





SUSTAINABILITY STATEMENT  
SICIT GROUP  
AS OF 31<sup>st</sup> December 2024



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# Letter to Stakeholders

We are pleased to announce the publication of the sixth edition of the SICIT Group Sustainability Report, which provides a transparent overview of our corporate activities. Once again, the document reflects our commitment to comprehensive development, including solid economic growth, the promotion of social well-being, and the careful management of environmental impact.

The successes achieved this year strengthen our role as a leader in the circular economy and demonstrate our tangible contributions to the territory and community in which we operate. This journey, started in 2019, has allowed us to establish ourselves as a leading company in the global chemical sector, with sustainability at the heart of our business model.

In 2024, we also developed numerous projects across the three ESG dimensions (Environment, Social, and Governance):

- **Environment:** We continued to invest in the creation of ecological and sustainable products, improving production efficiency and process circularity, reducing emissions, and increasing the capacity for self-production of renewable energy.
- **Social:** We have worked with transparency and fairness in our relations with all stakeholders, promoting a fair and inclusive work environment. At the end of the year, having obtained the certification for gender equality, we started the

process to further consolidate existing good practices.

- **Governance:** We strengthened SICIT Group's ability to respond to change, adapting internal structures to the challenges of international growth and increasing investments in information security.

An important milestone achieved in 2024 was the renewal of the **Platinum** rating by **EcoVadis**, which, for the second consecutive year, placed us in the **top 1% of globally rated companies**. Additionally, our **Sustainalytics rating** confirmed an excellent positioning, ranking us among the **10% of companies at the lowest risk in our sector**. These results confirm the effectiveness of the actions taken during the year and our commitment to meeting high standards in social, environmental and governance practices as well as non-financial reporting.

The acquisition of **Patagonia Biotecnología**, which took place in May 2023, was consolidated during the year through the development of new projects to upgrade production technologies and enhance its offerings within SICIT's global network.

The excellent results obtained in 2024 motivate us to continue with determination on our sustainability path, looking to the future with confidence and responsibility.

*Chairman*  
**Rino Mastrotto**



# SICIT GROUP

## SUMMARY & HIGHLIGHTS

### VALUES

- Product quality and safety
- Customer satisfaction
- Ethics, trust, mutual respect, and professionalism
- Collaboration with customers and the scientific community
- R&D of new products and processes
- Respect for the environment

### OBJECTIVES

- Create value through the **circular economy and the recovery of animal and vegetable residues** to produce high-quality products.
- **Integrate sustainability principles** into all our operations.
- **Operate with integrity and responsibility**, actively contributing to building a more sustainable and resilient future for present and future generations.

## SICIT IN NUMBERS

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123,8 mln

revenue in € +15% vs. 2023

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3 active production sites

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4 Laboratories (chemical-extractive, agronomy, technology, and quality control)

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2,8% of turnover allocated to R&D

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77 countries reached.

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## Who we are

### GRI 2-28

Founded in 1960 in Chiampo (VI), in the heart of the Vicenza district of the Chiampo Valley, **SICIT Group S.p.A.** (hereinafter also “SICIT”) was among the first companies in the world to use amino acids and peptides in the biostimulant market for agriculture, of which it is now a world leader. In its plants in Arzignano and Chiampo (VI), **SICIT transforms processing residues from leather tanning** into protein hydrolysates, mainly used as **biostimulants for agriculture and retarders for the gypsum industry**, supplying the main players in the agrochemical and industrial sectors. The company also extracts **animal fat** from tanning residues, which is sold as biofuel.

SICIT is an **international excellence of the green and circular economy** that offers a service of strategic importance to several tanning districts, both Italian and European. SICIT does so by withdrawing and **transforming processing residues into high value-added, totally biodegradable products**, without risks to public health and the environment, and significantly **limiting the production of waste**. The activity, based on the circular economy model, enables the company to provide technologically advanced and entirely green solutions to customers and, at the same time, to contribute to the sustainable management of the tanning value chain. This achievement was made possible by the work of a qualified team, automated and technological production facilities, state-of-the-art laboratories, and constant investment in Research and Development. In 2023, SICIT Group acquired control of a

Chilean company, **Patagonia Biotecnología S.p.A (PatBio)**. This acquisition further allowed the Group to consolidate its expertise in the **circular economy** sector, as well as expanding its offerings through **new plant-based products**.

SICIT products meet the needs of a **production model** focused on **sustainability and efficient use of resources**. In this regard, the main **competitive advantages** that characterize the Group as a leading operator in the sector compared to competitors are:

- **Quality** of the product;
- Constant process and product **innovation**;
- **Technical support** to costumers;
- Industrialization of the production process of protein hydrolysate that allows to maintain **high standards of service** for important international customers;
- **Privileged access** to the main raw materials;
- **Direct relationship with the suppliers** of the main raw materials;
- **Finished product deriving from residues of other processes** in a green and eco-sustainable perspective.

SICIT also believes in collaborating with sector associations at the local and national level. Also, SICIT is a member of several entities, such as EBIC (European Biostimulant Industry Council), CRA (Council for Agricultural Research and Experimentation), and Confindustria Vicenza.

## Our history and evolution

### 1960

In Chiampo (VI), Dr. **Giuliano Guardini** founded **S.I.C.I.T. S.p.A.** (acronym for Società Industrie Chimiche Italiane). The initial intent of the company was to extract chromium from leather tanning residues to resell it to tanneries. The idea did not take off, and SICIT converted to protein extraction through the hydrolysis process.

### 1963

Following analyses related to the problem of anthrax spores scattered in the fields (tanning residues were spread in the fields as fertilizer), SICIT was identified as **the only suitable entity to treat tanning residues**. The SICIT protocol became a legal obligation, and all tanneries began to deliver their residues to the company. At this time, the company's products were intended for industrial calf farming.

### 1968-1970

A pilot plant was set up to process the fleshing residues and obtain a protein hydrolysate for agriculture. SICIT could thus count on a **dual market**: the **zootechnical** and **agricultural** markets.

### Mid-1970s

The production of **grease** started, then intended for feed mills.

### 1989-1991

SICIT came under the leadership of Z. Filippi. A brief but investment-rich phase, including the start of the project to separate the treatment of fleshing residues from that of shaving. This will **allow the construction of two lines to separate sludge** (destined for landfills) from calcium corrective (destined for agricultural use).

### 1991-1996

SICIT came under the ownership of **Intesa**, a company founded by a group of tanners from Arzignano to manage the disposal of residues from the tanning industry. Intesa completed the restructuring project started with the previous ownership, including the separation of the two lines.

### 1996

The spread of the so-called "Mad Cow" disease led to a period of great restructuring for SICIT: The Research & Development division focused to new products for the agricultural and industrial sectors. By collaborating with the University of Edinburgh, the company managed to **develop a more effective hydrolysis process for the processing of animal by-products (ABPs) from the tanning industry**. This process became the only one allowed to produce animal-derived protein hydrolysates, which are also permitted for zootechnical use, and is considered the state-of-the-art in ABPs processing.

### 2000

Construction of the **Arzignano (VI) plant** began.

### 2000

Following an internal reorganization, two new companies were created: **SICIT 2000 S.p.A.** and **SICIT Chemitech S.p.A.** The former is dedicated to the production and sale of amino acids and peptides for agriculture. This was possible thanks to its two plants, which have a total production capacity of 100 MT/day of liquid products and 40 MT/day of powder products. It then became the world's largest producer of amino acid-based fertilizers. **SICIT Chemitech** is responsible for quality control, product traceability, research, and development (R&D) of new formulations and processes.



- **2004**  
The new **Arzignano plant** was launched.
- **2006-2011**  
The restructuring project for the renovation and automation of the **Chiampo plant** began.
- **2016**  
The **SICIT China** branch was established in Shanghai.
- **2018**  
**SICIT USA** (New York) was founded to directly distribute products in the North American market.
- **2019**  
The SICIT China branch was established in Shanghai. On May 20, the **business combination** of SICIT 2000 S.p.A. with SprintItaly S.p.A. (Italian SPAC) was concluded. On the same day, the merger by incorporation of the former into the latter became effective, with the simultaneous start of trading of the new company SICIT Group S.p.A. on **AIM**.
- **2020**  
On June 15, SICIT completed the transition to the **Italian Electronic Stock Market** (MTA, STAR segment) of the Italian Stock Exchange.
- **2021**  
On August 5, **NB and Intesa Holding**, through their subsidiaries Circular Holdco and Circular Bidco, completed the takeover bid on SICIT, which was delisted from MTA. In October, SICIT (China) Technology Co., Ltd was established.
- **2023**  
In May, 51% of **Patagonia Biotecnologia S.p.A.**, a Chilean company specializing in the production and commercialization of seaweed-based biostimulants and certified B-Corp, was acquired.
- **2023-2024**  
SICIT began the construction of a **new production site in Mexico**. Additionally, the company is developing **Moringa-based biostimulants** and launched **new formulations**.

## Patagonia Biotecnología S.p.A.

### History

The development of **FERTUM® formula** began in 1998 through research on extracts of various seaweeds from Chilean Patagonia. It was conducted by the current CSO of Patagonia Biotecnología S.p.A., Marcelo Brintrup, in collaboration with Gotardo Schenkel, a globally recognized researcher and academic. After numerous tests and studies, the two researchers determined that *Macrocystis pyrifera* and other algae found along the Chilean coasts contain a high concentration of bioactive compounds. These compounds, including polysaccharides, mannitol, betaine, phytohormones, vitamins, and other natural metabolic stimulators, have proven capable of enhancing plant growth and resistance to stress conditions.

This discovery led to the definition of a patented extraction process that preserves the physical-chemical and biological characteristics of the micronutrients in seaweed. PatBio offers a product whose quality, consistency, and effectiveness have been validated at both national and international levels through analyses conducted at universities, research centers, and by leading clients in the agri-food sector.

### The Raw Material

PatBio collects seaweed along a **400-mile coastal region from Valdivia to the Chiloe region**, an archipelago whose micronutrient-rich waters remain pristine due to their isolation. This ideal environment provides PatBio with abundant amounts of seaweed without harming the marine ecosystem. FERTUM® contains mixtures of **four algae** selected for their natural abundance, rapid growth, high

content of active compounds, and beneficial effects on crops.



	<p><b>Macrocystis pyrifera</b> Algae of the "Regno Protista", also known as giant kelp. It is recognized as the largest and fastest growing alga. It can reach 45 meters and grow up to 16 cm per day in ideal conditions.</p>
	<p><b>Durvillaea antarctica</b> Brown alga of the Protista Kingdom, abundant on the Chilean coasts, is robust and large, being able to reach the 15 meters of length</p>
	<p><b>Ulva lactuca</b> Green algae of the Plant Kingdom spread all over the world.</p>
	<p><b>Pyropia</b> Red seaweed, sometimes brown or slightly purple, of the Plant Kingdom, living in the intertidal zones.</p>

### The production process

In the spring and summer months, **PatBio collects seaweed from natural kelp forests and its own farms**, ensuring a sustainable and controlled supply. The seaweed is then processed to obtain the liquid extract that forms the basis of FERTUM® products. PatBio maintains strict supervision at every stage of production, guaranteeing the high quality of the final product.

The **Research and Development team** regularly monitors the consistency and effectiveness of the products, constantly improving the formulations offered to customers.

## Vision e values

GRI 2-16

GRI 2-26

GRI 2-27

### CODE OF ETHICS



[For more information, visit the Corporate Code of Ethics webpage.](#)

SICIT's vision is based on three pillars:

- **Leader in the transformation of organic residues from skin tanning into protein hydrolysates.**

The protein hydrolysates thus produced are mainly used as biostimulants for agriculture and retarders for the gypsum industry, supplying the most important players in the agronomic, agrochemical and industrial sectors.

- **International excellence in the green and circular economy.**

SICIT collects and transforms residues, which are difficult to dispose of, into high value-added products that are fully biodegradable, without risks to public health and the environment, significantly limiting waste production.

- **Continuous and significant investments in Research and Development.**

In addition to continuous and significant investments in Research and Development, SICIT relies on **four specialised**

**laboratories**, each one with a strategic function within the innovative corporate ecosystem. These are a quality control laboratory, a chemical-extractive laboratory for product and process Research and Development, an agronomic laboratory for Research and Development of new products for agriculture, and a technological laboratory for Research and Development of new products for the construction industry.

*“SICIT wants to be the ideal partner, supporting its clients in the development of a complete range of products based on amino acids and peptide-based fertilizers”*

It's not capital that grows a company, but rather winning ideas and a flexible organizational structure capable of quickly adapting to a market context characterized by uncertainties and turbulence.

SICIT and its subsidiary SICIT Chemitech adopt an **Organization, Management, and Control Model** hereinafter also referred to as "Model 231") in accordance with the provisions of Legislative Decree no. 231/01<sup>1</sup>. They have appointed their own **Supervisory Body** composed of an external individual who possesses the necessary professionalism, honorability, and independence, and can ensure the necessary continuity of action. Additionally, the **Supervisory Body** annually drafts a report on the activities carried out, which is submitted to the Board of Directors and the Board of Statutory Auditors.

The adoption of **Model 231** followed a comprehensive risk assessment project

<sup>1</sup> Foreign companies of the Group are excluded. Consolidated revenue coverage approximately 95%.

focused on the types of offences outlined by the Decree. Model 231 aims to prevent specific offences that result in both criminal liability for the individuals involved and administrative liability for the company. The Board of Directors continually updates Model 231 to ensure its effectiveness.

As part of their professional development programs, SICIT and SICIT Chemitech provide dedicated training on Model 231 and its implications for employees and contract workers. Model 231 was updated in 2023 and 2024<sup>2</sup>. The main updates included mapping business processes considering the company's internal and external context and identifying criminal risks for each mapped process. Risk assessment and weighting were conducted according to the ISO 31000:2018 standard, along with the development of the Risk Assessment Document. Additionally, the General Part was revised to incorporate new regulations and practices, including the European whistleblowing regulation. The annexes were also streamlined for clarity.

The Group conducts its internal operations and external business relationships according to principles of ethics and integrity. As part of the update to Model 231, SICIT's Board of Directors has also approved a new **Code of Ethics**, which outlines the company's ethical responsibilities and commitments to its internal and external stakeholders. The Code of Ethics applies to corporate bodies, management, employees, external collaborators, commercial partners, suppliers, and all those who engage with the company.

According to the Code of Ethics, the Group commits to:

- Ensuring the widest possible dissemination of the Code among employees and third parties who engage with the Group.
- Continuously updating the Code to reflect evolving business needs and current regulations.
- Providing comprehensive tools and resources for understanding and clarifying the interpretation and implementation of the Code's rules.
- Investigating any reported violations of the Code, evaluating the facts, and taking appropriate disciplinary measures if violations are confirmed.

The Code of Ethics is published on the company's website and shared with employees and collaborators. To ensure proper understanding of the Code, SICIT has developed an information plan to guarantee its complete dissemination.

The Reporting Procedure, titled "***Whistleblowing Procedure for Reporting Violations and Irregularities***," is designed to manage the reporting of any violations and irregularities concerning the Code of Ethics and Model 231, violations of EU law, and whistleblowing-related issues, non-compliance, and retaliation. Employees, or third parties regarding violations of EU regulations, are encouraged to report any violations or suspicions to their direct superior. If reporting to their superior is ineffective or inappropriate, they may report to the CEO or directly to the Supervisory Body. The Supervisory Body is responsible for promptly verifying the reported information and, upon confirming

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<sup>2</sup> Last updated on March 28, 2024.

the validity of the report, referring the case to the relevant corporate function for the application of disciplinary measures or activation of contractual resolution mechanisms. A link to the external web platform for whistleblowing reports is available on the homepage of the company's website. Whistleblowers are protected from any form of retaliation or discrimination in the workplace, and their identity is kept confidential within the limits prescribed by law. Reports made through the platform are accessible only to the Supervisory Body, which has been designated to manage the reports.

