that of the Chief Information Security Officer (CISO). The DPO is an external figure established by the General Data Protection Regulation 2016/679 (GDPR). Their role is twofold: to advise and periodically supervise all locations, and to act as a liaison between the organization and the supervisory authority. On the other hand, the CISO is an internal officer who oversees the organization's information security.

Both figures enable accurate supervision and protection of all sensitive information. Moreover, to further enhance data security, the Group uses a cutting-edge Data Center that centrally handles data backups and provides robust protection against viruses and malware. The site boasts excellent assembly and protection performance thanks to its numerous fire and hydro-geological hazard prevention systems.

To prevent potential cyber attacks, the Group's companies are protected by antivirus software on PCs, servers, and e-mail, which continuously scans information for additional dangers. Data and information monitoring tools have also been accompanied by a Security Operation Center (SOC) in recent years. This security operations center manages physical and cyber attacks from different control systems 24 hours a day, intervening, in case of an alert, with the appropriate operational procedures to counter specific risks.

Training is a key element in the professional growth and development of the Group's employees. In an effort to promote a digital culture at all levels of the organization, ICT training pills, information, and cyber security news were added to the internal Aquylone newsletter in 2022. This project enabled the direct involvement of employees through a series of e-learning training modules that sought to increase their awareness and knowledge of cybersecurity matters. 481 employees accessed about 600 hours of training via the first two published modules.



Itelyum has implemented policies and advanced tools for cybersecurity and data protection.



Itelyum considers its social commitment an essential axis for contributing to sustainable development, to be implemented with concrete and inclusive projects for its people and their growth and with the aim to spread the culture of sustainability on the territories and in the community in which it operates.

SOCIAL RESPONSIBILITY

6.1 Local community relations

Itelyum is engaged in constant dialogue, based on transparency and cooperation, with the communities of the local areas in which it operates. As an operator active throughout the national territory and, at the same time, well-rooted locally, Itelyum is committed to building solid relationships at various levels, involving citizens and institutions in their own sustainability goals, and transmitting them through concrete actions.

Itelyum conveys its social commitment to the local area through its schools projects, as they have a high potential impact for the involvement of young male and female students and their families. The "schools sustainability objective" project, launched in 2021 in some schools – which welcomed important figures from national

and local institutions – continued in 2022. The portal www.obiettivosostenibilitascuole.it created as a platform for sharing knowledge on sustainability culture, the circular economy, and inclusion, was enriched with new content: a book-based game centered around green jobs.

Through this innovative and engaging game, teachers and students nationwide can explore "green" careers within Itelyum, an organization that is built upon the principles of circular economy. The goal of the project is twofold: by recognizing the importance of active citizenship, Itelyum intends to share its skills with young female students and promote jobs to aid the Company's future development. The School Sustainability Objective project was promoted on the "Schools Regeneration" portal

of the Ministry of Education, a platform designed to orient teachers and pupils on the ecological transition and related future professions and cultural changes.

At the same time, other initiatives were carried out, such as technical training and dissemination campaigns on the culture of sustainability. In Ceccano, boys and girls from the Volta Institute in Frosinone were able to experience what it is like to work at a waste oil regeneration plant thanks to a work experience scheme. Visits to Lombardy's chemical institutes, including the prestigious Cardano Institute in Pavia, remained a regular occurrence at the Landriano plant. The Cardano Institute, known for its exceptional pool of talent, has always been of significant interest to the Company.

At the academic level, the Group's partnership with the Second-Level GECA Master's Degree (Master's Degree in Environmental Management and Control) at the Sant'Anna Institute in Pisa continues. It was established in 2007 as the first and only master's in Italy to tackle the problem of the Integrated Waste Cycle as a whole. Itelyum has supported its educational efforts and hosted internships for several years.

In continuity with previous years, ad hoc meetings and lessons were also organized with elementary and high school children and as part of university courses with Itelyum testimonials. At the heart of such educational activities, Itelyum's testimonial of its core business experience in sustainability and the circular economy sector is in ever greater demand at

**WITH A VIEW TO
SHARING THE VALUES
OF ITELYUM,
GROUP COMPANIES
PROMOTE INITIATIVES
TO SUPPORT THE
LOCAL COMMUNITIES**



Itelyum conveys its social commitment to the local area through its schools projects, as they have a high potential impact for the involvement of young male and female students and their families.



schools and academic institutions. Throughout the year, opportunities for interaction with local citizens were also offered in person, including an event that saw Itelyum Purification welcome the local Landriano community to an “open house”.

The many people who participated in the initiative were able to tour the plant, grasp the main safety aspects, and request information and answers to queries. The event took place in a lively setting featuring the involvement of local associations, including Landriano Basketball Team, which arranged games for children and local refreshments. The Open House blurred the lines between the plant and the local area, with a view to fostering co-design in the community. Another important social initiative was participation in the Milan Relay Marathon, the

solidarity relay race that is run alongside the famous Italian marathon every year. Six teams of people arrived from locations all over Italy. Itelyum has chosen to support Special Olympics, the world’s largest sports organization for people with intellectual disabilities. Through inclusion programs, coordinating athletes and specialized staff, the organization succeeds in providing new opportunities to a huge number of children and adults.

Alongside the charitable aspect, the initiative was also a moment of corporate identity, focusing on the value of team spirit and offering staff from different Group companies the chance to meet and run for a common goal. The same dual effect also featured in another initiative undertaken in 2022.

This was a corporate volunteer project organized in Landriano in partnership with Plastic Free, an association that works to remove waste from the local area. Itelyum volunteers were able to devote an hour of their working day to cleaning up some of the adjacent streets, which were suffering from large amounts of trash created by numerous logistics activities and a lack of adequate services.

Pieve Fissiraga saw the continuation of the “One, ten, one hundred trees” project, through which Itelyum Regeneration is contributing to the greening of the town with arboreal species that have a particular environmental value, including flowering that attracts pollinating insects fundamental for the ecosystem, and carbon capture that for every ton of carbon dioxide absorbed gives back about 0.7 tons of oxygen. To date, the first forty-five trees have been planted in areas most used by residents.

In Ceccano, community support initiatives continue with an inclusion initiative designed to host a Ukrainian family fleeing war in a property owned by the facility, appropriately renovated and equipped for the role.

Itelyum also supported local law enforcement through various initiatives, such as the recovery and treatment of seized waste, and the supply of equipment for cleaning waterways following intentional or accidental spills of oily substances. With a view to sharing the values of Itelyum, Group companies offer donations and small-scale sponsorships to various local community and especially sports initiatives, as a way to bring people together and engage young people in all areas. In 2022, Itelyum invested Euro 0.2 million in community initiatives.



Throughout the year, opportunities for interaction with local citizens were also offered in person, including an event that saw Itelyum Purification welcome the local Landriano community to an “open house”.

6.2 Occupational health and safety

Since its inception, the Itelyum Group has placed great emphasis on protecting occupational health and safety. As such, once again in 2022 the Company made a commitment to develop and enact specific prevention, training and risk management plans to ensure the highest safety standards for its employees and contractors.

To manage and mitigate negative impacts on occupational health and safety, the Group companies are governed according to the Legislative Decree No. 81/08, with regular internal audits conducted to verify compliance. The risk assessment process is carried out using a Risk Assessment Document (RAD). This includes a thorough analysis of the specific risks associated with each work task, in addition to the appropriate prevention and protection measures.

The RAD is constantly updated to ensure that it remains appropriate and relevant. The risk management process envisages specific procedures to identify and analyze events such as human errors, anomalies, non-conformities,

accidents, injuries and near misses, and to introduce opportune corrective and preventive measures.

Most Group companies have introduced an ISO 45001:2018 Management System, and many of them have certified it. At all of these companies, however, internal rules guiding occupational health and safety processes and practices are observed and enacted in line with ISO guidelines.

Occupational health and safety systems are also constantly updated, and regular internal audits are conducted to verify compliance. This mechanism also involves employees and contractors at the companies. In most cases, they can make reports regarding the safeguards, processes and incidents that have occurred. In SEPI, for example, there is a dedicated WhatsApp chat group, directly involving the company's Chief Executive Officer, through which all operators can ask questions and present ideas for improvement to enhance workplace safety.

The annual training plans (ATPs) of Group companies supplement the legally required health and safety training and refresher training modules.

ITELYUM MAINTAINS INJURY INDEXES FAR BELOW SECTORAL BENCHMARKS



The annual training plans (ATPs) of Group companies supplement the legally required health and safety training and refresher training modules, and in some cases, employees and contractors are trained on specific topics related to their duties and the risks to which they are exposed in the performance of their work. Specific training hours are provided, for example, for the employees of the four facilities subject to Seveso Directive regulations for Significant Risk Sites (i.e., Pieve Fissiraga and Ceccano, at the Lower Threshold, and Landriano and Rho, at the Higher Threshold).

Having facilities subject to Seveso regulations means constantly updating procedures and training personnel, including external suppliers. It also requires that both internal and external emergency are kept plans up to date in accordance with legal requirements. ATPs are presented to the Workers' Health, Safety and Environmental Representatives (RSSLA or RLS), and to the Prevention and Protection Service Managers (PPSMs), who may suggest changes and additions. Company documents on occupational health and safety procedures and policies are made available to all employees and contractors.

Company doctors are appropriately appointed by the various organizations of the Itelyum Group. In accordance with the provisions of Legislative Decree No. 81/08, they visit workplaces annually and conduct preventive and periodic examinations as per health protocols.

Prevention, health and environment meetings are held on a regular basis, with a frequency to be defined by each Group company. They are attended by employee health and safety representatives (RSSLA or RLS), who inform employees of the points discussed within the meetings, employers, PPSMs and other supervisors.

Net of enrollment to funds provided for under the applicable national collective bargaining agreements, Group companies have agreements with specific funds and programs, which provide employees with discounted access to medical and health care services and risk prevention and health protection programs. Employees are informed about the funds and programs when they are hired.

No cases of work-related ill health were recorded in 2022; there were 28 injuries, the majority of which were caused by falls and slips; to a lesser extent they were caused by accidental cuts or bumps. The increase in injuries on 2021 is due to the increase in the scope of companies belonging to the Itelyum Group.

These companies also carry out higher-risk activities, such as environmental services, as also evident in the increase in the frequency index. A lifeline - i.e., a structure that makes it safer to carry out unloading transactions at height - was installed in Landriano in early 2023.

Fatal accidents	2021	2022
Employees	0	0
Businesses	0	0
Third parties	0	0
Total	0	0

Number of injuries, employees ¹⁶	2021	2022
Regeneration	0	0
Purification	3	3
Environment	14	29
Itelyum	17	32

Injury frequency index ¹⁷ , employees	2021	2022
Regeneration	0	0
Purification	10.9	10.3
Environment	16.9	23.5
Itelyum	12.3	17.8

¹⁶ Leading to absences from work of over 24 hours.