This procedure is structured to ensure the confidentiality of the whistleblower and the information received, as well as the validity of the reports.

Although the online channel is recommended as the preferred method, employees can also report irregularities or issues during periodic meetings between SICIT's CEO and union representatives. Specifically, environmental concerns can be reported to the environmental delegate, who was appointed as special attorney on March 12, 2020. The special attorney represents the company before all entities and bodies responsible for exercising supervisory, verification, and control functions as required by environmental regulations.

As of December 31, 2024, no reports have been received by the Supervisory Body.

In its operations, SICIT is committed to fight corruption and preventing risks related to illicit practices. In this context, SICIT ensures that business conduct is characterized by the highest standards of integrity, excluding any form of corruption

or favouritism, completeness and transparency of information, and legitimacy.

In this regard, SICIT Group did not record any significant cases of non-compliance with laws and regulations in 2024, resulting in no monetary or non-monetary penalties. Additionally, there are no ongoing or concluded legal actions related to anti-competitive behaviour, nor have there been any confirmed instances of corruption or violations of antitrust and monopoly practices regulations.

Risk monitoring and management are integral parts of SICIT's business model. SICIT's exposure to risks is managed through dedicated risk analyses.

The **Risk Assessment** document provides an analysis of the main risk categories and outlines response strategies to mitigate identified risks. The company has identified the following main risk categories:

- **External** risks, related to the external environment that can impact the Group's ability to achieve strategic and operational objectives.
- **Business** risks, connected to the activities and critical aspects of the business.
- **Operational** risks, related to the efficiency and effectiveness of business operational processes, impacting the Group's performance.
- Risks related to the management of the **human resources** and the efficacy of the organizational structure;
- **Financial** risks, associated with financial planning processes, financial reporting activities, and the management of financial and insurance instruments.
- **Information and Communication**

**Technology** risks, related to the availability, accessibility, and integrity of IT infrastructure and systems, as well as data security.

- **Legal and compliance** risks, concerning compliance with national and international laws and regulations, and Group policies.
- **ESG** risks, linked to SICIT's ability to manage the consequences for the Group arising from social and environmental impacts, direct or indirect, caused by its activities or those of the supply chain.

The assessment model was defined by evaluating both the magnitude of the potential occurrence of the risky event and the probability of the risk. The summary evaluation of the identified risks was then reassessed considering the mitigation actions implemented by the company.

## Activities and Markets

SICIT **sells its products both in Italy and internationally**, reaching all continents. Currently, Europe is the main market for biostimulants and grease, while Europe and Asia lead the market for plaster retarders. To ensure a global presence, SICIT has a commercial network coordinated from its headquarters in Italy, supported by two subsidiaries in China (SICIT Commercial Consulting Shanghai Ltd. and SICIT Technology Co., Ltd). These subsidiaries handle product registration for local market importation and develop operational activities and commercial opportunities in China. SICIT USA, which has been non-operational since July 2023, was the distribution company for plaster industry products in the North American market.

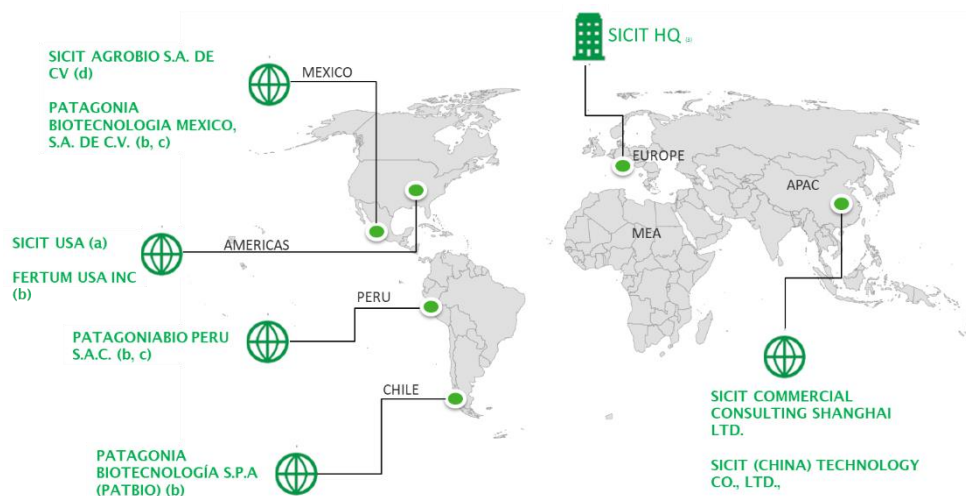
**Patagonia Biotecnología S.p.A.**, acquired in May 2023, has allowed the SICIT Group to expand its range of biostimulants to include those derived from plants.

SICIT's<sup>3</sup> distribution model is tailored to the

specific products and sectors it serves. In the biostimulants sector, SICIT employs a B2B approach, partnering with companies active in crop nutrition and protection markets. These partners have widespread sales networks and distribution channels in target countries. SICIT's partners purchase finished products to either distribute them directly or incorporate them as key elements for their own formulations, which they subsequently market. Typically, customers present these products under their own brand.

In the plaster retarders sector, SICIT primarily engages directly with end-users, supplying plasterboard manufacturers and distributors of construction materials. In certain countries, SICIT has established agreements with distributors who provide technical support and logistical services to production facilities.

Finally, the grease produced by SICIT is sold to electricity producers who utilise renewable energy sources.



<sup>3</sup> (a) Non-operational since July 2023, (b) Acquired in May 2023, (c) Non-operational, (d) Established in

October 2023.



## The Group's facilities

GRI 2-6

SICIT owns three plants: one located in Chile (PatBio) and two situated in the heart of the tanning district of Vicenza. The Chiampo plant, built in 1960 and renovated in 2006; and the more recent Arzignano plant. Construction of the Arzignano plant began in 1995 with the creation of the warehouse and drying facility, followed by the current plant, which became operational in 2004. Additionally, in the last quarter of 2023, the Group commenced construction of a new production facility in León, Mexico. This plant is dedicated to processing residues from the local tanning district.

### Arzignano Plant

At the Arzignano plant, which was entirely designed by SICIT Chemitech – responsible at the time for research, development, and engineering – **only animal by-products (ABPs)** from the tanning process **are processed: fleshings, hair, and trimming**. From the processing of waste products from the initial phase of tanning, before the actual tanning process, protein hydrolysate is obtained, and from fleshings alone, fat is also produced. The production of protein hydrolysate from animal by-products is regulated by specific European Regulations<sup>4</sup> and requires a specialised production process. Since animal by-products are perishable, they are typically processed within 48 hours, which limits their transport range unless refrigerated transport is used to ensure proper preservation for a longer period.

### Chiampo Plant

At the Chiampo plant, various tanning residues such as **trimmings and shavings** are processed. These residues consist of collagen from the mechanical finishing of hides that have already undergone the initial tanning stages but are not yet in the "finishing" phase, making them non-putrescible. The hydrolysis of these trimmings and shavings yields collagen-based protein hydrolysate.

### Puerto Montt Plant (PatBio)

At the Chilean plant, four types of algae are processed to create a product used in agriculture- The product can be used to improve crop resilience to abiotic stress and enhance yield.

### Laboratories

SICIT has **four functionally integrated laboratories**:

- A **chemical-extractive laboratory** for product and process development.
- A **chemical laboratory** for testing the efficacy of industrial products.
- A **laboratory of agronomy** for testing the efficacy of biostimulant products and researching new agricultural products.
- A **laboratory within SICIT Chemitech dedicated to quality control** of finished and semi-finished products and their production processes, ensuring compliance with the standard characteristics required by customers. This laboratory supports customers by providing the necessary analyses for importing products into target markets and assists other SICIT laboratories in product development activities.

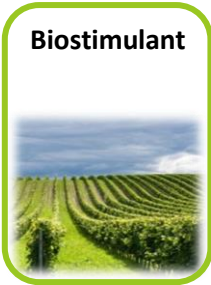
<sup>4</sup> Regulation (CE) No. 1069/2009, (EU) No 142/2011.



## Products

GRI 2-6

### Biostimulant



SICIT Italia develops and produces its products using **proprietary production processes characterised by specialised know-how.**

The main products marketed by SICIT include:

Animal-derived biostimulants made from amino acids and peptides, available in both liquid and solid forms, and biostimulants derived from marine algae, typically suitable for foliar application and/or soil application for fertigation or root treatment.

Animal-derived biostimulants can **stimulate/ accelerate the metabolic activities of plants** to:

- Resist increasingly frequent abiotic stress conditions (such as drought, heavy rainfall, frost, soil salinity, etc.);
- Improve crop quality and yield;
- Promote the development of soil microflora;
- Enhance the efficiency of nutrient absorption and crop protection, thereby reducing the need for these elements.

The use of biostimulants, when integrated with the correct use of other production inputs (nutrition and crop protection), enables the **implementation of sustainable production systems.** Additionally, biostimulants leave **no residue on crops and pose no environmental impact**, as they are naturally derived and completely biodegradable.

The **main benefits** of using biostimulants include:

- Optimisation of the plant's metabolic processes;
- Improved absorption and assimilation of nutrients;
- Increased efficiency in water usage;
- Activation of the plant's natural defence mechanisms, leading to reduced use of agrochemicals and other chemical substances;
- Enhanced germination and root development;
- Increased yield and quality of crops;
- Greater resistance and tolerance to abiotic stress.

The importance of biostimulants in the European agricultural market has recently been formalised in the new regulation (EU) 2019/1009, which establishes "rules on the making available on the market of EU fertilising products". Within this framework, a specific *or* "functional product category" (PFC) called "biostimulants" has been created. These are defined as products that "*Stimulate plant nutrition processes independently of the nutrient content, with the aim of improving nutrient use efficiency, tolerance to abiotic stress, quality traits, and availability of confined nutrients in the soil rhizosphere*".

This measure, on one hand, overcomes the regulatory fragmentation among EU countries, creating harmonisation that facilitates the access of biostimulants to the EU market. On the other hand, it sets the groundwork for the recognition of high-quality and proven effective products, to the detriment of products of dubious origin and quality.

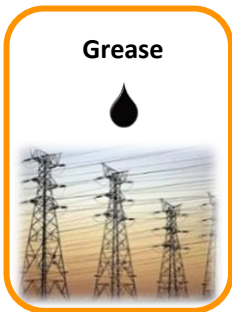
During 2024, SICIT renewed its equipment dedicated to the analysis and quality control of algae, with the aim of improving the process of algae evaluation.

Retarders are amino acid-based products used to **slow down the setting time of plaster and increase its workability**. They are employed in the preparation of plasterboard panels and in the use of plaster on construction sites. SICIT produces plaster setting retarders both in liquid form (*Plast Retard L e Plast Retard XCL*), and in powder form (*Plast Retard PE e Plast Retard XCP*).



Plaster-based formulations contain at least one retarder. Generally, **Plast Retard is used as the sole retarder**, but it can also be combined with others.

"Animal fat" is derived from the processing of animal by-products carried out at the Arzignano plant. The grease obtained from the initial transformation phase can be further refined through a re-esterification process of free fatty acids - in addition to reducing the sulphur content and other salts - to make the product directly usable as biofuel.



Furthermore, from the production process, SICIT obtains defecation gypsum, which is used as a soil amendment/calcium corrective for land, regulated by Legislative

Decree 75/2010 on fertilisers.

## Circular Economy

SICIT's operational model was established over 60 years ago, based on the concepts of circular economy before it became widely recognised.

SICIT's production process in Italy consists of three distinct phases:

1. **Collection of tanning residues;**
2. **Treatment and hydrolysis** of the residues;
3. **Formulation of finished products** for the biostimulant and gypsum retarder sectors.

SICIT sources waste residues from tanneries, primarily from the Vicenza district, and secondarily from Tuscany and other Italian and European production areas. It provides a paid service that offers an alternative to the costs of landfill disposal or other production sites with higher disposal fees. This collection service offers the tanning industry **a sustainable way to manage residues that would otherwise be destined for landfill or destruction**, which would have a significant environmental impact. Through its Quality Control laboratory and the management teams for ABPs collections (in Arzignano) and tannery residues (in Chiampo), SICIT monitors the quality and quantity of incoming raw materials daily to identify potential trends and plan the collection service.

SICIT has established a solid and long-term relationship with the tanneries it collaborates with, making it the reference point in Italy for the treatment of these products. Regarding the non-perishable raw materials generated from **trimmings and shavings**, SICIT adjusts the collection of

these materials from tanneries based on its production needs. Additionally, it can also source from other tanning districts, both in Italy and abroad.

These products<sup>5</sup> undergo a **treatment and hydrolysis process**, where they are subjected to thermal treatment in an acidic and/or alkaline environment to extract amino acids and peptides from the protein matrix (collagen) present. This process is carried out at SICIT's two plants: Arzignano for processing animal by-products and Chiampo for processing post-tanning residues. The treatment and hydrolysis phases produce **protein hydrolysates**, which serve as intermediate products (known as bases) for the subsequent preparation of the finished product. These protein hydrolysates—either individually or more often mixed with each other and/or with other organic and/or inorganic products—result in **finished products** that SICIT sells through the B2B channel.

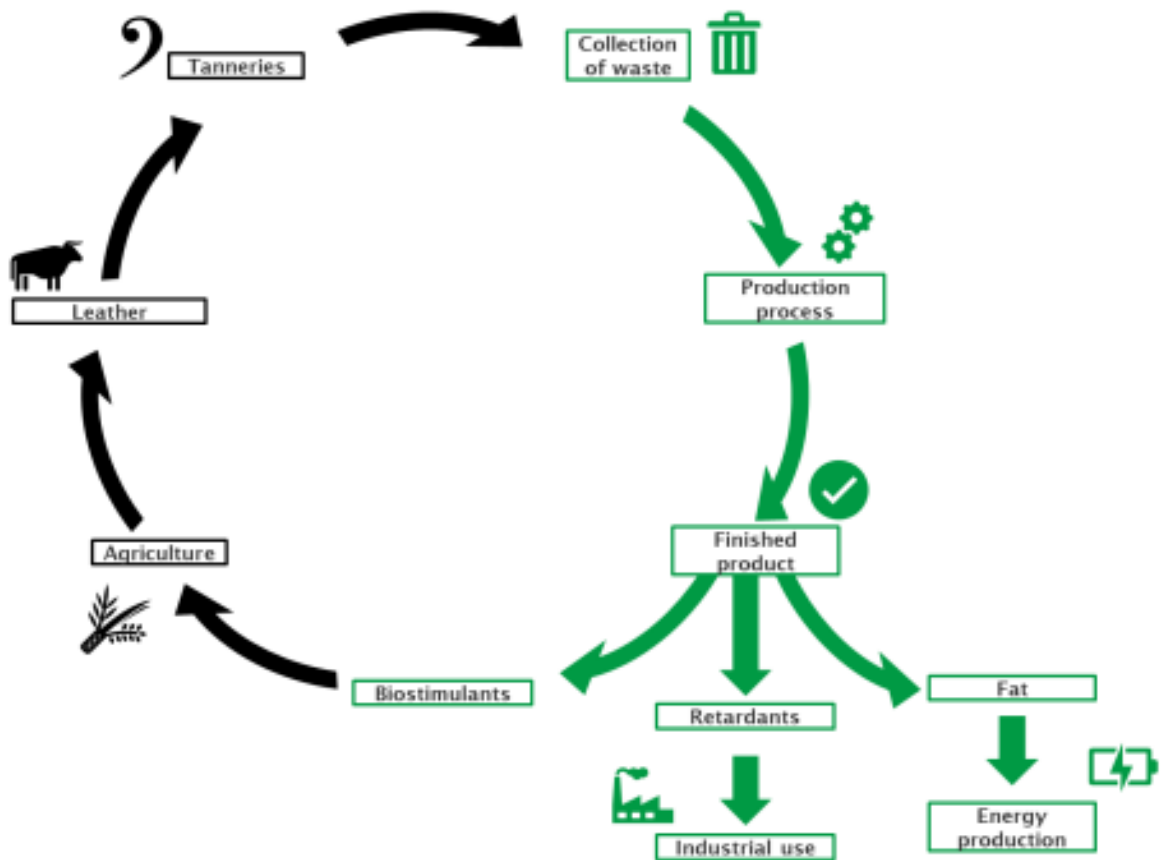
SICIT has also equipped itself with dedicated **storage tanks** for the hydrolysed bases produced and not immediately used for producing finished products. This allows for an adequate inventory volume to mitigate business risks associated with the inability to collect tanning residues during months when sales volumes exceed the volumes collected.

The protein hydrolysate obtained from the hydrolysis process, which appears in **liquid, dense, and viscous form**, undergoes further processing based on formulations agreed upon with the client. The aim is to associate additional components with the amino acid and peptide base and/or modify its physical state (formulation into powder, flakes, or granules). The products thus

<sup>5</sup> For fleshings alone, once the fat has been extracted.

obtained can be sold as they are or packaged in industrial containers and made available for sale to SICIT's clients, who will resell them under their own brand. When the product is not sold in bulk, it is packaged directly at SICIT's facilities in

industrial containers, such as tanks and drums of varying volumes for liquid products or industrial bags for powdered products. The packaging of the product for commercialisation to the end user is generally managed by the clients.



## Key Stakeholders of the Group

GRI 3-1

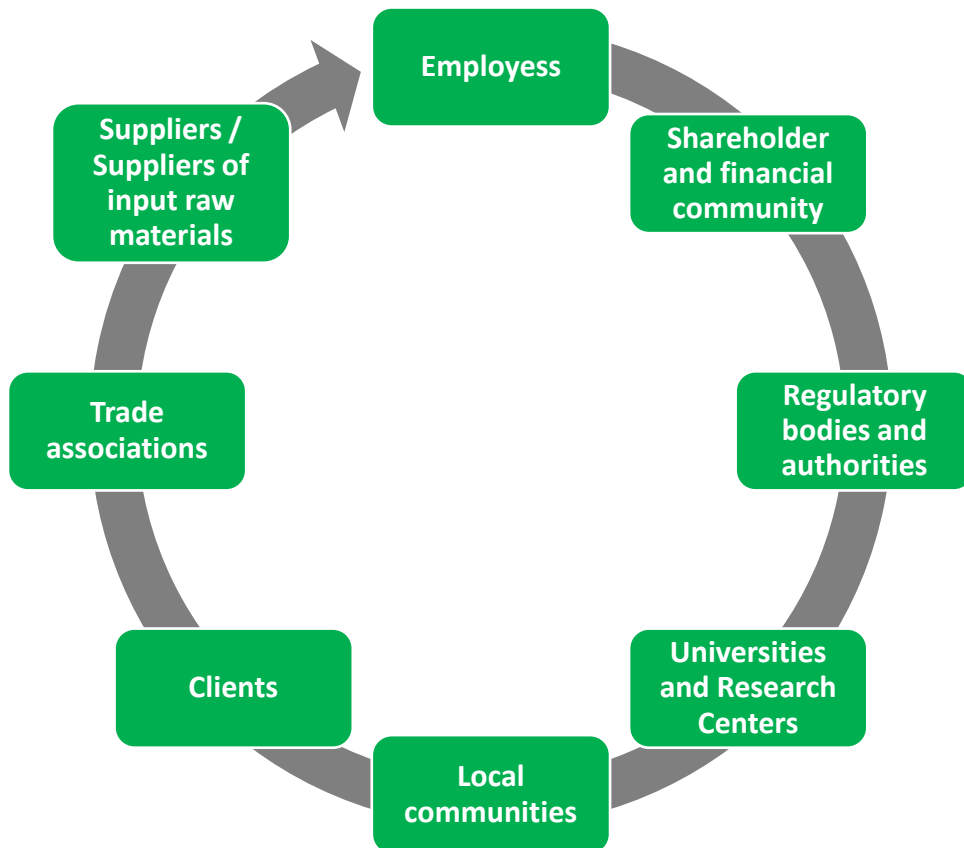
GRI 3-2

GRI 3-3

Stakeholders play a crucial role in the sustainable growth and development of the Group. SICIT is committed to considering their needs and expectations when defining and implementing its business strategies.

Through the context analysis in which SICIT operates, the sector of reference, and the activities carried out, the following key

stakeholders have been confirmed for 2024 (see image). Furthermore, SICIT adopts practices for dialogue and engagement with key stakeholders. Below are the main channels of communication and interaction. The methods and frequency of stakeholder engagement vary depending on the relevant topics and opportunities for discussion throughout the year. Engagement with stakeholders also includes gathering insights and expectations related to the process of defining material topics for sustainability reporting, as well as identifying ESG targets.



Stakeholders	Engagement/Interaction Activities
<b>Employees</b>	Corporate welfare projects and/or initiatives Breach reporting system Onboarding programs for new hires Company meetings to discuss results and future objectives Staff training and in-service courses Communication boards at plants and offices
<b>Trade associations</b>	Regular discussions
<b>Clients</b>	Regular meetings Market surveys and research Continuous dialogue through communication channels (e.g., email, telephone, social media, mail) Customer service Company website Participation in major trade fairs Presence at events
<b>Suppliers/Suppliers of input raw materials</b>	Regular meetings Relationship with the purchasing department and the quality control laboratory
<b>Shareholders and financial community</b>	Meetings organized throughout the year Company website
<b>Local communities</b>	Community projects and support to social initiatives Participation in local events Mass media
<b>Regulatory bodies and authorities</b>	Meetings with institutional representatives
<b>Universities and Research Centers</b>	Internships and thesis development Collaborations with schools and the academic community for the development of new products and processes Joint research and development

## Materiality Analysis

GRI 2-25

GRI 2-29

GRI 3-1

GRI 3-2

GRI 3-3

In 2024, in response to evolving regulations, SICIT took its first step towards conducting a double materiality analysis. The purpose of double materiality is to integrate two complementary perspectives: assessing the impact the company has on the environment and society (impact materiality) and understanding how environmental, social, and governance (ESG) factors can influence the Group's financial performance and position (financial materiality).

In this context, the company supplemented its review of material topics from 2023—focused on impact materiality analysis—with an initial evaluation of ESG risks. This evaluation helps identify key areas to consider in the future financial materiality analysis.

### GRI 3 material topics

The topics identified as material in 2023 remain aligned with the Group's priorities for the current reporting year. This list emerged from a process initiated in 2022, when SICIT updated its materiality analysis in accordance with the GRI 3 Material Topics 2021 guidelines. The aim was to identify the organisation's significant impacts (impact materiality)—whether negative or positive, actual, or potential—on the economy, environment, and/or people, including their human rights. These impacts are caused by the organisation's activities and investments, its products and/or services, or its value chain, in the short, medium, and long term. The

materiality analysis was carried out through the following steps:

1. Context analysis: this step involved a benchmark analysis reviewing major industry players, key sustainability reporting frameworks, and specific sector publications;
2. Impact Identification: based on the context analysis, we identified the positive and negative, actual, and potential impacts that the Group's activities could have on the economy, environment, and people, including human rights. This covered both direct operations and business relationships;
3. Impact Evaluation: the identified impacts were assessed with input from top management;
4. Impact Prioritisation: the impacts were prioritised and aggregated into material topics.

### ESG Risk Assessment

The process described above was complemented by identifying ESG risks as part of the Group's Risk Assessment update. The activity followed this methodology:

1. Identification of business objectives;
2. Identification of events that could impact the achievement of these objectives;
3. Analysis of business processes and identification of risks associated with these activities;
4. Assessment of the likelihood of risk events occurring;
5. Evaluation of the impact of risk events;
6. Preparation of risk assessment maps for the Group.

The analysis of business objectives and the events that could impact their achievement

was conducted by reviewing key company documents. The examination of processes and existing risk mitigation strategies was carried out through meetings and interviews with SICIT's management team. These analyses helped identify and classify risks, including ESG risks, and establish the evaluation metrics used by SICIT's management.

Through this process, several strategic focus areas were identified, useful to support the company's international growth. On an environmental perspective, the focus was on optimising resource use and managing material procurement to ensure increasingly efficient operations.

Socially, the emphasis was on protecting human rights within the supply chain and continuously improving working conditions. In terms of governance, the company decided to further strengthen measures related to cybersecurity and data management, ensuring ambitious standards to address the increasing complexity of the system. These elements have been integrated into SICIT's ESG plan to support sustainable and responsible growth in international markets.

Below are the material topics and their impacts, which are reported in this Sustainability Report.



MATERIAL TOPIC	GENERATED IMPACTS	NATURE OF THE IMPACT	IMPACT BOUNDARY	SICIT INVOLVEMENT
<b>Environmental impact management</b>	Generation of direct and indirect energy-related GHG emissions (Scope 1 and 2)	Negative Actual	Group and Group's energy suppliers	Caused by the Group
	Generation of indirect GHG emissions (Scope 3)	Negative Actual	Group through its value chain	Caused by the Group and related to the Group through its commercial relationships
	Energy consumption	Negative Actual	Group	Caused by the Group
	Atmospheric pollutant emissions	Negative Actual	Group	Caused by the Group
	Recycling and reuse of production scraps and generated waste	Positive Actual	Group	Caused by the Group
	Waste generation	Negative Actual	Group	Caused by the Group
	Reduction in water quality and water availability	Negative Actual	Group	Caused by the Group
	Raw material consumption	Negative Actual	Group	Caused by the Group
<b>Innovation, Research and Development</b>	Contribution to reducing the use of mineral fertilizers in agriculture	Positive Actual	Group	Caused by the Group
	Technological innovation of processes and products	Positive Actual	Group	Caused by the Group
<b>Health and Safety at Work</b>	Workplace injuries	Negative Actual	Group Employees <sup>6</sup>	Caused by the Group
<b>Economic Performance and Value Creation</b>	Generation and distribution of economic value	Positive Actual	Group	Caused by the Group

<sup>6</sup> The scope of health and safety data includes only employees. The Group is considering the possibility of collecting data from the employers of external collaborators working at the Group's sites, in order to report any incidents.

MATERIAL TOPIC	GENERATED IMPACTS	NATURE OF THE IMPACT	IMPACT BOUNDARY	SICIT INVOLVEMENT
<b>Employee Development and Well-being</b>	Human rights violations within the Group	Negative Potential	Group Employees	Caused by the Group
	Employee training and development	Positive Actual	Group Employees	Caused by the Group
	Unfair or discriminatory employee remuneration policy	Negative Potential	Group Employees	Caused by the Group
	Discrimination and non-inclusive practices in the workplace	Negative Potential	Group Employees	Caused by the Group
<b>Business Ethics, Anti-corruption, and Compliance</b>	Anti-competitive behaviour and monopolistic practices	Negative Potential	Group	Caused by the Group
	Unethical business conduct	Negative Potential	Group	Caused by the Group
<b>Local Community and Territory</b>	Development of local communities and fostering community relations	Positive Actual	Group	Caused by the Group
	Contribution to the local economic development	Positive Actual	Group	Caused by the Group
<b>Product Quality and Safety</b>	Non-compliance with regulations or standards pertaining to product quality and safety	Negative Potential	Group	Caused by the Group
<b>Sustainable Supply Chain Management</b>	Environmental impacts generated by suppliers	Negative Actual	Group Suppliers	Caused by the Group and related to the Group through its commercial relationships
	Human rights violations along the supply chain	Negative Potential	Group Suppliers	Caused by the Group and related to the Group through its commercial relationships

## Sustainability Rating

Following the voluntary preparation of its first Sustainability Report in 2019, SICIT began efforts to obtain its first ESG (Environmental, Social, and Governance) sustainability rating.

The Group undergoes an annual independent evaluation by Sustainalytics, a leading sustainability rating agency, which assesses adherence to stringent institutional and international voluntary guidelines on sustainability and governance. For the 2022 Sustainability Report, **SICIT requested and received its fifth public ESG sustainability rating from Sustainalytics.** In the Sustainalytics ESG Risk Ratings comparative ranking, **SICIT Group scored 23.6, placing it among the top companies in the agrochemical sector and achieving an average position among global chemical industry companies.** The Company's ability to manage these risks was also confirmed as high, following best practices, and demonstrating a keen sense of responsibility to investors and all stakeholders. **The ESG impact categories considered were rated as 'low risk'** (Emissions, Effluents and Waste; Resource Use; Community Relations; E&S Impact of and Services) or even **'negligible'** (Human Capital; Product Governance; Occupational Health and Safety; Business Ethics; Stakeholder Governance), with only one category rated as **'medium risk'** (Carbon-Own Operations). Additionally, no specific potentially risky events were identified that could negatively impact stakeholders, the environment, or the Group's operations. Aware of its role as a market leader, SICIT has embarked on a structured and formalised path to strengthen its

sustainability approach, implementing projects across the three ESG areas, including:

- **Environment:** development of green and sustainable products, reduction of production residues and emissions, certifications, and increased use of renewable energy;
- **Social:** transparency, legality, and proper relations with all stakeholders;
- **Governance:** Full compliance with all applicable regulations, codes, and best practices.

Throughout 2024, SICIT underwent an evaluation of its sustainability performance by the **EcoVadis** platform. EcoVadis is one of the world's leading providers of business sustainability ratings, information, and collaborative tools for improving performance in global supply chains. As a result of the EcoVadis assessment covering environment, labour and human rights, ethics, and sustainable procurement matters, SICIT received a **"Platinum"** scorecard, placing it among **the top 1% of the most virtuous companies.**



**Reporting Frameworks**



**Standard and**



**International Organization for Standardization**

9001 – Quality Management Systems

14001 – Environmental Management Systems

45001 – Occupational Health and Safety Management System

14064 – Greenhouse Gases (GHG)

14067 – Carbon footprint of products

UNI PdR 125 – Gender Equality

**Ratings**



## Group Policies

GRI 2-23

GRI 2-24

### ORGANIZATIONAL POLICIES AND GUIDELINES



[For more information, please visit the Group Policy corporate webpage.](#)

Recognising its responsibility to implement Corporate Social Responsibility actions aligned with Group guidelines, SICIT has approved **nine Group policies covering sustainability, human rights, workplace health and safety, environment, diversity, anti-corruption, circular economy, energy and climate change, and sustainable procurement.**

In particular, the last three policies were developed in 2024 as part of an effort to update and integrate all ESG policies that guide the Group's activities.

These policies are published on the company's website and shared with all subsidiaries to raise awareness and reinforce the Group's commitment in these areas, ensuring consistency between the actions taken and the values pursued.

The policies undergo periodic review to ensure their adequacy and are submitted to the Board of Directors after each modification. The Board, with the support of the Supervisory Body and relevant internal functions, is also responsible for monitoring their implementation and managing any violations.

The policies are based on international standards and best practices.

Below is a summary of the ESG policies approved by the Board of Directors of SICIT Group S.p.A. in October 2024.