¹⁷ Number of injuries (leading to absences from work of over 24 hours) per million hours worked.

At some facilities, including Pieve Fissiraga and Itelyum SEA, the information campaign on the risks associated with smoking continued into 2022. The campaign's aim is to act on this risk factor in order to protect health, by orienting those who wish to do so towards a path of change. Initiatives are also planned to raise awareness of issues related to proper lifestyles that can protect or improve worker health, including outside the workplace.

The Psychological Support Desk (launched in Pieve Fissiraga and currently being adopted at other sites), which was set up after the introduction of new working methods during the lockdown, continued to deal with the impacts of work-related stress. Itelyum believes that supporting and guiding each individual so they can relate constructively, face complex situations serenely, and develop potential and proactive attitudes, contributes to creating a generalized corporate well-being that is profitable for everybody. The Company's annual monitoring and assessment of work-related stress has always revealed a low degree of risk

as the positive effect of specific corrective and improvement actions within the organization.

The main Key Performance Indicators (KPIs) for monitoring the topic of health and safety (e.g. number, type and frequency of accidents, and their severity) are also subject to periodic review by the Itelyum Board of Directors, which will assess any necessary improvement policies.

The health and safety objective extends to local communities, especially at the four Group sites which, according to legislation, are classified as a "major accident risk" due to the storage of a large volume of substances that are flammable or potentially toxic for human health or for the environment.

At these sites, dedicated protocols and monitoring are in place, involving local communities in an integrated risk prevention and management system, according to sector best practices. Within this framework, internal and external emergency plans have been prepared and shared with local institutions, to deal with any local area accidents.



The main KPIs for monitoring the topic of health and safety are also subject to periodic review by the Itelyum Board of Directors.

6.3 Development of human capital

As a result of the update of the materiality analysis, a significant area for improvement emerged regarding the oversight of human capital development within the Group. The management of this issue currently varies from company to company. Fully aware of this fact - which also emerged from interviews with management - one of the main goals of the newly installed HR management team will be

to develop an integrated goal-based people management and performance evaluation plan to apply across the entire Group. As mentioned above, the Group is experiencing strong growth, and the dynamics of personnel management are being affected by the growth in the workforce, among other factors.

Workforce at 31.12	2021	2022
Regeneration	162	169
Purification	168	165
Environment	537	805
Itelyum	867	1,139

Permanent contracts	2021		2022	
	Female	Male	Female	Male
Regeneration	22	137	26	140
Purification	22	132	26	128
Environment	132	318	153	537
Itelyum	176	587	205	805

Temporary contracts	2021		2022	
	Female	Male	Female	Male
Regeneration	2	1	1	2
Purification	1	13	2	9
Environment	17	70	9	106
Itelyum	20	84	12	117

We note that the increase in temporary contracts relates particularly to activities involving tenders. In these situations, staff at the site in question are hired by the new contractor for the duration of the contract and terminate their employment with the end of the contract. This type of contract is particularly common at Castiglia and Itelyum Sea FVG.

Full-time contracts	2021		2022	
	Female	Male	Female	Male
Regeneration	22	138	24	141
Purification	20	144	25	136
Environment	123	385	133	638
Itelyum	165	667	182	915

Part-time contracts	2021		2022	
	Female	Male	Female	Male
Regeneration	2	0	3	1
Purification	3	1	3	1
Environment	26	3	29	5
Itelyum	31	4	35	7

18
Percentages in new employee hiring data refer to the ratio of employees hired during 2022 to total employees at 12/31/2022.

19
Percentages in employee departure data refer to the ratio of employees leaving the organization during 2022 to total employees at 12/31/2022.

New hired employees ¹⁸	Unità	Percentage
Total new employees hired during the year	366	
By gender		
Male	316	34%
Female	50	23%
By age group		
Under 30	86	68%
30-50	190	32%
Over 50	90	21%

Number of employees leaving the organization ¹⁹	Units	Percentage
Number of employees who left the organization during the year	212	
By gender		
Male	183	20%
Female	29	13%
By age group		
Under 30	57	45%
30-50	112	19%
Over 50	43	10%

Employee turnover and turnover rate during the year	Turnover ²⁰	Turnover rate ²¹
By gender		
Male	133	19.8%
Female	21	13.4%
By age group		
Under 30	29	44.9%
30-50	78	19.1%
Over 50	47	10.1%

As mentioned above, some companies have specific turnover characteristics and report high values. These relate to contracting activities that require the incoming party to hire staff from the site in question for the duration of the contract. Another issue brought to management's attention at the employee focus groups was training, which is currently not homogeneous across all Group companies. This means that there are situations of excellence, particularly where management systems are more

developed and used as governance tools, and situations where courses are unstructured and training is purely legally required. This issue was also addressed by the new HR management, which is aware of its importance also in terms of attracting and retaining new talent, alongside the need for continuous up-skilling of its staff, to compete in increasingly challenging markets and as part of the rapid process of digitalization that is underway.

Hours of training per person by employment category	2021	2022
Executives	10	13
Managers	20	14
White-collar	19	15
Blue-collar	16	19
Total	18	17

Hours of training per person by gender ²²	2021	2022
Male	11	18
Female	19	13
Total	18	17

Parental leave	2022
Number of employees with the right to parental leave	23
Of which male	11
Of which female	12
Number of employees who took parental leave	16
Of which male	4
Of which female	12
Number of employees who returned to work during the reporting period after taking parental leave	15
Of which male	4
Of which female	11
Number of employees who returned to work after parental leave and are still employed in the 12 months after their return	15
Of which male	4
Of which female	11
Return-to-work rate of employees who took parental leave²³	100%
Male	100%
Female	100%
Company retention rate of employees who took parental leave²⁴	100%
Male	100%
Female	100%

²⁰ Turnover is calculated as the number of employees hired in 2022 minus the number of employees who left the Itelyum Group in 2022.

²¹ The turnover rate is calculated as the ratio of turnover to total Group employees at 12/31/2022.

²² Hours of training by gender are partially estimated; the monitoring of hours of training is being aligned to bring it in line with all the Group's realities.

²³ The return-to-work rate is calculated as the ratio of the total number of employees who returned to work after parental leave to the total number of employees who should have returned to work after parental leave.

²⁴ The retention rate is calculated as the total number of employees still employed 12 months after returning to work at the end of parental leave and the total number of employees who returned to work following parental leave in the previous reporting period.

6.4 Diversity and inclusion

Itelyum is keenly aware of the importance of an inclusive environment for the well-being of its employees. The creation of a common identity is a challenge for a constantly growing company that welcomed into the Group three companies in different local areas in 2022 alone. Inclusion is one of the fundamental aspects of this process, as a vector of participation, the acquisition of talent, staff retention, and, therefore, competitiveness. For this reason, the training course on sustainability and inclusion issues continued in 2022, involving a tour of Itelyum's companies by the Sustainability Team to hold group sessions.

2022 also saw Itelyum participate in Target Gender Equality, a training course promoted for the first time in Italy by UN Global Compact. This sought to build internal expertise on the topic, which will be used to define the Company's business case and strategy. Itelyum operates in an industry that is historically male-dominated, and is aware of the need to expand its talent pool in order to encourage innovation and growth. The topic of DE&I, in all its meanings of diversity and inclusion, will be an integral part of the Itelyum strategy that is being developed.

Breakdown of personnel

	2021		2022	
	Units	Perc.	Units	Perc.
Number of employees at December 31	867		1,139	
By gender				
Male	671	77%	922	81%
Female	196	23%	217	19%
By age group (%)				
Under 30	107	12%	127	11%
30-50	463	53%	585	51%
Over50	297	34%	427	38%

The training course on sustainability and inclusion issues continued in 2022,



Employees by category and gender	2021		2022	
	Units	Perc.	Unità	Units
Executives	18		19	
Of which male	17	94%	18	95%
Of which female	1	6%	1	5%
Mangers	62		74	
Of which male	52	84%	61	82%
Of which female	10	16%	13	18%
White-collar	361		395	
Of which male	181	50%	197	50%
Of which female	180	50%	198	50%
Blue-collar	426		651	
Of which male	421	99%	646	99%
Of which female	5	1%	5	1%



Employees by category and age group	2021		2022	
	Units	Perc.	Units	Perc.
Executives	18		19	
Under 30	-	-	-	-
30-50	9	50%	10	53%
Over 50	9	50%	9	47%
Managers	62		74	
Under 30	-	-	-	-
30-50	31	50%	34	46%
Over 50	31	50%	40	54%
White-collar	361		395	
Under 30	56	15%	56	14%
30-50	194	54%	202	51%
Over 50	111	31%	137	35%
Blue-collar	426		651	
Under 30	51	12%	71	11%
30-50	229	54%	339	52%
Over 50	146	34%	241	37%

Itelyum operates in an industry that is historically male-dominated, and is aware of the need to expand its talent pool in order to encourage innovation and growth.



Itelyum has built a business model that centers around the circular economy of special waste, becoming an organization that, in terms of size and integrated service, is unique in Italy. Today, the Group has the collective capacity to manage approximately one million, eight hundred thousand tons of special waste per year.

ENVIRONMENTAL RESPONSIBILITIES

7.1

Circular and sustainable waste management

Itelyum has built a business model that centers around the circular economy of special waste, becoming an organization that, in terms of size and integrated service, is unique in Italy.

Today, the Group has the collective capacity to manage approximately one million, eight hundred thousand tons of special waste per year, including intermediate and transported special waste, and to achieve extremely high circularity indexes, (84%), through the regeneration of used oils, the purification of solvents, and the 360° management of hazardous and non-hazardous special waste, with collection, transport, pre-treatment and treatment services that favor recovery over disposal.

The materials report for the Group's activities is illustrated below. We note that trends in the Environment Division also depend on the addition of new companies to the scope in 2022.

2022 saw a slight decrease in the regeneration of waste oil, related to a reduction in the amount of oil to be treated as input; cleaning the treatment column also involved more steps, which led to a reduction in products compared to 2021.

Materials report (tons) / Regeneration	2021	2022
Input: raw materials and waste	176,340	179,231
Of which raw materials	-	7,938 ²⁶
Of which waste oils (hazardous waste)	176,340	171,293
Output: products	150,334	147,783
Of which regenerated lubricant bases	117,865	115,681
Of which diesel	12,003	11,727
Of which bitumen	20,466	20,375
Output: purified water	14,161	13,940
Output: waste for recovery (via third parties)	1,829	2,122
Circularity (%)	96%	97%

²⁵ Calculated using an internal methodology. It's the ratio between the share of circular products, purified water, waste sent to circular destinations and the input of waste managed by the Group.