**Sustainability Policy:** This policy identifies the values that inspire and guide SICIT

Group and its strategies across all dimensions of sustainability: environment, social, and governance (ESG). Together with the Code of Ethics, the policy aims to establish guidelines for directors, managers, employees, agents, consultants, intermediaries, and other third-party representatives of SICIT and its subsidiaries and affiliates in the field of sustainability. The objective is to protect the respect for individuals, the natural environment, and communities. The policy is an integral part of SICIT Group's Vision, Mission, and daily activities.

**Human Rights Policy:** The aim of this policy is to ensure adherence to applicable human rights laws and regulations. It applies not only to SICIT and its subsidiaries but also to entities where SICIT holds a majority stake and to structures managed by SICIT. The company is dedicated to working with its business partners, encouraging them to uphold human rights principles and implement similar policies within their own organisations.

Starting in 2024, in response to current and future international expansion, the human rights policy includes a public commitment to uphold a living wage. The living wage is calculated by an independent body based on key monthly living expenses in the various regions of reference. This choice ensures protection against the eventual absence of a minimum wage that reflects the cost of living.

SICIT is committed to ensuring that at least 90% of the Group's employees receive a gross total compensation above the levels identified by the *Wage Indicator Foundation*.

**Health and Safety Policy:** This policy aims to ensure compliance with health and safety laws and regulations, recognising that the health, safety, and well-being of individuals are core values for SICIT Group. The long-term objective is to achieve zero workplace injuries and minimise their impact on the work environment as much as possible. This will be accomplished by leveraging investments in technology, proactive human factor policies, and employee training.

**Environmental Policy:** The aim is to ensure compliance with applicable environmental laws and regulations, as SICIT places the utmost importance on protecting the environment in which it operates. The policy promotes the development of initiatives to progressively reduce the impacts of the Group's activities. The policy also aims at enhancing awareness and sensitivity among all stakeholders.

**Anti-corruption Policy:** This policy sets out the principles and practices for interactions with public officials, private entities, and their families, aiming to ensure compliance with anti-corruption laws.

**Diversity and Equal Opportunity Policy:** This policy aims to set guidelines for fostering diversity and ensuring equal opportunities throughout the organisation. It applies to all Group companies and strives to create a workplace where everyone feels respected and valued, with equal chances for growth and development.

**Circular Economy Policy:** This policy emphasises the seamless integration of SICIT's business model with circular economy practices, particularly focusing on the recovery of tanning residues' process. It outlines the guiding principles of conduct and objectives of the Group's activities. The detailed breakdown of these overarching

goals into specific reduction and efficiency targets can be found in the "Sustainability Goals" section of this report.

**Energy and Climate Change Policy:** This policy sets forth principles and guidelines to continuously enhance SICIT's sustainability efforts, in line with applicable legislation. It also provides guidelines for identifying, evaluating, managing, and addressing relevant impacts, risks, and opportunities related to climate change mitigation and adaptation.

**Sustainable Procurement Policy** This policy outlines the principles and guidelines for continuously improving sustainability throughout SICIT's entire value chain, in strict compliance with applicable regulations. The goal is to create a procurement system for goods and services that not only meets economic criteria but also strategically integrates environmental, social, and governance (ESG) principles. All quantitative objectives in the policies are monitored through internal control files or budget indicators. Annually, SICIT reviews the need to update public objectives.

SICIT Group is committed to ensuring that 100% of its strategic suppliers are aligned with its Supplier Code of Conduct by 2030.

In the absence of formal changes to the policy text:

- Maintenance objectives are considered met and renewed for 2025;
- Achieving improvement objectives within the declared timelines (e.g., 2030) is deemed feasible.



## Sustainability Goals

### GRI 2-23

Alongside the Sustainability Report as of 31 December 2022, SICIT has launched its first sustainability plan for the period 2023-2026<sup>7</sup>. This plan considers the 17 goals of the United Nations' 2030 Agenda for Sustainable Development (SDGs) and aims to meet stakeholder expectations, identify areas for increased commitment, and maintain the current approach where appropriate.

The United Nations describes the 17 sustainable development goals as a strategy "to achieve a better and more sustainable future for all." Known as the 2030 Agenda, these goals highlight the connection between human well-being, the health of natural systems, and the shared challenges faced by all countries.

In 2024, SICIT updated its sustainability plan, extending the coverage to the period 2024-2028. This update incorporates insights from the Group's risk analysis, as well as the evolving regulatory landscape and international expansion needs. The key objectives for 2025 focus on enhancing supply chain control and implementing initiatives to improve employee well-being. The company's goals, aligned with the relevant SDGs, and the achievements made in 2024, are categorised under Governance, Social, and Environment, and are detailed in the respective sections of this report. To make it easier to identify the goals that have been achieved and those still in progress, the objectives tables will be accompanied by specific symbols.

Table Legend	
	Achieved goal
	Work in progress objective

<sup>7</sup> Please note that the objectives of the 2023-2026 Sustainability Plan apply only to the previous scope of

the SICIT Group, before the acquisition of PatBio.

# PROTECT OUR PLANET, MITIGATING IMPACTS FOR FUTURE GENERATIONS

## SUMMARY & HIGHLIGHTS

### VALUES

SICIT places the utmost importance on **protecting the environment** in which it operates and actively **invests in resources and initiatives** to progressively reduce the impact of its activities. It also aims to raise awareness and sensitivity among all involved stakeholders. In line with this commitment, the Chiampo and Arzignano plants have implemented an environmental management system certified to UNI EN ISO 14001:2015 standards, with regular audits.

### OBJECTIVES

- Promote **accountability** for **environmental protection**.
- Minimize resource consumption and waste generation.
- Reduce the **environmental impact** of activities, **anticipate** potential **impacts** of new initiatives to **prevent** and **manage emergency** situations.
- Ensure **environmental protection** during the **design phase** of **new products and processes**.  
Set environmental goals and targets aligned with the operational management of the plant and corporate development strategies.

## SICIT IN NUMBERS<sup>8</sup> vs 2023



*Energy consumption  
In GJ*

**440.667** *+8%*

**703** *from photovoltaics +67%*



*Energy intensity on GHG emissions  
Scope 1 & 2 location e market based*

**0,71** *-5%*



*Energy intensity on wastewater  
discharges*

*Wastewater discharges per ton of semi-  
finished product produced*

**0,0071** *-10%*



*Circular Economy  
Animal products derived from tanneries*

**154.964** *tons removed from  
waste and introduced into the production  
process*

<sup>8</sup> The numbers for 2024 include the new company PatBio. Additionally, in the spirit of continuous improvement, the 2023 emissions data has been

restated. For previous values, please refer to the 2023 Sustainability Report.





*“Environmental respect is a core value for the SICIT Group.*

*The Group is dedicated to implementing transparent practices through initiatives designed to minimize its environmental footprint. This unified vision is driven by a clear understanding: sustainability is our guiding principle, pointing the way to the future.”*

**MATERIAL TOPICS**

**Environmental impact management**

Innovation, Research and development

Health and Safety

Economic performance and value creation

Employee development and well-being

Business ethics, Anti-corruption, and Compliance

Local community and Territory









Product quality and safety

Sustainable supply chain management









**SDGs**



## Significant KPIs and Environmental objectives of the Sustainability Plan

SDGs	Objectives	Progress status	Time frame
<p><b>7</b> AFFORDABLE AND CLEAN ENERGY</p> 	Feasibility study for a self-sufficiency project for renewable electricity consumption		2 <sup>nd</sup> Semester 2025
<p><b>13</b> CLIMATE ACTION</p> 	Preparation of the organisational carbon footprint including Scope 3 and obtaining certification		2 <sup>nd</sup> Semester 2024 - <b>Achieved.</b> The Company obtained certification for Scope 1, 2, 3 emissions for the 2022 emissions inventory in the first months of 2024.
<p><b>12</b> RESPONSIBLE CONSUMPTION AND PRODUCTION</p> 	Reduction of 10% (compared to 2022 data) in the amount of sludge (waste) produced per ton of semi-finished product		2 <sup>nd</sup> Semester 2026 - <b>Achieved.</b> In 2023 reduction of 14% in the amount of sludge produced per ton of semi-finished product.
<p><b>12</b> RESPONSIBLE CONSUMPTION AND PRODUCTION</p> 	Reduction of 15% (compared to 2022 data) in the amount of ammonium bicarbonate (raw material) purchased per ton of semi-finished product		2 <sup>nd</sup> Semester 2026 <b>Achieved.</b> In 2023 reduction of 32% in the amount of ammonium bicarbonate purchased per ton of semi-finished product.

SDGs	Objective	Progress status	Time frame
<b>6</b> CLEAN WATER AND SANITATION 	Reduction of 15% (compared to 2022 data) in water discharge per ton of semi-finished product		2 <sup>nd</sup> Semester 2026
<b>6</b> CLEAN WATER AND SANITATION 	Reduction of 15% (compared to 2022 data) in water withdrawals per ton of semi-finished product		2 <sup>nd</sup> Semester 2026
<b>13</b> CLIMATE ACTION 	Reduction of 5% (compared to 2022 data) in methane gas consumption (and related emissions) per ton of semi-finished product		2 <sup>nd</sup> Semester 2026 – – <b>Achieved.</b> In 2023 reduction of 8% in methane gas consumption and emissions per ton of semi-finished product.
<b>12</b> RESPONSIBLE CONSUMPTION AND PRODUCTION 	Evaluation of the possibility of using recycled/reused materials (tanks and bags) for packaging		2 <sup>nd</sup> Semester 2024 – – <b>Achieved.</b> In 2024 SICIT analysed the feasibility of future use of recyclable/reused materials for packaging.
<b>13</b> CLIMATE ACTION 	Identification of further targets for reducing direct and indirect emissions (Scope 1, 2) and setting reduction targets for Scope 3 emissions		2 <sup>nd</sup> Semester 2025
<b>13</b> CLIMATE ACTION 	Adherence to the Science Based Target Initiative (SBTI) for our decarbonisation initiative, to promote the best-in-class target-setting approach in the market and demonstrate the Group's alignment to limit global warming to 1.5°C		2 <sup>nd</sup> Semester 2026

<p><b>7</b> AFFORDABLE AND CLEAN ENERGY</p> 	<p>Photovoltaic system installation in Arzignano</p>		<p>2<sup>nd</sup> Semester 2026</p>
<p><b>13</b> CLIMATE ACTION</p> 	<p>Replacement of two burners with a high energy efficiency version, allowing the reduction of NOx at the industrial chimney</p>		<p>2<sup>nd</sup> Semester 2025</p>
<p><b>13</b> CLIMATE ACTION</p> 	<p>Extension of environmental management standards to new plants in Mexico</p>		<p>2<sup>nd</sup> Semester 2027</p>
<p>-</p>	<p>Maintenance of ISO 14064</p>		<p><i>Ongoing</i></p>
<p>-</p>	<p>Maintenance of ISO 14067</p>		<p><i>Ongoing</i></p>

KPI RELATED TO SUSTAINABILITY OBJECTIVES <sup>9</sup>	TO PLAN	UoM	2022	2023	2024	Target for 2026
<i>Quantity of sludge (waste) produced per ton of semi-finished product</i>		<i>ton/ton</i>	<i>0,56</i>	<i>0,49</i>	<b><i>0,53</i></b>	<i>-10%</i>
<i>Quantity of ammonium bicarbonate (raw material) purchased per ton of semi-finished product</i>		<i>ton/ton</i>	<i>0,15</i>	<i>0,1058</i>	<b><i>0,12</i></b>	<i>-15%</i>
<i>Water discharge per ton of semi-finished product</i>		<i>ML/ton</i>	<i>0,0080</i>	<i>0,0078</i>	<b><i>0,0071</i></b>	<i>-15%</i>
<i>Water withdrawals per ton of semi-finished product</i>		<i>ML/ton</i>	<i>0,0083</i>	<i>0,0075</i>	<b><i>0,0070</i></b>	<i>-15%</i>
<i>Methane gas consumption (and related emissions) per ton of semi-finished product</i>		<i>Smc/ton</i>	<i>363,26</i>	<i>332,76</i>	<b><i>310,23</i></b>	<i>-5%</i>

<sup>9</sup> These KPIs are currently monitored only within the previous scope of the Sicit Group, prior to the acquisition of PatBio.

KEY HIGHLIGHTS <sup>10</sup>						
GRI Indicator <sup>11</sup>	Description	UM	2022	2023 <sup>12</sup>	2024 <sup>13</sup>	Δ 23/24
<b>Environmental</b>						
301-2	<i>Raw materials used<sup>14</sup></i>	ton	177.688	171.299	189.089	10%
	<i>of which from renewable sources</i>	%	82	83	82	0%
302-1	<i>Energy consumption within the organisation</i>	GJ	433.528	402.783	440.667	9%
	<i>of which from renewable sources</i>	%	6	8	8	0%
302-3	<i>Energy intensity</i>	GJ/Thousand	4,57	3,75	3,56	-5%
303-3	<i>Water withdrawal</i>	ML	269	246	265	8%
305-1	<i>Direct greenhouse gas emissions (Scope 1)</i>	tCO <sub>2</sub> eq	23.583	21.876 <sup>15</sup>	24.088	10%
305-2	<i>Indirect energy emissions (Scope 2 - Location Based) GHG</i>	tCO <sub>2</sub>	1.978	2.281	2.878	26%
	<i>Indirect emissions (Scope 2 - Market based)</i>	tCO <sub>2</sub>	-	19	31	58%
305-4	<i>Greenhouse gas emissions intensity</i>	tCO <sub>2</sub> eq (Location Based) /€ Thousand	0,27	0,23 <sup>16</sup>	0,22	-3%
306-3	<i>Waste produced</i>	t	20.082	16.804	21.314	27%
NA	<i>Water intensity</i>	ML/€ Thousand	0,0028	0,0023	0,0021	-6%
NA	<i>Waste intensity</i>	t/€ Thousand	0,21	0,16	0,17	9%

<sup>10</sup> Refer to the Environmental Annex for complete information regarding GRI indicators related to the Group's environmental performance.

<sup>11</sup> Where applicable

<sup>12</sup> The "2023" column includes data from PatBio from the date it entered the reporting period.

<sup>13</sup> The "2024" column includes data from PatBio.

<sup>14</sup> Value excluding Packaging and considering only raw materials.

<sup>15</sup> The 2023 emissions data has been restated for continuous improvement. Refer to the 2023 Sustainability Report for previous values.

<sup>16</sup> The 2023 emissions data has been restated for continuous improvement. Refer to the 2023 Sustainability Report for previous values.

<sup>16</sup> The 2023 emissions data has been restated for continuous improvement. Refer to the 2023 Sustainability Report for previous values.

## SICIT's commitment to the environment

GRI 3-3

### ORGANIZATIONAL POLICIES AND GUIDELINES



*[For more information, visit the Group's Policy webpage.](#)*

In 2024, as in previous years, an internal audit was conducted between July and August in the EHS area (Environment, Health, and Safety). This audit employed a verification checklist and it was carried out collaboratively by the internal environment and safety functions. The results of the audit were shared with the ISO 14001 certifying body and the health and safety administrator. Additionally, twice a year, the Supervisory Body (ODV) conducts audits on environmental, health and safety topics.

SICIT is committed to **integrating** the **UNI EN ISO 45001:2018** and **UNI EN ISO 14001:2015** certifications with **ISO 9001**.

SICIT has also obtained the **Bioagricert certification for organic production**, as it complies with EU Regulation 848/2018, which outlines the system for production, processing, labelling, control, and certification within the European Union. To manage risks, SICIT has implemented a dedicated module to identify issues and risks associated with new plants. Although the activities carried out do not pose significant risks, SICIT has identified the **consumption of natural resources** (electricity, natural gas, water, raw materials) and **atmospheric emissions** (greenhouse gases and pollutants) as

potential environmental impacts. Specifically, risks related to potential chemical spills that could affect atmospheric emissions are considered. These impacts are constantly monitored and managed to ensure compliance with relevant regulations where SICIT operates. This topic will be explored in more detail later in this chapter.