²⁶ From this year, chemicals used in the oil regeneration process (additives, catalysts, acids, etc.) are also monitored in an effort to continuously improve monitoring and transparency.

²⁷ Process effluents.

²⁸ The figure in the 2021 report has changed following a recalculation of the value as a result of the improved data monitoring process.



Materials report (tons) / Purification	2021	2022
Input: raw materials and waste	140,566	138,797
Of which raw materials	50,274	39,183
Of which waste containing solvents (hazardous waste)	90,292	86,953
Other²⁷	12,905	12,661
Output: products	115,186	105,375
Of which solvents and other recycled products	77,297	74,729
Of which pure solvents	37,587	30,498
Of which other products	302	148
Output: purified water (via third parties)	16,157	14,373
Output: waste for recovery (via third parties)	6,983	6,664
Circularity (%)	90%²⁸	91%

Production is also lower at the Landriano site.

Materials report (tons) Environmental services	2021	2022
Waste managed	949,492	973,052
Non-hazardous	450,619 ²⁹	477,465
ASMIA NH	61,630	47,063
Hazardous	391,550 ²⁹	397,603
ASMIA H	45,693	50,920
Destination and circular treatment without ASMIA	653,919	686,210
Destination and circular treatment with ASMIA	761,242	784,193
Recovery	394,912	422,041
Water treatment	140,253	142,709
ASMIA water treatment	107,323	97,983
Treatment of oily emulsions	118,754	121,460
Circularity (%)	80%	81%

Waste generated (tons)	Regeneration	Purification	Total
Total weight of waste generated in tons by waste composition	5,813	33,612	39,425
Pericolosi	4,326	33,268	37,594
Non pericolosi	1,487	344	1,831

²⁹
The figure in the 2021 report has changed following a recalculation of the value as a result of the improved data monitoring process.

Waste sent for recovery (tons)	Regeneration	Purification	Total
Total weight of waste sent for recovery by waste composition	2.371	21.037	23.409
Hazardous	2,059	20,694	22,753
Non-hazardous	312	343	655
Total weight of hazardous waste sent for recovery, broken down according to the following disposal methods	2,059	20,694	22,753
Preparation for reuse	-	-	-
On-site	-	-	-
Off-site	-	-	-
Recycling	-	-	-
On-site	-	-	-
Off-site	-	-	-
Other recovery operations	2,059	20,694	22,753
On-site	-	-	-
Off-site	2,059	20,694	22,753
Total weight of non-hazardous waste sent for recovery, broken down according to the following disposal methods	312	343	655
Preparation for reuse	-	-	-
On-site	-	-	-
Off-site	-	-	-
Recycling	-	343	343
On-site	-	-	-
Off-site	-	343	343
Other recovery operations	312	-	312
On-site	-	-	-
Off-site	312	-	312

Itelyum Purification's Landriano plant underwent a series of environmental improvement activities over the past year, involving emissions reduction, energy and process efficiency, and sustainable, circular waste management.

To make the process increasingly efficient, automated and continuous monitoring systems have been introduced in order to reduce the amount of waste produced. A recent innovation is the introduction of the waste management procedure, which focuses on packaging and seeks to improve environmental sustainability by minimizing waste generated and using reused and reclaimed materials.

The initiative enables a reduction of both the environmental impact, due to the transportation of materials, and the economic impact, due to not buying new packaging.

Itelyum is careful to maximize waste sent to circular destinations, including waste from its own operations. A number of projects have been launched to separate and reduce the usage of single-use plastics at different Group companies, with the objective of homogenizing them across the Group in the coming months.

Waste directed to disposal (tons)	Regeneration	Purification	Total
Total weight of waste directed to disposal by waste composition	3,441	12,575	16,016
Hazardous	2,266	12,574	14,840
Non-hazardous	1,175	1	1,176
Total weight of hazardous waste directed to disposal, broken down according to the following disposal methods	3,149	12,574	15,723
Incinerated (with energy recovery)	-	1,005	1,005
On-site	-	-	-
Off-site	-	1,005	1,005
Incinerated (without energy recovery)	-	-	-
On-site	-	-	-
Off-site	-	-	-
Sent to landfill	-	-	-
On-site	-	-	-
Off-site	-	-	-

[Continues]

[Follows]

Waste directed to disposal (tons)	Regeneration	Purification	Total
Other disposal operations	3,149	11,568	14,718
On-site	-	-	-
Off-site	3,149	11,568	14,718
Total weight of non-hazardous waste directed to disposal, broken down according to the following disposal methods	1,175	1	1,176
Incinerated (with energy recovery)	-	-	-
On-site	-	-	-
Off-site	-	-	-
Incinerated (without energy recovery)	-	-	-
On-site	-	-	-
Off-site	-	-	-
Sent to landfill	-	-	-
On-site	-	-	-
Off-site	-	-	-
Other disposal operations	1,175	1	1,176
On-site	-	-	-
Off-site	1,175	1	1,176

7.2 Responsible energy consumption management

Itelyum's remanufacturing plants are energy-intensive and several processes require heat to treat waste. As such, efficiency has always been a strategic issue for the Group, so much so that a number of initiatives had already been introduced before the energy price increases of 2022.

Following on from this program of attention to energy consumption, ISO 50001 certification, which targets consumption efficiency, was obtained in 2022 at the Regeneration sites in Pieve Fissiraga and Ceccano. The Pieve Fissiraga facility is also home to a digital transformation pilot project, one of the first in Italy, which will see a digital reproduction of its processes that will allow for real-time monitoring and data collection. By leveraging

artificial intelligence, this data can then be analyzed to highlight processes that can be made more efficient.

In Landriano, an energy diagnosis led to the installation of continuous energy consumption monitoring systems, which seek to define an efficiency plan. To minimize energy impact and therefore light pollution, a campaign was also carried out to replace neon lighting with LEDs. In the Environment Division, owned vehicles continue to be replaced with fuel-efficient and low-emission alternatives.

The tables on the opposite page report the energy consumption data, the changes in which also depend on the aforementioned expansion of the scope³⁰.



Fuels (GJ)	2021	2022
Natural gas ³¹	1,550,538	1,264,096
LSC Oil ³²	569,375	685,270
LPG	-	121
Diesel fuel (including automotive)	125,390	134,488
Petrol (including automotive)	-	1,049
Itelyum (GJ millions)	2.2	2.1

Energy consumption, thermal and electrical (GJ)	2021	2022
Regeneration	1,763,547 ³³	1,543,577
Purification	1,063,516	921,890
Environment	180,006	180,426
Itelyum	3,007,069	2,645,894

Electricity consumption (GJ)	2021	2022
Self-production/Cogeneration	147,240	145,843
Self-production from renewables	5,565	5,561
Purchased from the grid	118,870	129,984
<i>Of which purchased from renewable sources</i>	-	537
Total	271,675	275,827

³⁰ See page 122 for the table of conversion coefficients used.

³¹ Also includes LNG (Liquefied Natural Gas).

³² LSC (Low Sulfur Content) oil self-produced from waste.

³³ The 2021 figure also includes steam consumption and cooling energy consumption, which were not previously reported.

7.3 Atmospheric emissions

The Regeneration sites at Pieve Fissiraga and Ceccano and the Purification site at Landriano are subject to ETS (Emission Trading Scheme) regulations and are therefore required to report their emissions annually. These are then certified by a third party.

The majority of direct (Scope 1) emissions derive from these facilities, with the addition of emissions from the Group's own vehicles. The following tables report changes in CO₂ emissions for the past two years. A reduction in Scope 1 emissions is evident, mainly relating to reduced production at the Landriano site.

Producing new raw materials through the regeneration and recycling of waste avoids emissions from the extraction, processing and use of fossil raw materials.

Studies carried out by leading research institutes (such as ifeu, a German research institute focused on environmental and sustainability issues, and ETHOS) have made it possible to estimate, using a Life Cycle Assessment (LCA) approach, that in 2022 alone Itelyum's activities avoided the emission of around 330,000 tons of CO₂, net of the Company's Scope 1 and 2 emissions (approx. 500,000 gross).

Gross carbon footprint (kt CO ₂ equivalent ³⁴)	2021	2022
Scope 1 (direct emissions)	162.2	154.7
Scope 2 - Location-based (indirect emissions)	8.6	9,4
Scope 2 - Market-based (indirect emissions) ³⁵	15.08	16.5

Atmospheric emissions (tons)	2021	2022
NO _x	158.20	155.73
SO _x	87.09	108.63
Persistent organic pollutants (POP)	-	-
Volatile Organic Compounds (VOC)	32.51	12.94
Hazardous air pollutants (HAP)	0.01	-
Particles (PM)	2.44	0.33
Other standard atmospheric emissions categories identified by relevant regulations	1.66	5.39
Total	281.90	283.03

Almost all of the Group's emissions of local pollutants (such as nitrogen and sulfur oxides) into the atmosphere derive from the oil regeneration plants and the solvent purification plant. There are also plants whose atmospheric emissions are, to a lesser extent, channeled to the logistics center in Rho and to some of the operating sites of Itelyum Environment companies.

To complement this, managed vehicle fleets generate emissions in proportion to mileage and fleet type. In some cases, reported emissions are based on estimates from point measurements at various smokestacks twice a year.

In the Purification division, in-plant emission reduction projects are always in place. In the past year, continuous emission monitoring systems were introduced for boiler smokestacks in accordance with and in compliance with regulations; an additional treatment system, a post-combustion system for volatile organic compounds (VOCs), was also installed to reduce emissions of these substances, and a climate-changing gas was eliminated from the refrigeration process.



34 Values for 2021 are expressed in tons of CO₂, while values for 2022 are expressed in tons of CO₂ equivalent.

35 Scope 2 (market-based) emissions were calculated by multiplying the estimated purchased non-renewable electricity by the conversion factors published by AIB.

For further information on conversion and emissions factors, reference should be made to the methodological note.

7.4

Management of water as a resource

Interviews conducted with Stakeholders revealed that the conscientious management of water used in processes was very relevant. This was particularly true for institutional opinion leaders, who highlighted the issue as a priority for those working in the chemical sector.

The impact analysis found that the potential negative impact relating to water management is very limited thanks to the various mitigation and protection systems in place.

At operational sites, water resources meet the supply needs for drinking and civil use (e.g., showers, catering, restrooms) or industrial use. Wherever possible, the industrial cycle is managed as a closed circuit, with water withdrawn only to replenish the unavoidable consumption. Industrial uses include steam generation, process equipment cooling utilities, miscellaneous washing, and firefighting.