SICIT believes that promoting employee participation and individual responsibility in environmental actions is crucial for its success. Therefore, it encourages its employees to actively engage by sharing information on environmental and sustainability topics. In its Code of Ethics, SICIT states that the Group's core values include policies related to environmental respect. Specifically, it strives for continuous improvement in its environmental performance by committing to:

- Maintaining compliance with all current environmental laws and regulations;
- Pursuing continuous improvement, minimising any negative environmental impact from its activities where technically feasible and economically sustainable, and preventing pollution.

To confirm SICIT's commitment to minimising the environmental impact of its business, it is noteworthy that the biostimulants and retardants marketed by the Group are 100% biodegradable.

Below are some monitoring indicators of product characteristics<sup>17</sup>:

Product use	%		
Characteristic	2022	2023	2024
Finished product with reduced environmental impact - upstream emissions <sup>18</sup>	100%	100%	100%
End-of-life of the product	%		
Characteristic	2022	2023	2024
Recyclable packaging	100%	100%	100%
Biodegradable product	100%	100%	100%

Additionally, the grease marketed by SICIT for biofuel production is an eco-sustainable alternative to diesel, significantly reducing CO<sub>2</sub>eq emissions into the atmosphere. The use of 1 litre of diesel contributes to CO<sub>2</sub> emissions that are approximately 15 times higher<sup>19</sup> than those generated by biodiesel.

In 2023, **two new plants** were installed at the Chiampo facility: one for **osmosis** and one for **filtration**. The osmosis plant allows the Group **to recover ammonium bicarbonate** by separating it from water, which is then recovered and **reused**.

The filtration plant enables the Group to **recover calcium carbonate**, thereby reducing the amount of **waste generated**.

Another innovation involving new plants is the **recovery process** at the **Arzignano** facility, where **lime solubilisation** is carried out using a **protein substance**. This method **reduces** the **consumption** of water and **methane**.

<sup>17</sup> These KPIs are currently monitored only within the Italian scope of the SICIT Group.

<sup>18</sup> The raw materials used to formulate finished products based on animal-derived protein hydrolysate are residues that would otherwise be destined for high environmental impact treatments. The recovered raw material is not associated with

CO<sub>2</sub>eq emissions in the product CFP count according to the ISO 14067 Systematic Approach standard, thus creating a product with reduced environmental impact within the Italian scope.

<sup>19</sup> The emission factors used are 2.66155 kgCO<sub>2</sub>e/l for diesel and 0.16751 kgCO<sub>2</sub>e/l for biodiesel (DEFRA 2024).



## Energy consumption and emissions

GRI 305-2

GRI 305-4

GRI 305-7

GRI 302-1

GRI 302-3

GRI 305-1

For several years, SICIT has been promoting a careful and responsible management of its energy consumption (electricity and natural gas), in line with its Environmental Policy. This consumption primarily stems from production facilities, and to a lesser extent from lighting, heating, and cooling of workplaces. Additionally, fuel consumption from company-owned logistics vehicles is included. Electricity and natural gas are the main energy sources used in production processes.

In 2024, SICIT's total energy consumption amounted to **440,667 GJ**, marking a 9.4% increase compared to 2023, consistent with the rise in production observed throughout 2024. The primary energy source used is natural gas, accounting for approximately 92% of total energy consumption. This is due to its predominant use in production processes<sup>20</sup>. Electricity represents about 8% of total energy consumption.

Electricity is supplied not only from the grid but also from a **cogeneration plant, which combines heat and power**, installed at the Arzignano plant. The plant helps reduce the energy costs of the facility. The energy produced by this plant is entirely self-consumed, thereby reducing reliance on the grid.

In 2022, to further demonstrate SICIT's commitment to reducing energy consumption, a **photovoltaic system** with

a capacity of approximately 190 kWp was installed and commissioned at the Arzignano facility. This plant can produce around 262,000 kWh of electricity annually. In 2024, the amount of electricity generated and entirely consumed internally was 195,258 kWh. Together with the cogeneration plant, this photovoltaic installation has ensured near self-sufficiency for the Arzignano site, covering about 80% of its total electricity consumption. **To reduce its CO2 emissions**, SICIT has also entered into an agreement with Enel Energia for the supply of **100% renewable electricity for its Italian operational boundary**. Since 2021, this agreement has ensured that all electricity purchased from the grid is certified "green" by **GSE**.

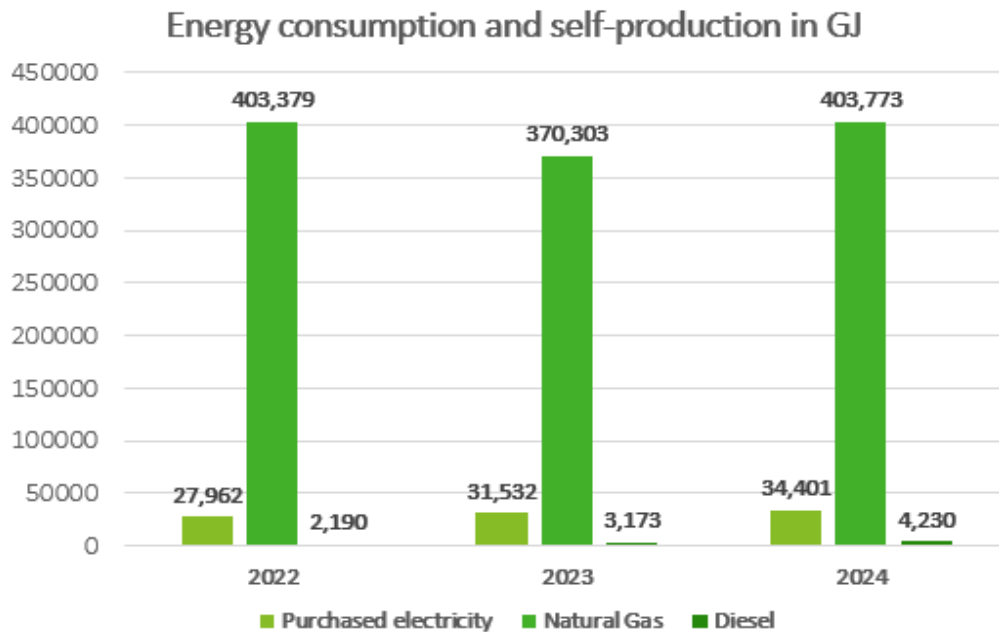
In 2024, all electricity sourced from the grid by SICIT Italia was certified through **Guarantees of Origin (GO)**. In 2024, approximately **8%** of the Group's total **energy consumption came from renewable sources**.

<sup>20</sup> Natural gas is primarily used to power steam boilers, a cogeneration plant (electricity and steam),

some fume scrubber plants, deodorization and emissions abatement plants, and the drying plant.

It is also noteworthy that the installation of a new photovoltaic plant with a capacity of 300 kW at the Chiampo facility is nearing completion, with its commissioning expected during 2025.

With resolution No. 1624 of Dec. 29, 2020, the province of Vicenza granted SICIT the Integrated Environmental Authorisation (AIA no. 13/2020) pursuant to Legislative Decree 152/06 for the Arzignano facility. Additionally, SICIT obtained a new Single Environmental Authorisation (AUA) for the operation of the Chiampo facility (issued on December 16, 2024), and valid until December 31, 2034. This authorisation includes the management of non-hazardous waste, water discharge, acoustic plant, atmospheric emissions, and specifies the prescriptions to be adopted.



To achieve maximum treatment capacity, SICIT has carried out a series of plant and structural interventions at the Chiampo facility over the years. SICIT voluntarily decided to undergo the Environmental Impact Assessment (EIA) procedure for the plant modification. This process concluded in 2015 with the Province of Vicenza granting a favourable opinion on environmental compatibility. Additionally, in 2019, the Province of Vicenza granted the authorisation for the operation of the facility, approving all the modifications requested in previous years. In 2020, the Province of Vicenza issued resolution No. 1380 on November 11, 2020, updating the ownership of the authorisation.

SICIT's production facilities (Arzignano and Chiampo) fall within the scope of the Emission Trading System (ETS) regulation (Directive 2003/87/EC). Thus, they are registered in the list of companies authorised to emit greenhouse gases.

SICIT carefully monitors its greenhouse gas emissions, aware of their implications for the climate, and annually prepares the **Monitoring and Control Plan** (PMC).

Below are the main types of emissions associated with the aforementioned energy sources, as outlined by the **Greenhouse Gas (GHG) Protocol**, which categorises emissions into different "Scopes":

- Scope 1: **direct emissions** from sources owned or controlled by the company, such as fuels used for heating and operational vehicles necessary for the company's activities;
- Scope 2: **indirect emissions** resulting from the consumption of electricity purchased by the company. Specifically,

in compliance with GRI reporting standards, these emissions are calculated using both Location-based and Market-based methodologies, applying appropriate emission factors.

SICIT has also undertaken several initiatives aimed at measuring the overall impact of its emissions, both for its products and the organisation. Specifically:

- Since 2021, SICIT has launched a Carbon Footprint project for its products and obtained certification for the CFP Systematic Approach in accordance with ISO 14067:2018, for all finished protein hydrolysate products. This achievement enables SICIT to calculate the CO<sub>2</sub>eq emissions resulting from the lifecycle of its products in compliance with ISO 14067:2018 requirements;
- SICIT has incorporated the objective of calculating its organisational carbon footprint into its sustainability plan. This includes Scope 3 GHG emissions, such as those generated upstream and downstream of the Group's production activities, including logistics and product use by end customers. Consequently, SICIT obtained the relevant certification by the second half of 2024. In this context, the Group achieved ISO 14064-1:2018 certification for emissions related to 2022 and conducted an audit in December 2024 to update the GHG inventory with 2023 data.

In 2024, SICIT's direct emissions amounted to **24,088 tCO<sub>2</sub>** (Scope 1)<sup>21</sup> stemming from natural gas, diesel, petrol, and LPG. Indirect emissions (Scope 2)<sup>22</sup> from purchased electricity were **2,878 tCO<sub>2</sub>** based on the *Location-based calculation method*, and **31 tCO<sub>2</sub>** calculated using the *Market-based method*. Such results were possible thanks to the presence of 100% renewable energy certificates for the electricity purchased for the Italian operational boundary in 2024. The largest share of emissions comes from natural gas consumption, followed by electricity usage. Total emissions (Scope 1 and Scope 2 Location-based) were **26,966 tCO<sub>2</sub>**, marking an increase of approximately 12% compared to 2023<sup>23</sup>.

In 2024, SICIT Group recorded an energy intensity index of **3.56 GJ/€ thousand** per thousand euros of revenue. This represents a decrease of about 5% compared to 2023 data (3.75 GJ/€ thousand). The emission intensity index at the Group level is **0.22 tCO<sub>2</sub>/€ thousand**, considering the total

direct and indirect Location-based emissions per thousand euros of revenue. This represents a decrease of about 3% compared to 2023 data<sup>24</sup> (0.23 tCO<sub>2</sub>/€ thousand).

In addition to the overall energy and emission intensity data calculated based on Group revenue, SICIT has also determined the energy and emission intensity indices for the total production of protein hydrolysate. To do so, consumption and emission data from the Chiampo and Arzignano facilities was used. Protein hydrolysate serves as the base for the finished products produced at both sites, making it suitable for calculating the energy and emission intensity for SICIT Group's Italian operational boundary.

<sup>21</sup> For the calculation of Scope 1 emissions, direct emissions from combustion sources, including fixed, mobile, process, and fugitive emissions, were considered. For SICIT, the emission factors used were from the "ISPRA - National Inventory Report 2024," while for PatBio, the emission factors were from "DEFRA - UK Government - GHG Conversion Factors for Company Reporting 2024." Scope 1 emissions are expressed in tonnes of CO<sub>2</sub>, as the sources used do not report emission factors for gases other than CO<sub>2</sub>.

<sup>22</sup> The GRI Sustainability Reporting Standards provide two methodologies for calculating Scope 2 emissions: the "Location-based method" and the "Market-based method." For the calculation of Scope 2 emissions, both methodologies were used in line with GRI Sustainability Reporting Standards. The Market-based method is based on CO<sub>2</sub> emissions from energy suppliers from whom the organisation purchases electricity through a contract. It can be calculated considering Guarantees of Origin certificates for energy, direct contracts with suppliers, specific emission factors from the supplier, and emission factors related to the "residual mix," i.e., energy and emissions not monitored or claimed. For Italy in 2024, the emission factor used was 500 gCO<sub>2</sub>/kWh

(source: AIB 2024 - European Residual Mixes 2023). The Location-based method is based on average emission factors related to energy generation within well-defined geographical boundaries, including local, sub-national, or national boundaries. For Italy in 2024, the emission factor used was 3073 gCO<sub>2</sub>/kWh (source: ISPRA 2024 - Atmospheric emission factors of greenhouse gases in the national electricity sector and in major European countries). For PatBio emissions, both Market-based and Location-based methods were applied, using an emission factor of 318 gCO<sub>2</sub>/kWh (source: "Terna"). Scope 2 emissions are expressed in tonnes of CO<sub>2</sub>; however, the contributions of methane and nitrous oxide are negligible in the total greenhouse gas emissions (CO<sub>2</sub> equivalents), as indicated by relevant technical literature.

<sup>23</sup> The 2023 emissions data has been restated for continuous improvement. Refer to the 2023 Sustainability Report for previous values.

<sup>24</sup> The 2023 emissions data has been restated for continuous improvement. Refer to the 2023 Sustainability Report for previous values.

It is noteworthy that in 2024, SICIT's Italian operations recorded an energy intensity index of **11.56 GJ per tonne of protein hydrolysate produced** (37,962 tonnes total in 2024), representing a decrease of approximately 7% compared to 2023 (12.37 GJ/t).

In 2024, the intensity of methane gas consumption for SICIT Group's **Italian boundary** (expressed in standard cubic meters (Smc) per tonne of protein hydrolysate produced) was **310.23 Smc/tonne**. This represents a **7%** reduction compared to the 2023 figure of **332.76 Smc/tonne**.

The emission intensity index recorded in 2024 for SICIT's Italian operations was **0.71 tCO<sub>2</sub>/t**, considering the total direct and indirect location-based emissions per tonne of protein hydrolysate produced. This represents a decrease of approximately 5% compared to 2023<sup>25</sup> (0.74 tCO<sub>2</sub>/t).

To ensure health protection and environmental respect, SICIT **constantly monitors all atmospheric pollutant emissions** from its production facilities. In line with current regulatory requirements, each emission is regularly monitored to ensure compliance with legal limits. Chemical analyses of the emissions measured from the industrial chimneys are conducted by a third-party laboratory.

Regarding the quantification of other atmospheric emissions different from CO<sub>2</sub>, in 2024, **NO<sub>x</sub>** emissions amounted to **80.85 tonnes** and **SO<sub>x</sub>** emissions to **0.55 tonnes**. Additionally, the facilities produced **29.54 tonnes** of other emission categories

identified by applicable regulations (NH<sub>3</sub>) and, **2.29 tonnes** of volatile organic compounds (VOC).

<sup>25</sup> The 2023 emissions data has been restated for continuous improvement. Refer to the 2023

Sustainability Report for previous values.

## Odorous Emissions

In 2024, samples from both the Chiampo and Arzignano facilities were subjected to olfactometric analysis to determine odour concentration, in accordance with UNI EN 13725:2004. The analyses revealed an average value of **792 units (ouE/m<sup>3</sup>)**.

To significantly reduce its odorous emissions, SICIT has installed regenerative thermal oxidizers at both facilities. Thus, it implemented continuous monitoring and recording of emitted fumes.

SICIT also periodically assesses the acoustic impact generated by the Chiampo and Arzignano facilities.

## Water Management

GRI 303-1

GRI 303-2

GRI 303-3

GRI 303-4

## Resource

SICIT is constantly seeking activities aimed at reducing water consumption in its various production phases.

The Chiampo facility sources potable water for sanitary use from the municipal aqueduct. Industrial water used for fire-fighting water network, production processes, and irrigation is drawn from two wells located at the facility.

The facility voluntarily performs **heavy metal and bacterial analysis of the water taken from its wells. PFAS (Perfluorooctane Sulfonic Acid) analysis** is also performed annually.

The latest analyses did not reveal any critical issues. Additionally, optimization of water resource management was implemented through the introduction of the osmosis plant, bringing significant improvements in the long run.

The Arzignano facility sources potable water for sanitary use from the municipal aqueduct. Industrial water used for fire-fighting water network, production processes, and irrigation is drawn from the industrial aqueduct.

In 2024, SICIT's total water withdrawals amounted to **265 megaliters** (including 2 megaliters pertaining to PatBio). The total withdrawal is broken down into about 131 drawn from well, 133 from aqueduct, and

the remaining 1 from surface water. The total figure is an increase of 8% from the 2023 withdrawal.

In 2024, SICIT Group's water withdrawal intensity was **0.0021 ML/€ thousand** per thousand euros of revenue, a decrease of approximately 6% compared to 2023 (0.0023 ML/€ thousand).

Regarding water discharge, the Chiampo facility has two separate discharge lines: one for rainwater from roof downspouts and secondary rainwater runoff, and the other one for black/industrial water. The facility was granted the authorisation to discharge wastewater from the production process and initial rainfall runoff into the industrial sewer network managed by Acque del Chiampo S.p.A.

Water discharge from the Arzignano plant include sanitary, stormwater and industrial types. Indeed, there is a contract in place for Industrial wastewater sewerage and treatment service with Acque del Chiampo S.p.A.. Industrial discharges are subject to laboratory analysis to monitor the quality of the discharged water, which must comply with several parameters. Key chemical parameters include chlorides and sulphates<sup>26</sup>. It is noteworthy that there have never been any exceedances of these parameters for sewer discharges.

<sup>26</sup> Regulation of the Integrated Water Service Management Company regarding sewerage and wastewater treatment for industrial wastewater

discharged into the sewer network, dated 23.07.2018, pursuant to Legislative Decree 152/2006.

In 2024, SICIT discharged a total of **268 megalitres** of water, representing a 6% increase compared to 2023.

In 2024, the water withdrawal intensity for SICIT Group's Italian boundary was **0.0070 ML/tonne** (expressed in megalitres per tonne of protein hydrolysate produced). This represents a decrease of **8%** compared to the 2023 figure of **0.0075 ML/tonne**.

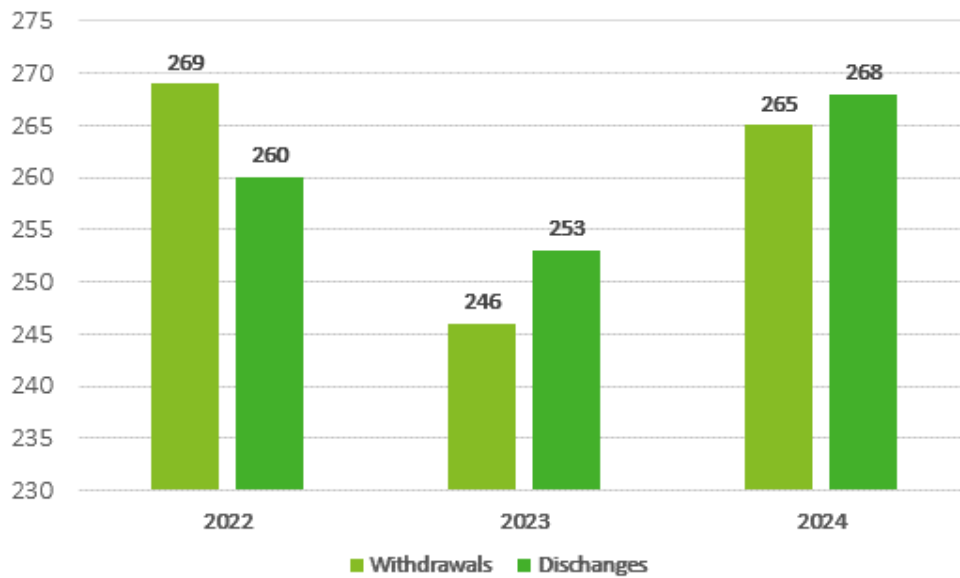
In 2024, the water discharge intensity for SICIT Group's Italian boundary was **0.0071 ML/tonne** (expressed in megalitres per tonne of protein hydrolysate produced). This represents a reduction of approximately **10%** compared to the 2023 figure of **0.0078 ML/tonne**.

The increase in both water discharge and withdrawals is due to increased production at both the Chiampo and Arzignano facilities.

To identify water withdrawal and discharge in areas subject to water stress, SICIT uses the *Aqueduct Tool*. The tool was developed by the World Resources Institute (WRI)<sup>27</sup> to identify potentially at-risk areas. According to this analysis, **the Italian and Chilean production facilities are not located in water-stressed areas**.

It is also noteworthy that no incidents of leaks or accidental releases of hazardous substances into the environment were recorded during the year.

**Water consumption in megalitres**



<sup>27</sup> The WRI toll can be accessed online at <https://www.wri.org/our-work/project/aqueduct>. The analysis considered the results from the

“baseline water stress” column.



## Materials and circular economy

GRI 301-2

GRI 306-1

GRI 306-2

GRI 306-3

SICIT was established to tackle solid waste recycling issues in the tanning district of Arzignano (VI). SICIT has since become an **international excellence in the green and circular economy** by **significantly reducing waste production** through the withdrawal and processing of waste.

SICIT fully embraces the principles of a circular economy, an economic system designed to reuse materials in subsequent production cycles, thereby minimising waste.

The intensity of ammonium bicarbonate purchased for the **Italian perimeter** of SICIT Group for 2024, expressed in tonnes per tonne of protein hydrolysate produced, is **0.12 tonnes/tonne**. This represents a **14%** increase compared to the 2023 figure of **0.11 tonnes/tonne**.

The biostimulants, retardants, and animal fat produced by SICIT exemplify this model. Operators source waste from the tanning industry and transform it into finished products for the agricultural and industrial sectors. Leather processing generates various residues, some of which can be recovered in multiple ways, providing substantial environmental and economic benefits. Through the hydrolysis of animal proteins, SICIT obtains free amino acids and short peptide chains for the production of protein hydrolysates, while also separating animal fat. This technological and market solution is used at SICIT's facilities to

process animal by-products and other residues from the tanning industry.

In 2024, SICIT used nearly 190,716 tonnes of materials, with **82% originating from the recycling** of animal by-products, residues from tanning activities, and plant-based by-products.

It is also important to note that **the waste materials** sourced and recycled by SICIT come from the production cycles of meat and leather processing.

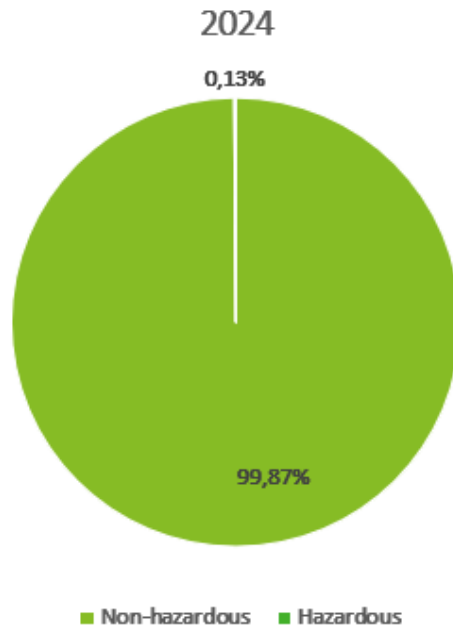
SICIT's activities contribute to **eliminating waste and reducing environmental impacts** in two key areas:

- Upstream production sectors (e.g., meat production and leather processing), where these materials would otherwise need to be disposed of by producers at a higher economic and environmental cost than what SICIT incurs;
- SICIT's own production sectors (e.g., production of biostimulants for agriculture, industrial additives, and biofuels from alternative sources to petroleum, such as animal fat), drastically reducing the need for new raw material production to sustain its production flow.

SICIT is committed to managing and disposing of waste in accordance with current regulations, as part of its dedication to environmental protection. Waste is disposed of in compliance with Legislative Decree 152/06 and is sent to appropriate treatment facilities and/or landfills.

In 2024, the waste produced amounted to **21,314 tonnes**, a 27% increase compared to the previous year. Additionally, the waste intensity per thousand euros of revenue increased from 0.16 to 0.17 in 2024, due to the Company's increased production.

Hazardous waste represents a negligible portion (0.13% of the total). It mainly consists of used engine oil, packaging containing residues of hazardous substances, and inorganic waste containing hazardous substances. This waste generally results from the disposal of production facilities. Waste similar to municipal waste, originating from the cafeteria and offices, is collected separately, and handed over to the municipal collection service.



The waste intensity for SICIT Group's **Italian boundary** in 2024, expressed in tonnes per tonne of protein hydrolysate produced, is **0.56 tonnes/tonne**. This marks an 8% increase from the 2023 figure of **0.52 tonnes/tonne**.

Similarly, the sludge intensity for SICIT's **Italian boundary** in 2024 is **0.53 tonnes/tonne**, also expressed in tonnes per tonne of protein hydrolysate produced. This represents an **8%** rise compared to the 2023 figure of **0.49 tonnes/tonne**.

As part of the Environmental Management System UNI EN ISO 14001:2015, SICIT regularly conducts independent **audits** at landfills **to verify the proper disposal of waste** in compliance with legal regulations. For 2024, audits have been scheduled for the main disposal facilities. Additionally, an audit will be planned for each new disposal facility.

## Environmental Annex

### GRI STANDARDS DISCLOSURE 301-2: Materials used that are recycled

Materials	2022		2023		2024	
	Quantity in tonnes	% of recycled material <sup>28</sup>	Quantity in tonnes	% of recycled material	Quantity in tonnes	% of recycled material
Animal products derived from tanneries	145.117	100%	141.536	100%	154.964	100%
Chemicals	27.707	-	23.465	3%	27.553	5%
Acids	5.864	-	6.207	-	6.473	0%
Packaging <sup>29</sup>	1.327	12%	1.430	9%	1.627	9%
Plant-based products	-	-	90	-	99	0%
<b>Total</b>	<b>180.015</b>	<b>81%</b>	<b>172.729</b>	<b>83%</b>	<b>190.716</b>	<b>82%</b>

<sup>28</sup> The percentages indicate the amount of recycled material relative to the total materials of the same type.

<sup>29</sup> As part of continuous improvement, the 2023 packaging data has been restated. For previous values, please refer to the 2023 Sustainability Report.

## GRI STANDARDS DISCLOSURE 302-1: Energy Consumed within the organisation

### GRI STANDARDS DISCLOSURE 302-3: Energy Intensity

Energy consumption	GJ		
Type of consumption	2022	2023	2024
<b>NON-RENEWABLE FUELS</b>	<b>405.566</b>	<b>373.476</b>	<b>408.003</b>
Natural gas	403.379	370.303	403.773
Diesel for transportation	2.190	2.176	2.683
<i>of which generator sets</i>	7	5	-
<i>of which owned vehicles and long-term leased vehicles</i>	2.180	2.171	2.683
Gasoline for transportation (indicate only consumption for owned vehicles and long-term leased vehicles)	-	923	1.305
LPG for transportation (indicate only consumption for owned vehicles and long-term leased vehicles)	-	8	26
Diesel for steam	-	66	215
<b>Electricity<sup>30</sup></b>	<b>27.410</b>	<b>30.613</b>	<b>33.698</b>
Purchased electricity	27.410	30.613	33.698
<i>Of which renewable energy</i>	27.410	30.394	347
<i>Of which non-renewable sources</i>	-	219	33.351
<b>Total consumption</b>			
<b>Total energy consumption</b>	<b>433.528</b>	<b>402.783</b>	<b>440.667</b>
Renewable energy	27.962	31.313	406.613
Non-renewable energy	405.566	371.470	34.054
<b>ENERGY INTENSITY PER € Thousand</b>	<b>4,57</b>	<b>3,75</b>	<b>3,56</b>

<sup>30</sup> In 2022 and 2023, the Group used origin certificates to purchase renewable energy for its Italian boundary.

## GRI STANDARDS DISCLOSURE 303-3: Water Withdrawal

Water Withdrawals	Megalitres					
	2022		2023		2024	
	All areas	Areas subject to water stress <sup>31</sup>	All areas	Areas subject to water stress	All areas	Areas subject to water stress
<b>Surface water (total)</b>	-	-	1	-	1,1	-
Freshwater (≤ 1000 mg/L total dissolved solids)	-	-	1	-	1,1	-
<b>Groundwater (total)</b>	132	-	127	-	130,6	-
Freshwater (≤ 1000 mg/L total dissolved solids)	132	-	127	-	130,6	-
Other water (> 1000 mg/L total dissolved solids)	-	-	-	-	-	-
<b>Process water (total)<sup>32</sup></b>	-	-	0,03	-	0,7	-
Freshwater (≤ 1000 mg/L total dissolved solids)	-	-	0,03	-	0,7	-
<b>Third-party water (total)</b>	137	-	118	-	132,9	-
Freshwater (≤ 1000 mg/L total dissolved solids)	137	-	118	-	132,9	-
Other water (> 1000 mg/L total dissolved solids)	-	-	-	-	-	-
<b>Total water withdrawal</b>	<b>269</b>	<b>-</b>	<b>246</b>	<b>-</b>	<b>265,3</b>	<b>-</b>

<sup>31</sup> Regarding water withdrawal and discharge in areas subject to water stress, SICIT uses the Aqueduct Tool developed by the World Resources Institute to identify potentially at-risk areas. According to this analysis, none of the production facilities are located in areas with water stress. The WRI tool is available online at: <https://www.wri.org/our-work/project/aqueduct>. For the analysis, the results from the "baseline water stress" column were considered.

<sup>32</sup> As part of continuous improvement, the 2023 process water data has been restated. For previous values, please refer to the 2023 Sustainability Report.

## GRI STANDARDS DISCLOSURE 303-4: Water Discharge

Water Discharge	Megalitres					
	2022		2023		2024	
	All areas	Areas subject to water stress	All areas	Areas subject to water stress	All areas	Areas subject to water stress
<b>Groundwater (total)</b>	-	-	-	-	-	-
Freshwater (≤ 1000 mg/L total dissolved solids)	-	-	-	-	-	-
Other water (> 1000 mg/L total dissolved solids)	-	-	-	-	-	-
<b>Third-party water (total)</b>	<b>260</b>	-	<b>253</b>	-	<b>268</b>	-
Freshwater (≤ 1000 mg/L total dissolved solids)	260	-	253	-	268	-
Other water (> 1000 mg/L total dissolved solids)	-	-	-	-	-	-
<b>Total water discharge</b>	<b>260</b>	-	<b>253</b>	-	<b>268</b>	-

## GRI STANDARDS DISCLOSURE 305-1: Direct GHG emissions (Scope 1)<sup>33</sup>

Direct Emissions - Scope 1	tCO <sub>2</sub>		
	2022	2023 <sup>34</sup>	2024
<b>Scope 1</b>			
Natural Gas	23.422	21.643	23.778
Diesel for transportation	161	160	197
Petrol for transportation (only include consumption for owned and long-term leased vehicles)	-	68	95
LPG for transportation (only include consumption for owned and long-term leased vehicles)	-	1	2
Diesel for steam	-	5	16
<b>Total Scope 1 Emissions</b>	<b>23.583</b>	<b>21.876</b>	<b>24.088</b>

<sup>33</sup> For the calculation of Scope 1 emissions, direct emissions from combustion sources, including stationary, mobile, process, and fugitive emissions, were considered. The emission factors used were "ISPRA – National Inventory Report 2024" for SICIT's emissions and "DEFRA - UK Government - GHG Conversion Factors for Company Reporting 2024" for PatBio's emissions. Scope 1 emissions are expressed in tonnes of CO<sub>2</sub>, as the source used does not provide emission factors for gases other than CO<sub>2</sub>.