The table on the opposite page reports the changes in these withdrawals, which also result from the expansion of the scope. These withdrawals are more significant at the Itelyum Regeneration and Purification production sites. The focus on the local area and its natural value has always been high, also considering

the portions of the area occupied, used or influenced by the industrial activities managed by the Company. At every site, industrial and storm water discharges (both into surface water bodies and into the sewer system) are controlled by modern purification systems that ensure the highest environmental quality of the effluent, and are constantly checked by the competent authorities.

In addition, a portion of raw materials, product effluents and those effluents treated, managed, or transported has specific hazardous characteristics for aquatic environments. Specific operational care protocols are adopted for these substances. Finally, hydraulic barrier devices are in place at four of the Group's sites - namely the oil regeneration plants at Pieve Fissiraga and Ceccano, the solvent purification plant at Landriano and the infusion and logistics center at Rho. Where necessary, these are supported by pumped water treatment systems, designed to reduce pre-existing contamination of soil and groundwater.

At the Pieve Fissiraga and Ceccano plants, a study called the "dry factory" has been launched with the goal of reusing water from the hydraulic

Water withdrawal per source (Megaliters) ³⁶	2021	2022
Source of withdrawal	All areas	All areas
Surface water (total)	0	4.7
Fresh water (\leq 1,000 mg/l total dissolved solids)	0	4.7
Other water ($>$ 1000 mg/L total dissolved solids)	0	0
Groundwater (total)	1,081.9	1,218.7
Fresh water (\leq 1,000 mg/l total dissolved solids)	1,081.9	1,218.7
Other water ($>$ 1000 mg/L total dissolved solids)	0	0
Sea water (total)	0	0
Fresh water (\leq 1,000 mg/l total dissolved solids)	0	0
Other water ($>$ 1000 mg/L total dissolved solids)	0	0
Process water (total)	835.9	693.7
Fresh water (\leq 1,000 mg/l total dissolved solids)	835.9	693.7
Other water ($>$ 1000 mg/L total dissolved solids)	0	0
Third-party water (total)	71.0	79.8
Fresh water (\leq 1,000 mg/l total dissolved solids)	71.0	79.7
Other water ($>$ 1000 mg/L total dissolved solids)	0	0.1

36

Following a recalculation relating to improvements in the reporting system, the 2021 figures have been restated.

barriers plant and the water treatment plant. This is designed to reuse process water, thereby reducing - if not completely avoiding - further water extraction. In addition to the measures introduced at its own sites, we note that Itelyum works to protect the local area in a broader sense, in that it has seven companies carrying out environmental remediation of reservoirs, polluted sites, industrial areas and abandoned areas with advanced methods and highly qualified technical personnel.

Specifically, contaminated sites and/or polluted land are reclaimed and made safe and related intervention work is carried out, underground tanks containing fuels are cleaned and "Gas Free", successful remediation certifications are issued, and asbestos roofing

and land contaminated with asbestos-based material or other fibers are reclaimed. The Group's positive impact on the water compartment is a significant part of its core business: In fact, Itelyum operates four chemical physical biological treatment plants and one plant dedicated to purifying process water from the ceramic industry, with a total annual capacity of approx. 250,000 tons per year.

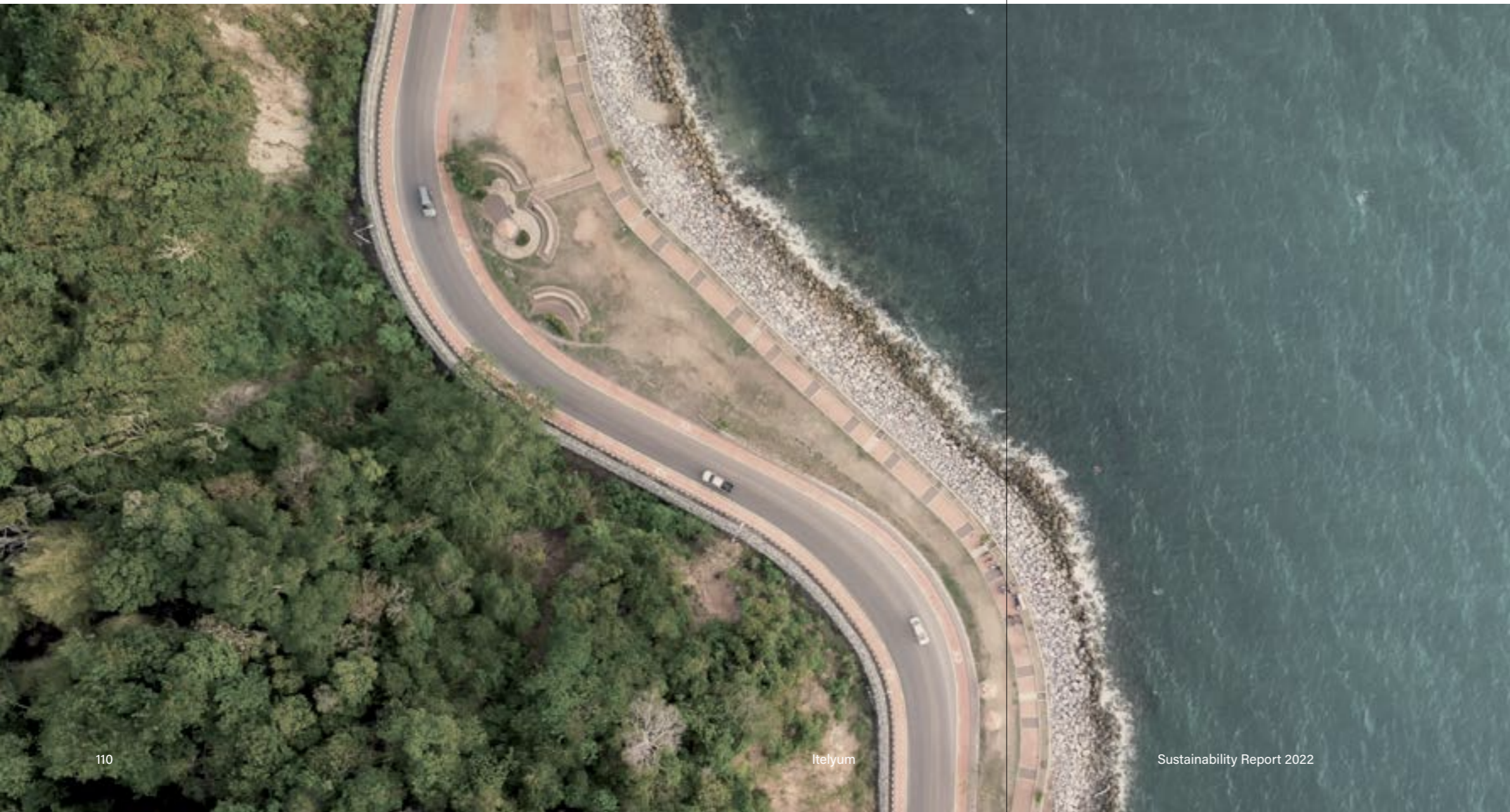
These four plants consist of an initial physical/chemical separation stage followed by a passage to a biological oxidation tank. At every significant step, a sample is tapped to check the effectiveness of the treatment. This is in order to achieve the predetermined end result in line with the limits established by the applicable regulation. This process enables Itelyum to

return purified water from highly contaminated liquid waste streams to the environment. The plant that recovers water from the ceramic industry, located in the district of the same name, also represents a virtuous example of the circular economy. One of the main waste products of the processing of tiles and ceramic material in general is a stream of process water containing suspended material (sand, clay, etc.). Itelyum's facility allows water and ceramic sludge to be separated. Both materials are returned at a later stage to the industry of origin - one to constitute new process water (with significant savings in well water extraction), the other as raw material for production.

In 2022, Itelyum's focus on water also led to a new line of services: port services. Thanks to

the acquisition of the Crismani Group companies and Secomar and Ambiente Mare in early 2023, these also saw the Group engage in marine water protection, through prevention and depollution services, in addition to marine waste management that pays the utmost attention to the marine environment surrounding the collection stages.

Itelyum's is committed to growing in these areas by translating its model of protection and restoration to other contexts.



THE GROUP'S POSITIVE IMPACT ON THE WATER COMPARTMENT IS A SIGNIFICANT PART OF ITS CORE BUSINESS

The focus on the local area and its natural value has always been high, also considering the portions of the area occupied, used or influenced by the industrial activities managed by the Company.

7.5 Biodiversity

During the reporting period, the Itelyum Group began initial consideration of the issue of protecting biodiversity and natural ecosystems as a result of its activities. In today's world, more and more organizations - both public and private - are considering their own direct and indirect impacts on the biodiversity of natural species. This is partly driven by evolving European regulations, particularly the EU Taxonomy of Eco-friendly Activities. Among other things, the Taxonomy includes Goal 6 on the protection and restoration of biodiversity and ecosystems, focusing on the conservation, restoration or protection of ecosystem services as fundamental aspects of human and animal well-being.

Loss of biodiversity and ecosystem services are, therefore, increasingly significant issues in the private sector, which, on the one hand, generates direct and indirect impacts on the natural environment, and at the same time suffers consequences and effects on business activities.