<sup>34</sup> For the purpose of continuous improvement, the 2023 Scope 1 emissions figure has been restated. Please refer to the Sustainability Report 2023 for previous values.

## GRI STANDARDS DISCLOSURE 305-2: Indirect GHG emissions from energy consumption (Scope 2)<sup>35</sup>

Indirect Emissions - Scope 2	tCO <sub>2</sub>		
Scope 2	2022	2023	2024
Purchased electricity - Location Based	1.978	2.281	2.878
Purchased electricity- Market Based	-	19	31

## TOTAL EMISSIONS

TOTAL EMISSIONS	tCO <sub>2</sub>		
	2022	2023 <sup>36</sup>	2024
TOTAL EMISSIONS (SCOPE 1 + SCOPE 2 - Location Based)	25.561	24.157	26.966
TOTAL EMISSIONS (SCOPE 1 + SCOPE 2 - Market Based)	23.583	21.895	24.119

## GRI STANDARDS DISCLOSURE 305-4: GHG Emissions Intensity

EMISSION INTENSITY	tCO <sub>2</sub> / € Thousands		
	2022	2023 <sup>37</sup>	2024
Emission Intensity (Scope 1)	0,25	0,20	0,19
Emission Intensity (Scope 1 + Scope 2 - Location based)	0,27	0,23	0,22
Emission Intensity (Scope 1 + Scope 2 - Market based)	0,25	0,20	0,19

<sup>35</sup> The GRI Sustainability Reporting Standards offer two methodologies for calculating Scope 2 emissions: the "Location-based method" and the "Market-based method." Both methodologies were utilised for calculating Scope 2 emissions in accordance with the GRI Sustainability Reporting Standards. The Market-based method calculates emissions based on the CO<sub>2</sub> output from energy suppliers from whom the organisation purchases electricity through a contract. This calculation considers Guarantees of Origin certificates for energy, direct contracts with suppliers, specific emission factors from the supplier, and emission factors related to the "residual mix," which includes unmonitored or unclaimed energy and emissions (methodology used, with the emission factor for Italy for 2024: 500 gCO<sub>2</sub>/kWh - source: AIB 2024 - European Residual Mixes 2023). The Location-based method calculates emissions based on average emission factors related to energy generation within well-defined geographical boundaries, including local, subnational, or national boundaries (methodology used, with the emission factor for Italy for 2024: 3073 gCO<sub>2</sub>/kWh - source: ISPRA 2024 - Atmospheric emission factors of greenhouse gases in the national electricity sector and in major European countries). The same calculation was performed for PatBio, using the emission factor of 318 gCO<sub>2</sub>/kWh for both the Market-based and Location-based calculations - source: "Terna." Scope 2 emissions are expressed in tonnes of CO<sub>2</sub>; however, the proportion of methane and nitrous oxide has a negligible effect on total greenhouse gas emissions (CO<sub>2</sub> equivalents), as indicated by relevant technical literature.

<sup>36</sup> As part of continuous improvement, the total emissions data for 2023 has been restated. For previous values, please refer to the 2023 Sustainability Report.

<sup>37</sup> As part of continuous improvement, the 2023 emission intensity data has been restated. For previous values, please refer to the 2023 Sustainability Report.



## GRI STANDARDS DISCLOSURE 305-7: Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant emissions

Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant emissions	Tonnes		
	2022	2023	2024
<b>Pollutant</b>			
NO <sub>x</sub>	64,17	57,07	80,85
SO <sub>x</sub>	5,53	9,46	0,55
Volatile Organic Compounds (VOC)	2,36	1,66	2,29
Other standard emission categories identified in the applicable regulations (NH3)	22,85	38,50	29,54

## GRI STANDARDS DISCLOSURE 306-3 (2020): Waste Generated

Waste Generated	Tonnes		
	2022	2023	2024
<b>Hazardous Waste, including:</b>	<b>120</b>	<b>84</b>	<b>28</b>
Aqueous washing solutions and mother liquors	49	59	-
Packaging containing residues of hazardous substances or contaminated by such substances	13	15	16
Other hazardous waste	58	10	12
<b>Non-Hazardous Waste, including:</b>	<b>19.962</b>	<b>16.720</b>	<b>21.286</b>
Sludge produced from on-site effluent treatment	18.219	15.772	20.009
Absorbents, filter materials, rags, and protective clothing	455	561	744
Other non-hazardous waste	1.288	387	533
<b>Total</b>	<b>20.082</b>	<b>16.804</b>	<b>21.314</b>

# OUR PEOPLE

## SUMMARY & HIGHLIGHTS

### VALUES






SICIT actively promotes **professional and personal development** by offering support and **growth opportunities**.

SICIT fosters an **inclusive and safe environment** where **physical and mental well-being** are **prioritised**, maintaining **open and constructive dialogue** with employees.

### OBJECTIVES

- Promote an **inclusive and respectful work environment** where every individual feels valued and supported.
- Encourage the **professional and personal development of employees** by offering continuous training and growth opportunities.
- Create a **corporate culture based on trust and transparency**, with open and honest communication.
- Ensure a **healthy work-life balance** by promoting flexible policies and supporting employee well-being.
- Recognise and **reward merit** and individual contributions, fostering a climate of gratitude and motivation.

## SICIT IN NUMBERS<sup>38</sup> vs 2023

 <i>Employees</i>	<b>225</b>	<i>+5%</i>
 <i>Permanent employees</i>	<b>217</b>	<i>+6%</i>
 <i>Female employees</i>	<b>23% of the total</b>	<i>+6,1%</i>
 <i>Training hours</i>	<b>4.391</b>	<i>+30%</i>
 <i>Training hours per capite</i>	<b>20,5</b>	<i>+31%</i>

<sup>38</sup> The 2024 figures include the new company PatBio.



*"Our employees are the heartbeat of our company. We ensure a respectful and transparent work environment where sustainable practices extend beyond nature to encompass the well-being and respect of our team members. Sustainability is not just a direction for the future; it is also a commitment to those who make our daily success possible."*

## MATERIAL TOPICS

Environmental impact management

Innovation, Research and development

**Health and Safety**

Economic performance and value creation

**Employee development and well-being**

Business ethics, Anti-corruption, and Compliance

Local community and Territory

Product quality and safety

Sustainable supply chain management

## SDGs

**4** QUALITY EDUCATION



**3** GOOD HEALTH AND WELL-BEING



**5** GENDER EQUALITY



**8** DECENT WORK AND ECONOMIC GROWTH



**11** SUSTAINABLE CITIES AND COMMUNITIES














**12** RESPONSIBLE CONSUMPTION AND PRODUCTION



## Significant KPIs and Social objectives of the Sustainability Plan

SDGs	Objectives	Progress status	Time frame
<b>3</b> GOOD HEALTH AND WELL-BEING 	Formalisation of a welfare/well-being plan		2 <sup>nd</sup> Semester 2024 – <b>Achieved.</b> In 2023, a three-year training plan was established.
<b>5</b> GENDER EQUALITY 	Assessment of gender diversity maturity and subsequent development of an improvement plan (including maintenance of certification)		2 <sup>nd</sup> Semester 2025
<b>8</b> DECENT WORK AND ECONOMIC GROWTH 	Formalised performance evaluation process		2 <sup>nd</sup> Semester 2025
<b>11</b> SUSTAINABLE CITIES AND COMMUNITIES 	Identification of three ongoing projects to support local communities		2 <sup>nd</sup> Semester 2024, <b>Achieved.</b> SICIT currently has three ongoing projects.
<b>3</b> GOOD HEALTH AND WELL-BEING 	Creation of tools focused on improving internal dialogue and corporate climate		2 <sup>nd</sup> Semester 2025
<b>3</b> GOOD HEALTH AND WELL-BEING 	Implementation of a questionnaire to enhance the welfare package		2 <sup>nd</sup> Semester 2025 – <b>Achieved.</b> In 2024, welfare/well-being plans were established at the Group level.
<b>11</b> SUSTAINABLE CITIES AND COMMUNITIES 	Evaluation of the current relationship with the local community to optimise the support provided		2 <sup>nd</sup> Semester 2025

<p><b>5</b> GENDER EQUALITY</p> 	<p>Assessment of potential certification for gender equality (e.g., PDR 125)</p>		<p>2<sup>nd</sup> Semester 2025, <b>Achieved.</b> Obtained PdR 125 Certification – Gender Equality</p>
<p>-</p>	<p>Enhancement and/or creation of spaces for sharing strategic topics with local stakeholders, including those outside the EU (cooperatives, universities, municipalities, local suppliers, NGOs)</p>		<p>2<sup>nd</sup> Semester 2028</p>
<p><b>8</b> DECENT WORK AND ECONOMIC GROWTH</p> 	<p>Conduct human rights impact assessments for selected suppliers and extend these assessments to production facilities, including major foreign subsidiaries</p>		<p>2<sup>nd</sup> Semester 2026</p>
<p><b>4</b> QUALITY EDUCATION</p> 	<p>Maintain the Coursera platform as a means of training on technical and management topics for employees, managers, and executives</p>		<p><i>Ongoing</i></p>
<p><b>3</b> GOOD HEALTH AND WELL-BEING</p> 	<p>Maintain the highest standards in product health and safety to protect customers</p>		<p><i>Ongoing</i></p>
<p><b>12</b> RESPONSIBLE CONSUMPTION AND PRODUCTION</p> 	<p>Continuous product innovation to align with the best sustainability standards</p>		<p><i>Ongoing</i></p>

KEY HIGHLIGHTS <sup>39</sup>						
GRI Indicator	Description	UoM	2022 <sup>40</sup>	2023	2024	Δ 23/24
<b>THE PEOPLE OF THE GROUP</b>						
GRI 2-7: Employees	<i>Number of employees as of 31 December</i>	Nr.	156	214	225	+5%
	<i>Of which on permanent contracts</i>	%	99	204 <sup>41</sup>	217	+6%
GRI 401-1: Employment 2016	<i>Hiring rate</i>	%	10,9	15,0 <sup>42</sup>	14,7	+3%
	<i>Turnover rate</i>	%	7,7	8,9	9,8	+16%
<b>DEVELOPMENT AND PROTECTION OF PROFESSIONALISM</b>						
GRI 404-1: Training and Education 2016	<i>Average annual training hours per employee</i>	Nr.	8	16	20	+24%
GRI 405-1: Diversity and Equal Opportunity 2016	<i>Women</i>	%	17	23	23	0%
	<i>Under 30 years old</i>	%	21,8	22,4	23	+0,6%
<b>HEALTH AND SAFETY AT WORK</b>						
GRI 403-9: Occupational Health and Safety 2018	<i>Number of employee work-related injuries</i>	Nr.	2	5	2	-60%

<sup>39</sup> Please refer to the Social Annex for the complete disclosure regarding the GRI indicators related to the Group's environmental performance.

<sup>40</sup> The data excludes PatBio, as it was acquired in May 2023.

<sup>41</sup> As part of continuous improvement, the data regarding employees with permanent contracts in 2023 has been revised. For previous values, please refer to the 2023 Sustainability Report.

<sup>42</sup> As part of continuous improvement, the data regarding the turnover rate in 2023 has been revised. For previous values, please refer to the 2023 Sustainability Report.

## The people of the Group

GRI 3-3	GRI 2-7	GRI 2-8
GRI 401-1	GRI 401-2	GRI 405-1
GRI 405-2		

### ORGANIZATIONAL POLICIES AND GUIDELINES



[For more information, visit the Group's Policy webpage.](#)

SICIT values and promotes its human resources, recognising them as essential for achieving corporate goals. The company is dedicated to preventing any form of discrimination and ensuring equal opportunities for professional growth. It provides working conditions that respect individual dignity and offers safe and healthy work environments.

As of 31 December 2024, **SICIT employs 225 people**, a 5% increase compared to 2023.

SICIT is committed to **recognising the professional contributions of each employee and fostering long-lasting relationships** based on loyalty, mutual trust, and collaboration. Nearly all employees are on permanent contracts, accounting for 96% of the total workforce<sup>43</sup>.

The workforce is primarily composed of blue collar workers (46%), followed by white collar workers (40%), middle managers (10%), and executives (4%). The age distribution shows a predominance of employees aged 30 to 50, who make up

54% of the workforce, while both under 30s and over 50s each represent 23%.

Since 2023, SICIT has partnered with schools to implement a summer work-study programme for students.

The Group's dedication **to diversity, equal opportunities, and non-discrimination** is reflected in its **Code of Ethics, Diversity Policy**, and **Human Rights Policy**.

In this regard, gender differences do not influence the determination of salaries and wages. Any average pay differences between men and women are due to factors such as professional seniority and, more importantly, the roles held within the Group. The ratio of average gross salaries for women compared to men within the Group varies by professional qualification. In 2024, it stands at 0.76 for middle managers and 0.75 for white collar workers. These values increase, thereby reducing pay gender gap when considering the ratio of base salaries for women compared to men within each employee category: 0.82 for middle managers and 0.85 for white collar workers<sup>44</sup>.

These results demonstrate that, given the industrial sector, the male presence has historically been predominant and consistent over time, resulting in higher average seniority and consequently higher salaries. In addition, to justify the above data, it should be noted that production work (in Italy organized on 3 shifts of a total of 24 hours per day), associated with

<sup>43</sup>This data includes employees from SICIT Group S.p.A., SICIT Chemitech S.p.A., and Patagonia Biotecnología S.p.A.

<sup>44</sup> The ratio of base salaries and overall remuneration for women compared to men within each employee category is calculated considering only full-time

employees of SICIT Group S.p.A., SICIT Chemitech S.p.A., and Patagonia Biotecnología S.p.A. who have worked for a period of 12 months.

significant surcharges for night and weekend work, is performed by men only.

During the hiring process, the company adopts a data verification procedure by requesting identification documents, with particular attention to ensuring compliance with child labour regulations.

To reaffirm our commitment to human rights and the promotion of ethical working conditions throughout our production chain, SICIT did not record any incidents related to child labour, forced labour, or human trafficking in 2024.

Additionally, it is noteworthy that in 2023, the Group adopted software for its Italian boundary that allows employees to receive updated information and their company documentation electronically, thereby eliminating the use of paper for payslips and other types of documentation.



## Development and safeguard of professionalism

GRI 3-3

GRI 406-1

GRI 404-1

GRI 2-30

SICIT is committed to developing the skills and competencies of its employees through a policy based on equal opportunities and merit. Professionalism is considered a key factor and a guarantee for the entire community. The processes of recruitment, selection, hiring, and career development are based on objective assessments of work quality, free from any discrimination.

In 2024, no actual or alleged incidents of discrimination were reported.