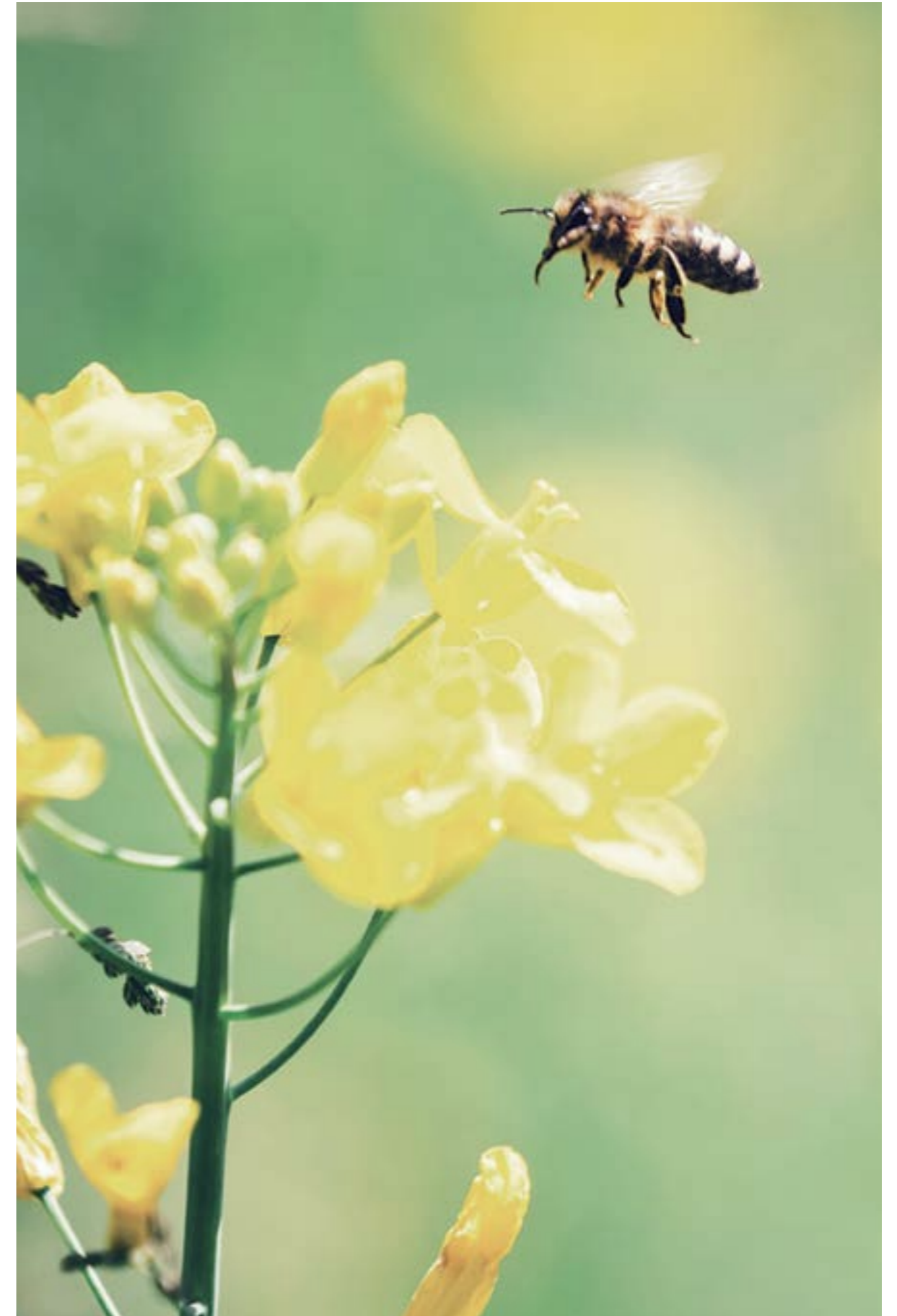
The Itelyum Group analyzed the list of its operating sites to identify any locations within or adjacent to areas of high biodiversity value, based on the lists of Sites of Community Importance (SCIs), Special Protection Areas (SPAs) and Special Areas of Conservation

(SACs) published by the Ministry of Environment and Energy Security³⁷. This analysis found that there are no operational sites in protected areas in Italy.

The Group also analyzed its main external impacts on biodiversity, identifying two main types of potential impacts: a direct impact, relating to the loss of biodiversity at the local level due to failure to monitor the effects generated by facility malfunctions, and an indirect impact relating to climate-altering emissions and the effects of climate change. Both types of impacts were assessed as potential and having a low potential for occurrence, as they are issues that the Group already safeguards as part of its operations. Looking ahead, the Group is committed to continuing to monitor such potential externally generated impacts to identify any mitigation action.

During the reporting period, the Itelyum Group began initial consideration of the issue of protecting biodiversity and natural ecosystems as a result of its activities.

³⁷
www.mase.gov.it/pagina/sic-zsc-e-zps-italia





ITELYUM'S

COMMITMENTS

Itelyum's Sustainability Advisory Committee has approved a three-year plan to define a structured sustainability strategy.

A complex system such as a constantly growing Group of 28 companies also requires precise directions and planning designed to achieve the common sustainable purpose.

As mentioned above, Itelyum's Sustainability Advisory Committee has approved a three-year plan to define a structured sustainability strategy. On the one hand, this is necessary to systematize the various initiatives that are already underway, in order to monitor their impacts in a more structured way, and a complex system such as a constantly growing Group of 28 companies also requires precise directions and planning designed to achieve the common sustainable purpose.

The materiality analysis highlighted the areas with the greatest impact, and these will form the basis of this strategy. The Company's objective is to define its main ambitions as early as the next reporting cycle, and to identify prospective targets with associated monitoring KPIs by 2025.

One of the first aspects to emerge (and which is already being addressed) concerns Itelyum's people. It involves the creation of a people management pathway that starts as early as the hiring phase - which functions on an inclusive basis - and continues with training and growth paths based on potential and achievements.

Another Group commitment relates to the value chain and Itelyum's impact on it. Following the calculation of the carbon footprint of the main recycled products, the scope of analysis will therefore be expanded. It will include the main and material components to calculate scope 3 emissions, which have not so far been considered, and highlight areas for improvement.



METHODOLOGICAL NOTE

The Itelyum Group's Sustainability Report 2022 was prepared using the Global Reporting Initiative Sustainability Reporting Standards, defined by the Global Reporting Initiative.

The Itelyum Group's Sustainability Report 2022 (hereinafter also the "Report") was prepared using the Global Reporting Initiative Sustainability Reporting Standards ("GRI Standards"), defined by the Global Reporting Initiative, as the reporting standard, according to the "With reference to" approach, thanks to the methodological support of the consulting firm SCS Consulting. For the sake of clarity, we note that the term "Group" used in this Report is not meant in the legal sense, but instead refers to a group of companies with the same shareholders.

The companies included in the reporting scope are Itelyum Regeneration S.p.A., AECO s.r.l., De Luca Servizi Ambiente s.r.l., Intereco s.r.l., Neda Ambiente FVG s.r.l., Rimondi Paolo s.r.l., SAM s.r.l., Sepi Ambiente s.r.l., Carbo-Nafta Ecologia s.r.l., S.C.I.E. s.r.l., Itelyum Sea FVG s.r.l., Castiglia s.r.l., Idroclean s.r.l., Labio.Lab s.r.l., Agrid s.r.l. Area s.r.l., Innovazione Chimica s.r.l., Centro Risorse s.r.l., Keoma s.r.l., Fer.Ol.Met s.r.l., Rirae s.r.l., Itelyum Purification S.p.A., Im.Tra.S. s.r.l. Only for the calculation of the circularity index was also considered the company ASMIA s.r.l., owned by Idroclean s.r.l. (see the chapter on Governance for details). Ecologica Tredi - which is also included in the consolidated financial statements of Verde Midco, now Itelyum Group, parent holding company Itelyum Regeneration S.p.A. - has not been included as it was acquired at the end of the year (November). Following the Group's rebranding process and the founding of Itelyum as a structured company, a decision was made in 2019 to draft a Group Report, which is published annually as a tool to encourage dialogue and transparency with regard to stakeholders. It forms an integral part of the sustainability processes that the companies of the Itelyum Group have pursued since their founding.

The 2022 Sustainability Report is therefore the Group's third. This document is prepared on a voluntary basis since the Itelyum Group does not fall within the scope of organizations required to report their non-financial performance under Legislative Decree No. 254/2016. The contents of the Report were prepared in line with the principles of accuracy, balance, clarity, comparability, completeness, sustainability context, timeliness, and verifiability, as per GRI 1: Foundation 2021. The reporting scope for sustainability information considered the period from January 1, 2022 to December 31, 2022, and the Report is prepared annually.

Reporting process and calculation methodologies

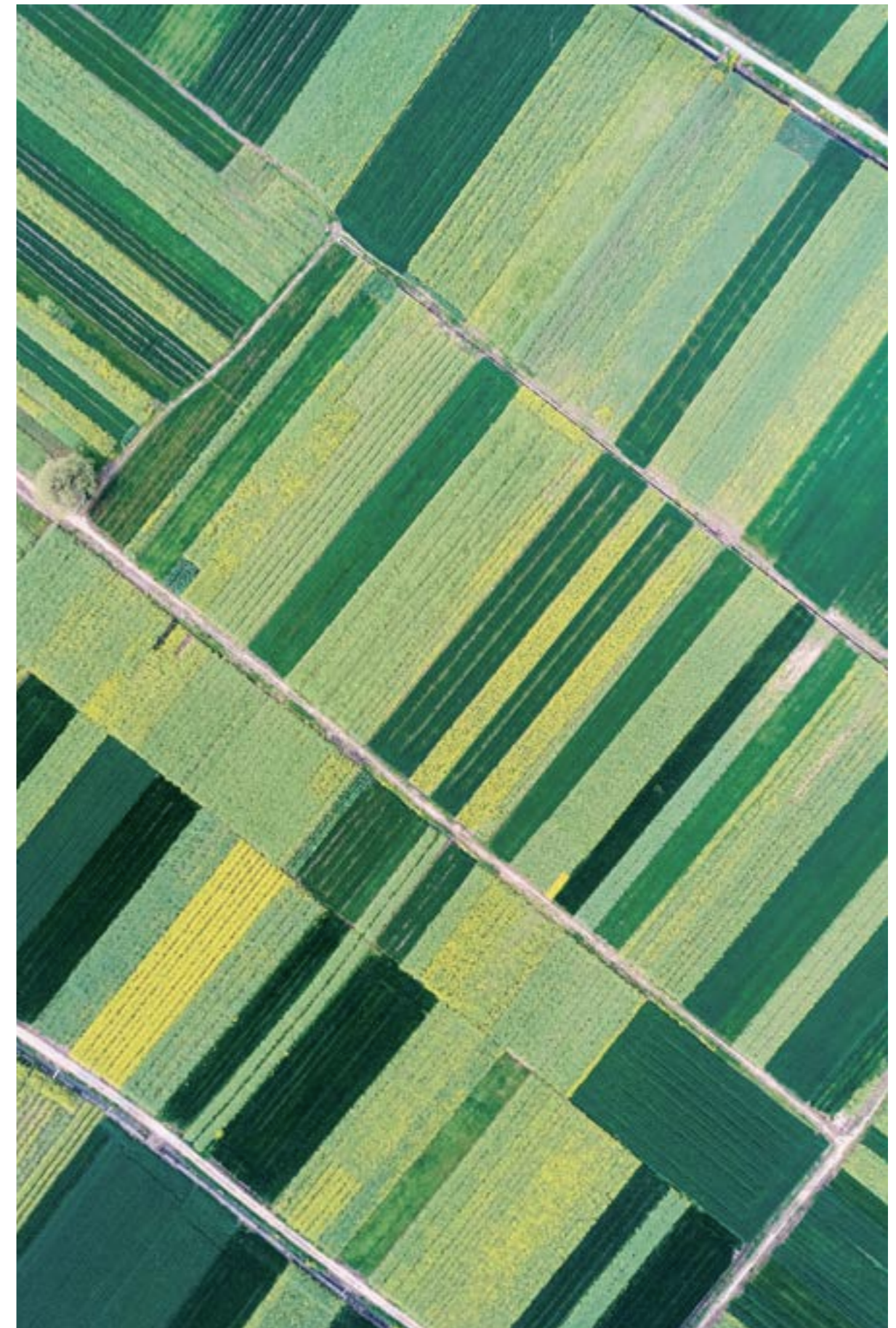
From a process perspective, business functions and management were involved both in defining the issues on which to focus reporting and in gathering the qualitative content and quantitative data needed to prepare the Report. Information was collected using a centralized process, with the Sustainability and Corporate Identity function consolidating data from the Group's three divisions. Data are calculated accurately using the accounting, non-accounting and other information systems employed by the relevant functions.

The data were then validated by the heads of the relevant functions. Some restatements have been made of data provided in previous reports. These are specifically highlighted with appropriate notes. Data within the document are not broken down by geographic area where required by the GRI Standards. We note that all Group operations are currently carried out in Italy. The Sustainability Report is subject to limited review by an independent firm, PricewaterhouseCoopers.

Further information can be found at www.itelyum.com or by contacting the following e-mail address: sustainability@itelyum.com.

Notes on the collection and calculation of energy consumption and emissions data

The data on energy consumed all relate to the period from January 1 to December 31, 2022. The reporting scope for consumption and related emissions is based on the concept of control.



ENERGY CONVERSIONS AND EMISSIONS COEFFICIENTS

Conversion	Conversion coefficient	Unit	Source
Diesel	0.84	kg/l	Italian Greenhouse Gas Inventory 1990-2020. National Inventory Report 2022
Petrol	0.74	kg/l	Italian Greenhouse Gas Inventory 1990-2020. National Inventory Report 2022
LPG	0.56	kg/l	Italian Greenhouse Gas Inventory 1990-2020. National Inventory Report 2022
Emission	Coefficient	Unit	Source
Electricity	0.0036	GJ/kWh	Costant
Electricity (IT) - Location-based	260.5	gCO ₂ /kWh	ISPRA 2021
Electricity (IT) - Market-based	456.57	gCO ₂ /kWh	AIB 2021
	0.031	gCH ₄ /kWh	Italian Greenhouse Gas Inventory 1990-2020. National Inventory Report 2022
	0.005	gN ₂ O/kWh	Italian Greenhouse Gas Inventory 1990-2020. National Inventory Report 2022
CO ₂ emissions from electricity	260	gCO ₂ /kWh	Italian Greenhouse Gas Inventory 1990-2020. National Inventory Report 2022
CH ₄ emissions from electricity	0.0176	gCH ₄ /kWh	Italian Greenhouse Gas Inventory 1990-2020. National Inventory Report 2022
N ₂ O emissions from electricity	0.0028	gN ₂ O/kWh	Italian Greenhouse Gas Inventory 1990-2020. National Inventory Report 2022
Natural gas <i>[Continue]</i>	56.333	tCO ₂ /TJ	Ministry of the Environment 2022
	1.986	kgCO ₂ /smc	Italian Greenhouse Gas Inventory 1990-2020. National Inventory Report 2022

Emission	Coefficient	Unit	Source
Natural gas <i>[Follows]</i>	0.00008572	kgCH ₄ /smc	Italian Greenhouse Gas Inventory 1990-2020. National Inventory Report 2022
	0.00003429	kgN ₂ O/smc	Italian Greenhouse Gas Inventory 1990-2020. National Inventory Report 2022
Gas for heating	0.03429	GJ/smc	Italian Greenhouse Gas Inventory 1990-2020. National Inventory Report 2022
Diesel for heating	0.0003001	tCH ₄ /t	Italian Greenhouse Gas Inventory 1990-2020. National Inventory Report 2022
	0.00008573	tN ₂ O/t	Italian Greenhouse Gas Inventory 1990-2020. National Inventory Report 2022
	42.87	GJ/t	Italian Greenhouse Gas Inventory 1990-2020. National Inventory Report 2022
Diesel for vehicles	73.927	tCO ₂ /TJ	Ministry of the Environment 2022
	3.150	tCO ₂ /t	Italian Greenhouse Gas Inventory 1990-2020. National Inventory Report 2022
Petrol for vehicles <i>[Continue]</i>	74.05	tCO ₂ /TJ	ISPRA - Analysis of CO ₂ emission factors from the transportation sector
	0.00000441	tCH ₄ /t	Italian Greenhouse Gas Inventory 1990-2020. National Inventory Report 2022
	0.0001175	tN ₂ O/t	Italian Greenhouse Gas Inventory 1990-2020. National Inventory Report 2022
Natural gas <i>[Continue]</i>	42.85	GJ/t	Italian Greenhouse Gas Inventory 1990-2020. National Inventory Report 2022
	43.13	GJ/t	Italian Greenhouse Gas Inventory 1990-2020. National Inventory Report 2023
Diesel for vehicles	3.152	tCO ₂ /t	Ministry of the Environment 2022

Emission	Coefficient	Unit	Source
Petrol for vehicles <i>[Follows]</i>	0.0004262	tCH ₄ /t	Italian Greenhouse Gas Inventory 1990-2020. National Inventory Report 2022
	0.0000391	tN ₂ O/t	Italian Greenhouse Gas Inventory 1990-2020. National Inventory Report 2022
LPG	3.026	tCO ₂ /t	Ministry of the Environment 2022
	45.86	GJ/t	Italian Greenhouse Gas Inventory 1990-2020. National Inventory Report 2022
	0.00004586	tCH ₄ /t	Italian Greenhouse Gas Inventory 1990-2020. National Inventory Report 2022
	0.000092	tN ₂ O/t	Italian Greenhouse Gas Inventory 1990-2020. National Inventory Report 2022
LNG	1.156	kgCO ₂ /l	DEFRA GOV UK 2022
	1.158	kgCO ₂ e/l	DEFRA GOV UK 2022
	2210.000	l/t	DEFRA GOV UK 2022
	45.195	GJ/t	DEFRA GOV UK 2022
Fuel oil	41.072	GJ/t	Ministero ambiente 2022
	76.531	tCO ₂ /TJ	Ministero ambiente 2022





CONTENT INDEX

The Itelyum Group has reported the information mentioned in this GRI content index for the period from January 1, 2022 to December 31, 2022 with reference to the GRI Standards.

Declaration of use

The Itelyum Group has reported the information mentioned in this GRI content index for the period from January 1, 2022 to December 31, 2022 with reference to the GRI Standards.

GRI 1 used

GRI 1 - Foundation - 2021

GRI Standard	Disclosure	Location
GRI 2: General Disclosures 2021	2-1 Organizational details	Itelyum Regeneration is a Joint Stock Company whose purpose is the production, processing, industrialization and marketing of petroleum and related products, particularly oils. Its headquarters is located in Pieve Fissiraga (LO). 1.1 Group Profile 2.1 Business model and value chain
GRI 2: General Disclosures 2021	2-2 Entities included in the organization's sustainability reporting	9 Methodological note
GRI 2: General Disclosures 2021	2-3 Reporting period, frequency and contact point	This Sustainability Report was published on 4/7/2023. 9 Methodological note
GRI 2: General Disclosures 2021	2-4 Restatements of information	Some 2021 data have been restated as a result of the improved reporting process. These restatements are highlighted with appropriate footnotes.
GRI 2: General Disclosures 2021	2-5 External assurance	9 Methodological note
GRI 2: General Disclosures 2021	2-6 Activities, value chain and other business relationships	2.1 Business model and value chain
GRI 2: General Disclosures 2021	2-7 Employees	6.3 Development of human capital 6.4 Diversity and inclusion
GRI 2: General Disclosures 2021	2-9 Governance structure and composition	3 Governance

GRI Standard	Disclosure	Location
GRI 2: General Disclosures 2021	2-11 Chair of the highest governance body	The Chairperson of the Board does not also hold an executive role within the Itelyum Group.
GRI 2: General Disclosures 2021	2-14 Role of the highest governance body in sustainability reporting	The Itelyum Group Sustainability Report was revised and approved by the BoD in June 2023.
GRI 2: General Disclosures 2021	2-15 Conflicts of interests	The processes and behaviors to be adopted to prevent and mitigate conflicts of interest on the Board of Directors are addressed and regulated in the Code of Ethics and 231 Model adopted by the Group.
GRI 2: General Disclosures 2021	2-16 Communication of critical concerns	Internal information channels are in place to report (including anonymously) critical issues, including: <ul style="list-style-type: none"> • dedicated and confidential channels for the whistleblowing procedure; • confidential channels dedicated to direct information flows to the 231 Supervisory Board; • dedicated channels for direct communications to the Ethics Officer. The Sustainability Manager and the Sustainability Advisory Committee also report to the highest governing body on a regular basis. During the reporting period, no critical issues were reported to the BoD.
GRI 2: General Disclosures 2021	2-22 Statement on sustainable development strategy	Letter to the stakeholders
GRI 2: General Disclosures 2021	2-25 Processes to remediate negative impacts <i>[Continue]</i>	Every Group company has adopted management systems certified in accordance with ISO standards (9001, 14001, in some cases 45001 and others) which provide for compulsory tracking and dealing with nonconformities, anomalies, and reports - including those received from outside (such as, for example, environmental ones) - providing returns to relevant stakeholders, and working to identify solutions and resolutions for the criticality or nonconformity. The procedure for whistleblowing reports also always includes a commitment to resolve the issue and communicate the response to the person concerned. Internal stakeholders who submit complaints or reports are involved in identifying solutions.

GRI Standard	Disclosure	Location
GRI 2: General Disclosures 2021	2-25 Processes to remediate negative impacts <i>[Follows]</i>	External parties with complaints or reports would still be actively involved and included in discussions to define mitigation action. Every report, complaint, and nonconformity is routinely filed by responsible parties and analyzed and dealt with in the Management Review, a process of analysis and evaluation that takes place once a year at each company with a management system.
GRI 2: General Disclosures 2021	2-26 Mechanisms for seeking advice and raising concerns	Staff can seek clarification on the implementation of the organization's policies and practices for responsible business conduct and raise concerns about the organization's business conduct through: <ul style="list-style-type: none"> the whistleblowing procedure; the dedicated, confidential information flows to the 231 Supervisory Board; communications to the Ethics Officer.
GRI 2: General Disclosures 2021	2-28 Membership associations	4.2 Stakeholder
GRI 2: General Disclosures 2021	2-29 Approach to stakeholder engagement	4.2 Stakeholder 4.3 Materiality Analysis
GRI 2: General Disclosures 2021	2-30 Collective bargaining agreements	All Itelyum Group employees are covered by national collective bargaining agreements, as per Italian law.
GRI 3: Material topics 2021	3-1 Processo di determinazione dei temi materiali	4.3 Materiality Analysis
GRI 3: Material topics 2021	3-2 Process to determine material topics	4.3 Materiality Analysis
GRI 3: Material topics 2021	3-3 Gestione dei temi materiali	Tutti i temi materiali, così come descritti nel capitolo sull'analisi di materialità, sono gestiti in coerenza con le indicazioni di questo GRI Standard.
GRI 201: Economic performance 2016	201-1 Direct economic value generated and distributed	5.3 Financial performance and shared value

GRI Standard	Disclosure	Location
GRI 204: Procurement practices 2016	204-1 Proportion of spending on local suppliers	5.4 Environmental and social assessment of the supply chain
GRI 205: Anti-corruption initiatives 2016	205-3 Confirmed incidents of corruption and actions taken	5.5 Ethics and business integrity
GRI 302: Energy 2016	302-1 Energy consumption within the organization	7.2 Responsible energy consumption management
GRI 303: Water and effluents 2018	303-3 Water withdrawal	7.4 Management of water as a resource
GRI 304: Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	7.5 Biodiversity
GRI 304: Biodiversity 2016	304-2 Significant impact of activities, products and services on biodiversity	7.5 Biodiversity
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	7.3 Atmospheric emissions
GRI 305: Emissions 2016	305-2 Energy indirect (Scope 2) GHG emissions	7.3 Atmospheric emissions
GRI 305: Emissions 2016	305-7 Nitrogen oxides (NO _x), sulfur oxides (SO _x), and other significant air emissions	7.3 Atmospheric emissions
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	7.1 Circular and sustainable waste management

GRI Standard	Disclosure	Location
GRI 306: Waste 2020	306-2 Management of significant waste-related impacts	7.1 Circular and sustainable waste management
GRI 306: Waste 2020	306-3 Waste generated	7.1 Circular and sustainable waste management
GRI 306: Waste 2020	306-4 Rifiuti non conferiti in discarica	7.1 Circular and sustainable waste management
GRI 306: Waste 2020	306-5 Waste directed to disposal	7.1 Circular and sustainable waste management
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	6.3 Development of human capital
GRI 401: Employment 2016	401-3 Parental leave	6.3 Development of human capital
GRI 403: Occupational health and safety 2018	403-1 Occupational health and safety management system	6.2 Occupational health and safety
GRI 403: Occupational health and safety 2018	403-2 Hazard identification, risk assessment, and incident investigation	6.2 Occupational health and safety
GRI 403: Occupational health and safety 2018	403-3 Occupational health services	6.2 Occupational health and safety
GRI 403: Occupational health and safety 2018	403-4 Worker participation, consultation and communication on occupational health and safety	6.2 Occupational health and safety
GRI 403: Occupational health and safety 2018	403-5 Worker training on occupational health and safety	6.2 Occupational health and safety

GRI Standard	Disclosure	Location
GRI 403: Occupational health and safety 2018	403-6 Promotion of worker health	6.2 Occupational health and safety
GRI 403: Occupational health and safety 2018	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	6.2 Occupational health and safety
GRI 403: Occupational health and safety 2018	403-9 Work-related injuries	6.2 Occupational health and safety
GRI 403: Occupational health and safety 2018	403-10 Work-related ill health	6.2 Occupational health and safety
GRI 404: Training and education 2016	404-1 Average hours of training per year per employee	6.3 Development of human capital
GRI 405: Diversity and equal opportunity 2016	405-1 Diversity of governance bodies and employees	3 Governance 6.4 Diversity and inclusion
GRI 406: Non-Discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	6.4 Diversity and inclusion
GRI 416: Customer health and safety	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	5.2 Product quality and safety
GRI 418: Customer privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	5.6 Cybersecurity and digitalization



The goal of the new GRI materiality (impact materiality approach) is to identify the type of impact (positive or negative) a company has on society and its surrounding environment (impacts generated). Consequently, the Group reported on material topics that encompass the most substantial impacts it has on the economy, the environment, and people, including human rights.

ITELYUM IS REGENERATION OF USED LUBE OILS, PURIFICATION OF CHEMICAL AND OIL STREAMS, AND RESPONSIBLE MANAGEMENT OF A WIDE RANGE OF INDUSTRIAL WASTE.

Through advanced technologies and continuous investment, Itelyum helps saving natural resources and improving quality of life, with sustainable processes, products and solutions for waste management and the optimization of served markets. Sixty years of industrial history grounded on the principles of the circular economy even before it became the economy of the future, involving customers, suppliers, institutions, local and global communities in creating economic, environmental and social value.

REGENERATION SOLUTIONS

Regeneration Solutions encompasses the activities of Itelyum Regeneration S.p.A., for 60 years the European leader in the production of quality lubricating bases through a proprietary and patented re-refining process. Thanks to the technologies adopted, such as catalytic hydro-finishing, the regeneration plants are capable of treating used lube oils, producing high quality regenerated bases, used by the most prominent lubrication companies in the world. The technological and managerial excellence guarantee chemical-physical characteristics and performance equal or superior to the lube bases deriving from the primary refining of crude oil.

The produced lube bases, Group I+ and Group II+, are ideal for the different applications in both the automotive and the industrial sectors, allowing for a wide range of formulations, complying with the most severe performance and environmental requirements of modern lubricants. The used oil regeneration plants in Pieve Fissiraga (LO) and Ceccano (FR) have a treatment capacity of around 200,000 tonnes per year, producing mainly regenerated lube bases, but also diesel oil and a mixture for applications in bituminous membranes. As a recognition of this path of excellence, Itelyum's regenerated lube bases have obtained environmental product certification.

PURIFICATION SOLUTIONS

Purification Solutions includes Itelyum Purification S.p.A., for over 40 years industry leader in the production and trading of solvents from the valorization of chemical waste and high purity solvents. The Landriano (PV) plant is equipped with flexible distillation units, capable of adjusting its structure according to the waste to be treated and the planned production, and includes a chemical synthesis facility. The logistics and packaging site in Rho (MI) completes the industrial asset, adding automated mixing and bottling capacity. Every year, almost 100,000 tons of used solvents, mainly from chemistry and pharmaceutical chemistry, are purified

or recovered, with high industrial yield and quality. The solvents produced can return to the market of origin or be valorized through new formulations, in order to conform to other destinations. Its production capacity adds up to 100,000 tonnes of pure products from selected oil fractions, technical streams and virgin raw materials, supplemented by trading activities. Finally, a dedicated facility synthesizes starting pharmaceutical materials or custom-made products, through organic chemistry processes that also benefit from the synergy with the solvent regeneration activity.

ENVIRONMENT SOLUTIONS

Environment Solutions integrates controls and coordinates 25 companies located all over Italy, responsibly managing over 1,500,000 t/y of industrial waste (handling and industrial services 500,000 t/y). Together, thanks to a land and sea fleet of over 350 specialized vehicles and a network of partners allowing operations on a national scale, they offer a comprehensive range of environmental services and a specific knowhow in the sector of hazardous waste. The strong territorial presence allows playing a key role of vertical integration in the sector, reducing space and time lapses between generation and valorization of waste. Active presence in all phases

of waste management from collection, to storage, transport and pre-treatment, is complemented by service and trading activities, environmental and safety consultancy. It also benefits from two laboratories for chemical and environmental analyses and four treatment plants for industrial wastewater. The strategic approach, the competences and the advanced systems adopted allow for maximum traceability and transparency in environmental and administrative management, aimed at maximizing the recycling and recovery options compared to other possible forms of disposal.

ITELYUM: THE NAME OF THE CIRCULAR ECONOMY

Itelyum Regeneration S.r.l.
Via Tavernelle 19
26854 Pieve Fissiraga (LO)
T +39 0371 25 031
F +39 0371 98 030
info.regeneration@itelyum.com
www.itelyum-regeneration.com

Itelyum Purification S.r.l.
Via Intini 2
27015 Landriano (PV)
T +39 0382 61 21
F +39 0382 61 23 20
info.purification@itelyum.com
www.itelyum-purification.com

Im.Tra.S. S.r.l.
Via Intini 2
27015 Landriano (PV)
T +39 0382 61 21
F +39 0382 61 23 20
info.imtras@itelyum.com
www.itelyum-purification.com

Itelyum Ambiente
Via Tavernelle 19
26854 Pieve Fissiraga (LO)
T +39 0371 25 031
F +39 0371 98 030
info.ambiente@itelyum.com
www.itelyum-ambiente.com

Aeco S.r.l.
Via Agucchi 84
40133 Bologna, Italy
T +39 051 51 24 74
F +39 051 51 24 74
info.aeco@itelyum.com
www.aecosrl.it

Agrid S.r.l.
Via dell'Industria 11/15
24040 Casirate d'Adda (BG)
T +39 0363 18 10 168
info.agrid@itelyum.com
www.agrid.it

Ambiente Mare S.p.A.
Via del Marchesato 35
48122 Marina di Ravenna (RA)
T +39 0544 5 30 152
F +39 0544 53 10 72

Area S.r.l.
Via Lazio 48
31045 Motta di Livenza (TV)
T +39 0422 50 37 94
F +39 0422 50 37 77
info.area@itelyum.com
www.centrorisorsersrl.com

Carbo-Nafta Ecologia S.r.l.
Strada Tuderte 176/F
Loc. Madonna del Piano
06132 Perugia
T +39 075 38 85 94
F +39 075 38 85 96
info.carbonafta@itelyum.com
www.carbonaftaecologia.com

Castiglia S.r.l.
S.S. 7 Appia Km 636
74016 Massafra (TA)
T/F +39 099 88 07 723
info.castiglia@itelyum.com
www.castigliasrl.it

Centro Risorse S.r.l.
Via Lazio 48
31045 Motta di Livenza (TV)
T +39 0422 50 37 11
F +39 0422 86 19 80
info.centrorisorse@itelyum.com
www.centrorisorsersrl.com

De Luca Servizi Ambiente S.r.l.
Via Donatori di Sangue 46 Z.I.
31029 Vittorio Veneto (TV)
T +39 0438 57 583
F +39 0438 59 800
info.delucaservizi@itelyum.com
www.delucaservizi.it

Ecologica Tredi S.r.l.
Via Ponzina 1/d
37045 Legnago (VR)
T +39 0442 60 22 12
F +39 0442 62 71 19
info.ecologicatredi@itelyum.com
www.ecologicatredi.it

Ecowatt Vidardo S.r.l.
Via Cartiera 16
26866 Castiraga Vidardo (LO)
T +39 0371 21 71 38
info.ecowatt@itelyum.com
www.ecowattvidardo.it

Fer.Ol.Met. S.r.l.
Via Della Pace 20
20098 S. Giuliano Milanese (MI)
T +39 02 9824 9069
F +39 02 9824 9074
info.ferolmet@itelyum.com
www.ferolmet.it

Idroclean S.r.l.
Via dell'Industria 11/15
24040 Casirate d'Adda (BG)
T +39 0363 32 68 67
T +39 0363 32 67 59
info.idroclean@itelyum.com
www.idrocleangroup.eu

Intereco S.r.l.
Via Viazza I Tronco 17
41042 Fiorano Modenese (MO)
T +39 0536 92 17 23
F +39 0536 92 90 08
info.intereco@itelyum.com
www.interecoambiente.it

Innovazione Chimica S.r.l.
Via Lazio 36
31045 Motta di Livenza (TV)
T +39 0422 76 88 48
F +39 0422 76 69 33
info.innovazionechimica@itelyum.com
www.innovazionechimica.it

Itelyum Sea FVG S.r.l.
Via Caboto 19/11
1134148 Trieste, Italy
T +39 040 76 06 138
F +39 040 76 06 017
info.itelyumseafvg@itelyum.com
www.itelyumseafvg.it

Keoma S.r.l.
Via Lazio 48
31045 Motta di Livenza (TV)
T +39 0422 50 37 57
F +39 0422 40 37 88
info.keoma@itelyum.com
www.centrorisorsersrl.com

Labio.Lab S.r.l.
Via dell'Industria 11/15
24040 Casirate d'Adda (BG)
T +39 0363 18 10175
info.labiolab@itelyum.com
www.laboratoriogroup.eu

Neda Ambiente FVG S.r.l.
Via Marinoni 12
33057 Palmanova (UD)
T +39 0432 92 87 06
F +39 0432 92 33 17
info.nedafvg@itelyum.com
www.nedafvg.it

Rimondi Paolo S.r.l.
Via Agucchi 84
40133 Bologna
T +39 051 38 47 92
F +39 051 38 78 15
info.rimondi@itelyum.com
www.rimondipaolo.it

Rirae S.r.l.
Via Torino (SS 11)
28069 S. Martino di Trecate (NO)
T +39 0321 77 9334
F +39 0321 77 9334
info@rirae.com
www.rirae.com

SAM S.r.l.
S.P. 617 Bronese 114
27040 Mezzanino (PV)
T +39 0385 71 60 14
F +39 0385 71 453
info.sam@itelyum.com
www.itelyum-ambiente.com

SCIE S.r.l.
Via Ravenna 306-300
40018 San Pietro in Casale (BO)
T +39 051 97 69 02
F +39 051 97 69 26
info.scie@itelyum.com
www.sciesrl.it

Secomar S.p.A.
Via del Marchesato 35
48122 Marina di Ravenna (RA)
T +39 0544 53 05 34
F +39 0544 53 08 46

Sepi Ambiente S.r.l.
Via Sicilia 12
10036 Settimo Torinese (TO)
T +39 011 80 05 075
F +39 011 80 11 961
info.sepiambiente@itelyum.com
www.sepiambiente.it

Auditors' report



ITELYUM REGENERATION SPA
LIMITED ASSURANCE ON SUSTAINABILITY REPORT
2022
YEAR ENDED 31 DECEMBER 2022



Limited assurance report on Sustainability Report 2022

To the Board of Directors of Itelyum Regeneration SpA

We have been engaged to undertake a limited assurance engagement on the sustainability report of Itelyum SpA and its subsidiaries (hereinafter "Itelyum Group" or "the Group") for the year ended 31 December 2022 (hereinafter "Sustainability Report").

Responsibilities of the Directors for the Sustainability Report

The Directors of Itelyum Regeneration SpA are responsible for the preparation of the Sustainability Report in accordance with the Global Reporting Initiative Sustainability Reporting Standards defined in 2016, and updated in 2021, by GRI - Global Reporting Initiative (the "GRI Standards"), as described in the "Methodological Note" section of the Sustainability Report.

The Directors are also responsible for such internal control as they determine is necessary to enable the preparation of a Sustainability Report that is free from material misstatement, whether due to fraud or error.

The Directors are also responsible for defining the sustainability performance targets of the Group, as well as for identifying its stakeholders and material topics to be reported on.

Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our firm applies International Standard on Quality Management 1 (ISQM 1) and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

PricewaterhouseCoopers Business Services Srl

Società a responsabilità limitata a unico socio
Sede legale: Milano 20143 Piazza Tre Torri 6 Tel. 02 761991 Cap. Soc. Euro 100.000.000 i.l. - C.R. e P.IVA e Reg. Imprese Milano Monza Brianza Lodi 02034000161 - Altri Uffici: Bari 70122 Via Abate Giovanni 78 Tel. 080 2640224 Fax 080 2640245 - Bologna 40139 Via Angelo Fiodi 8 Tel. 051 4618011 - Brescia 25121 Viale Duca d'Acosta 28 Tel. 030 2607200 - Cagliari 09123 Viale Diaz 29 Tel. 070 6648772 - Firenze 50121 Viale Garibaldi 15 Tel. 055 2480121 Fax 055 2480120 - Genova 16121 Piazza Principe 9 Tel. 010 290241 - Napoli 80121 Via del MEA 16 Tel. 081 26181 - Padova 35121 Via Venezia 4 Tel. 049 877424 Fax 049 8774292 - Palermo 90121 Via Marfisi 25 Tel. 091 26181 - Parma 43121 Via Sallustiana 10 Tel. 0521 26181 - Roma 00121 Via Veneto 101 Tel. 06 4789111 - Torino 10121 Via Po 10 Tel. 011 26181 - Venezia 30121 Piazza S. Marco 101 Tel. 041 26181 - Verona 37121 Via F.lli D'Adda 10 Tel. 0445 26181 - Bari 70121 Via S. Maria 101 Tel. 080 26181 - Bergamo 24121 Piazza S. Maria 101 Tel. 035 26181 - Bologna 40121 Via S. Maria 101 Tel. 051 26181 - Brescia 25121 Via S. Maria 101 Tel. 030 26181 - Cagliari 09121 Via S. Maria 101 Tel. 070 26181 - Firenze 50121 Via S. Maria 101 Tel. 055 26181 - Genova 16121 Via S. Maria 101 Tel. 010 26181 - Napoli 80121 Via S. Maria 101 Tel. 081 26181 - Padova 35121 Via S. Maria 101 Tel. 049 26181 - Palermo 90121 Via S. Maria 101 Tel. 091 26181 - Parma 43121 Via S. Maria 101 Tel. 0521 26181 - Roma 00121 Via S. Maria 101 Tel. 06 26181 - Torino 10121 Via S. Maria 101 Tel. 011 26181 - Venezia 30121 Via S. Maria 101 Tel. 041 26181 - Verona 37121 Via S. Maria 101 Tel. 0445 26181

Società soggetta all'attività di direzione e coordinamento della PricewaterhouseCoopers Italia Srl
www.pwc.com/it



Our Responsibilities

Our responsibility is to express a conclusion, based on the procedures performed, on whether the Sustainability Report complies with the requirements of the GRI Standards. We conducted our work in accordance with "International Standard on Assurance Engagements ISAE 3000 (Revised) - Assurance Engagements other than Audits or Reviews of Historical Information" (hereinafter also "ISAE 3000 Revised") issued by the International Auditing and Assurance Standards Board (IAASB) for limited assurance engagements. That standard requires that we plan and perform procedures to obtain limited assurance about whether the Sustainability Report is free from material misstatement.

The work performed was less in scope than in a reasonable assurance engagement conducted in accordance with ISAE 3000 Revised and, consequently, we did not obtain assurance that we became aware of all significant facts and circumstances that might be identified in a reasonable assurance engagement.

The procedures performed on the Sustainability Report were based on our professional judgement and included inquiries, primarily of personnel of the Company responsible for the preparation of the information presented in the Sustainability Report, inspection of documents, recalculations and other procedures designed to obtain evidence considered useful.

In detail, we performed the following procedures:

1. We analysed the process of definition of the material topics reported on in the Sustainability Report, with reference to the methods of analysis and understanding of the context, identification, assessment and prioritization of actual and potential impacts and internal validation of the results of the process;
2. We obtained an understanding of the processes underlying the generation, collection and management of significant qualitative and quantitative information included in the Sustainability Report.

In detail, we inquired of and discussed with management personnel of Itelyum Regeneration SpA and we carried out limited analyses of documentary evidence, in order to obtain information about the processes and procedures supporting the collection, aggregation, processing and submission of non-financial information to the corporate function in charge of the preparation of the Sustainability Report.

Furthermore, for significant information, taking into account the activities and characteristics of the the Group:

- at the level of the Group:
 - a) with reference to the qualitative information presented in the Sustainability Report, we carried out interviews and obtained supporting documents to verify its consistency with available evidence;
 - b) with reference to quantitative information, we performed both analytical procedures and limited tests to verify, on a sample basis, the accuracy of data aggregation.
- for the sites of Pieve Fissiraga and Coccano, which we selected based on its activities and contribution to performance indicators, we performed in-depth analysis where we carried out interviews with the responsible persons and obtained documentary evidence, on a sample basis, about the correct application of the procedures and calculation methods applied for the indicators.

2 of 3



Conclusion

Based on the work performed, nothing has come to our attention that causes us to believe that the Sustainability Report of Itelyum Group for the year ended 31 December 2022 is not prepared, in all material respects, in accordance with the requirements of the GRI Standards as illustrated in the "Methodological note" section of the Sustainability Report.

Other Matters

No assurance procedures were performed on the comparative information presented in the Sustainability Report in relation to the year ended 31 December 2021.

Turin, 29 June 2023

PricewaterhouseCoopers Business Services Srl

Signed by

Paolo Bersani
(Partner)

This report has been translated from the Italian original solely for the convenience of international readers. We have not performed any controls on the Sustainability Report 2022 translation.

3 of 3

Itelyum
Sustainability Report
2022

Itelyum Regeneration S.p.A.
Via Tavernelle 19
26854 Pieve Fissiraga (LO)
Italy

For further information:
sustainability@itelyum.com
www.itelyum.com

All rights reserved
Design © Univisual.com

Printed in Italy
in July 2022
on FSC® certified paper

A microscopic image of plant tissue, likely a cross-section of a stem, showing various vascular bundles. The image is overlaid with a dark blue rectangular area on the left side, which contains text and a QR code. The overall color palette is dominated by blues and greens, with some reddish-brown highlights in the vascular bundles.

As one of the global pioneers of the circular economy, Itelyum is a national leader and recognised international player in the management and valorisation of industrial waste.

For more information
visit the site
www.iteylum.com
[/report-di-sostenibilita](#)



ITELYUM.COM