To develop the skills of each employee, SICIT offers training in worker safety, specialised skill development for operational staff, language courses for non-operational employees, targeted language courses (e.g., English, French, Spanish, Portuguese, German, etc.) for sales staff, and specific update courses for laboratory technicians on the use and maintenance of equipment. In 2023, SICIT provided specific courses on the Organisational Model 231 and the Company's Code of Ethics, which were attended by all employees of the Italian perimeter. The course on Organisational Model 231 focused on developing general skills, with intentions to delve into more specific topics in the following year. Additionally, in 2024, a training course on gender equality was provided to all employees. The goal was to raise awareness and enhance competencies regarding inclusion and equal

opportunities. Thus, setting the stage for further initiatives and deeper exploration in the coming year.

Below is a table<sup>45</sup> summarising the participation rates in courses on ethical topics over the past three years.

Year	% of employees involved
2022	<i>The 2022 training programme did not include ethical topics.</i>
2023	All employees participated in training on <b>Organisational Models 231/2001</b>
2024	All employees participated in training on <b>PdR 125 - Gender Equality</b>

The courses provided in 2024 were conducted in person.

At the end of 2024, the Company launched a new training initiative, offering access to approximately 30 employees to the professional training platform **Coursera**. Through this initiative, participants can benefit from subscriptions to several types of training, selecting the most suitable courses, according to their needs. The chosen courses, shared with the employees, have been integrated into the company's training plan, updating it in line with new professional growth opportunities.

This training initiative complements the **three-year training plan** for all employees within the Italian boundary, further

<sup>45</sup> These KPIs are currently monitored exclusively within the Italian boundary of the SICIT Group.

formalising the company's commitment to comprehensive employee development.

In 2024, as a result of this commitment, over **4,391 hours of training** were provided, representing a **30% increase** compared to 2023. Of these, **1,096 hours were mandatory**, and **3,295 hours were non-mandatory**. Middle managers received the highest number of non-mandatory training hours per capita, with 28 hours per person. White collar workers followed, receiving 23 hours per person. Both categories showed an increase compared to 2023.

In 2024, SICIT obtained the **UNI PdR 125 – Gender Equality** certification, confirming its concrete commitment to developing a fair and inclusive work environment. This achievement demonstrates the Company's commitment to the themes of protection and enhancement of professionalism, promoting corporate policies oriented towards diversity and equality of opportunity.

SICIT is dedicated to **attracting, motivating, and retaining key talent**. To support this, the Company has introduced several incentives: a **loyalty bonus** equivalent to one month's salary, paid in June; a **discretionary bonus** as an additional benefit; and a variable **production bonus** based on performance. If the production bonus is not fully disbursed, the Company reserves it to assist employees in emergency situations, such as covering funeral expenses or medical visits. Additionally, employees have the option to convert this bonus into a welfare plan, receiving a 30% increase compared to the cash payment.

In 2024, SICIT introduced additional **welfare initiatives** to benefit its

employees. These initiatives include the provision of fringe benefits such as fuel vouchers and grocery vouchers. Furthermore, flexible start times between 8:30 and 9:00 have been implemented, along with incentives for employees working on public holidays, recognition for those working during Bridge Holidays, and an 80% subsidy for the canteen service. Regarding performance evaluation, SICIT employs an informal approach where each department heads assess employee performance of that department at the end of each year.

SICIT's approach to industrial relations has always been founded on respect for each other's roles and positions in the constant search for constructive dialogue. Notably, there have never been internal strikes, and the company's decisions have never been contested by employees. Depending on the countries in which SICIT operates and the applicable regulations, employment relationships are governed by national or company collective agreements or by current legislation.

The majority (**75%**) of employees at SICIT Group are covered by collective bargaining agreements. Excluding the new Chilean company, PatBio, collective bargaining would cover **98%** of employees, maintaining the same scope as the previous year.

Employees at the Chinese subsidiaries (3 employees) and at PatBio (54 employees) are hired under company or individual contracts, adhering to local market norms and practices. Additionally, an internal analysis was conducted to ensure salaries are aligned with appropriate remuneration levels, using the *WageIndicator Foundation* framework for the Los Lagos region as the reference standard.

## Health and Safety at work

GRI 3-3	GRI 403-1	GRI 403-2
GRI 403-3	GRI 403-4	GRI 403-5
GRI 403-6	GRI 403-7	GRI 403-9

SICIT prioritises policies for workplace safety and environmental protection, aiming to reduce and eventually eliminate workplace injuries. This goal is pursued through technological investments, new policies, and employee training.

Since 2013, the company has implemented a **health and safety management system** for workers **at both the Chiampo and Arzignano plants. Initially certified under the OHSAS 18001:2007 standard, SICIT has been compliant with international ISO 45001:2018 standard since December 2021.** In 2023, SICIT renewed all certifications, establishing processes and procedures that also led to the attainment of quality certification according to the international ISO 9001 standard for both Italian plants. Notably, no non-conformities were identified, confirming the effectiveness and compliance of the management system with the standards.

Foreseeing the active involvement of all stakeholders and a meticulous **risk assessment in health and safety matters**, the Risk Assessment Document (DVR) has been prepared for both Italian production plants. The document identifies risks divided by departments and work activities (tasks/positions) as well as the related prevention and protection measures adopted. Due to the plant and structural changes at the sites, SICIT's Head of the Prevention and Protection Service (**RSPP**) is

responsible for updating the DVR and assessing specific risks. Additionally, the general DVR is continuously updated to reflect changes in the plants, new offices, and the laboratory.

In 2024, eight **Risk Assessment Documents (DVR)** were updated, including the general DVR following the installation of new equipment, as well as those addressing specific risks. The main topics covered by the updates include chemical risks, noise and vibrations. Additionally, the RSPP conducts an inspection every 15 days, drafting a report with any proposals for improvements or updates to be implemented.

Furthermore, it is worth mentioning that there is an ASPP (Assistant to the Prevention and Protection Service) who supports the RSPP in carrying out activities related to health and safety within the company.

SICIT has established a dedicated organisation to ensure the effective execution of activities aimed at eliminating or minimising risks. This structure guarantees a proper flow of information between employer and employee regarding workplace hazards. Emergency situations are managed through annual evacuation drills for all three shifts and all employees, meticulously planned by the RSPP.

An external consultant holds the role of the Head of the Prevention and Protection Service (RSPP). SICIT's occupational physician has remained unchanged and, throughout 2024, conducted medical examinations for all employees at the Chiampo and Arzignano plants. No temporary or permanent unfitness were detected. Additionally, some medical

examinations were conducted for employees retiring from the company. The occupational physician is also responsible for conducting drug tests for employees operating forklifts, mechanical shovels, mobile elevating work platforms (MEWP), and spider lifts. Furthermore, SICIT Group has joined two employee's healthcare assistance programs, specifically Faschim and Fonchim, for its Italian boundary.

An **annual safety meeting** is held for both production plants, where health and safety topics are discussed in accordance with Article 35 of Legislative Decree 81/2008. In 2023, the employees elected the new "*Rappresentanti dei Lavoratori per la Sicurezza, Salute e Ambiente*" (RLSSA, Safety, Health, and Environment Representatives).

A **process is in place for reporting and managing near misses and hazards**, which involves completing a paper form. This enables the identification of issues that may expose workers to health and safety risks and facilitates reporting them to the RSPP and the Assistant to the Prevention and Protection Service (ASPP). They are committed to promptly evaluating and resolving these issues, thereby continuously improving workplace safety levels.

Employee **health and safety training** is managed through specific software. This software monitors training hours and identifies needs for updates according to scheduled deadlines, considering current regulations. SICIT employees have attended

mandatory health and safety training sessions, as well as sessions related to equipment use (e.g., forklifts and mobile elevating work platforms - MEWP) in accordance with the State/Regions Agreement. An adequate number of employees have been designated and trained for fire prevention, firefighting measures, and first aid. This ensures sufficient coverage across all work shifts. In 2024, **926 hours of mandatory health and safety training** were provided. These hours covered updates for ASPP/RSPP, forklifts, mobile cranes, mechanical shovels, MEWP updates, PES (Expert Person with education, knowledge, and experience to analyse risks and avoid electrical hazards), BLSD (Basic Life Support Defibrillation), and RLS (Employee Safety Representative).

It is also noteworthy that SICIT has implemented new forms for reporting the training of new hires. These new hires are accompanied by a specialist during the initial period, and every month and a half, an evaluation of their performance and acquired training is conducted. The results are then recorded in the dedicated forms.

Employment relationships with third parties not directly employed by SICIT are regulated by Article 26 of Legislative Decree 81/08 regarding obligations related to contracts for procurement, work, or supply.

In 2024, there were no cases of occupational diseases, while only 2 minor workplace injuries<sup>46</sup> were recorded, both attributable to PatBio. No workplace injuries were reported at SICIT's Italian sites, demonstrating the Company's commitment to protecting its employees and ensuring a safe work environment. Considering the 2 injuries that occurred in 2024, the injury

crush injuries.

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<sup>46</sup> Minor injuries refer to wounds, burns, cuts, and

rate<sup>47</sup> recorded by the Group was 7<sup>48</sup>, a decrease from the 2023 rate of 15.

In 2024, in response to increased production and the consequent use of sacks, SICIT installed sack lifters to enhance operational efficiency and reduce ergonomic risks associated with manual load handling. Specifically, one lifter was installed at the Chiampo plant and another at the Arzignano plant, with an additional installation planned for the latter. This initiative has eliminated manual load handling, thereby improving working conditions and enhancing operator safety.

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<sup>47</sup> The injury rate is calculated as the ratio of the total number of injuries to the total hours worked, using a multiplication factor of 1,000,000. In 2024, no cases of occupational disease occurred. The data includes commuting injuries only if the transportation was managed by the organisation. It should be noted that the injury rate recorded by the Group in 2024

pertains to SICIT Group S.p.A., SICIT Chemitech S.p.A., SICIT Commercial Consulting Shanghai Ltd., and Patagonia Biotecnología S.p.A.

<sup>48</sup> Maintaining the same scope as the previous report, excluding PatBio's data, the recordable injuries amount to 1 with an injury rate of 4, a significant decrease compared to 2022.

## Social Annex

### GRI STANDARDS 2-7 DISCLOSURE: Information on employees and other workers

Total number of employees divided by contract type (permanent and temporary) and gender									
Contract type	As of 31 December 2022			As of 31 December 2023			As of 31 December 2024		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Permanent	129	25	154	161	43	204	168	49	217
Temporary	1	1	2	4	6	10	5	3	8
<b>Total</b>	<b>130</b>	<b>26</b>	<b>156</b>	<b>165</b>	<b>49</b>	<b>214</b>	<b>173</b>	<b>52</b>	<b>225</b>

Total number of employees divided by contract type (permanent and temporary), gender, and geographical area									
Contract type	As of 31 December 2022			As of 31 December 2023			As of 31 December 2024		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Italy	128	24	152	126	30	156	132	36	168
Permanent	128	24	152	126	28	154	132	36	168
Temporary	-	-	-	-	2	2	-	-	-
Abroad	2	2	4	39	19	58	41	16	57
Permanent	1	1	2	35	15	50	36	13	49
Temporary	1	1	2	4	4	8	5	3	8
<b>Total</b>	<b>130</b>	<b>26</b>	<b>156</b>	<b>165</b>	<b>49</b>	<b>214</b>	<b>173</b>	<b>52</b>	<b>225</b>

Total number of employees divided by employment type (full-time and part-time) and gender									
Full-time / Part-time	As of 31 December 2022			As of 31 December 2023			As of 31 December 2024		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Italy	128	24	152	126	30	156	132	36	168
Full-time	128	20	148	126	24	150	132	29	161
Part-time	-	4	4	-	6	6	-	7	7
Non-guaranteed hours	-	-	-	-	-	-	-	-	-
Abroad	2	2	4	39	19	58	41	16	57
Full-time	2	2	4	39	18	57	41	16	57
Part-time	-	-	-	-	-	-	-	-	-
Non-guaranteed hours	-	-	-	-	1	1	-	-	-
<b>Total</b>	<b>130</b>	<b>26</b>	<b>156</b>	<b>165</b>	<b>49</b>	<b>214</b>	<b>173</b>	<b>52</b>	<b>225</b>
<b>Part-time percentage</b>	-	<b>15,4%</b>	<b>2,6%</b>	-	<b>12,2%</b>	<b>2,8%</b>	-	<b>13%</b>	<b>3,1%</b>

#### GRI STANDARDS 2-8 DISCLOSURE: Non-Employee workers

Total number of employees divided by contract type and gender									
Contract type	As of 31 December 2022			As of 31 December 2023			As of 31 December 2024		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Temporary workers	-	-	-	-	-	-	2	-	2
Interns	-	-	-	2	2	4	2	2	4
Other collaborators	-	-	-	1	-	1	1	-	1
<b>Total</b>	-	-	-	<b>3</b>	<b>2</b>	<b>5</b>	<b>5</b>	<b>2</b>	<b>7</b>

## GRI STANDARDS 2-30 DISCLOSURE: Collective bargaining agreements

Percentage of employees covered by collective bargaining agreements			
Number of employees	As of 31 December 2022	As of 31 December 2023	As of 31 December 2024
Total employees	156	214	225
Number of employees covered by collective bargaining agreement <sup>49</sup>	152	156	168
<b>Total percentage</b>	98%	73%	75%

## GRI STANDARDS 401-1 DISCLOSURE: New Hires and turnover

Incoming employees by gender, age group, and geographical area												
Number of people	2022											
	Italy				Abroad				Group			
	<30	30-50	>50	Total	<30	30-50	>50	Total	<30	30-50	>50	Total
Men	9	3	2	14	-	-	-	-	9	3	2	14
Women	2	1	-	3	-	-	-	-	2	1	-	3
<b>Total</b>	<b>11</b>	<b>4</b>	<b>2</b>	<b>17</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>11</b>	<b>4</b>	<b>2</b>	<b>17</b>

Incoming employees by gender, age group, and geographical area												
Number of people	2023											
	Italy				Abroad				Group			
	<30	30-50	>50	Total	<30	30-50	>50	Total	<30	30-50	>50	Total
Men	3	4	2	9	1	5	2	8	4	9	4	17
Women	5	3	2	10	4	1	-	5	9	4	2	15
<b>Total</b>	<b>8</b>	<b>7</b>	<b>4</b>	<b>19</b>	<b>5</b>	<b>6</b>	<b>2</b>	<b>13</b>	<b>13</b>	<b>13</b>	<b>6</b>	<b>32</b>

<sup>49</sup> Refer to the National Collective Labour Agreement (CCNL) for employees in the chemical, pharmaceutical, chemical fibres, abrasive, lubricants, and LPG sectors, and the CCNL for managers of companies producing goods and services.



Incoming employees by gender, age group, and geographical area												
Number of people	2024											
	Italy				Abroad				Group			
	<30	30-50	>50	Total	<30	30-50	>50	Total	<30	30-50	>50	Total
Men	7	7	1	15	1	6	1	8	8	13	2	23
Women	4	2	1	7	2	1	-	3	6	3	1	10
<b>Total</b>	<b>11</b>	<b>9</b>	<b>2</b>	<b>22</b>	<b>3</b>	<b>7</b>	<b>1</b>	<b>11</b>	<b>14</b>	<b>16</b>	<b>3</b>	<b>33</b>

Outgoing employees by gender, age group, and geographical area												
Number of people	2022											
	Italy				Abroad				Group			
	<30	30-50	>50	Total	<30	30-50	>50	Total	<30	30-50	>50	Total
Men	2	3	3	8	-	1	-	1	2	4	3	9
Women	-	3	-	3	-	-	-	-	-	3	-	3
<b>Total</b>	<b>2</b>	<b>6</b>	<b>3</b>	<b>11</b>	<b>-</b>	<b>1</b>	<b>-</b>	<b>1</b>	<b>2</b>	<b>7</b>	<b>3</b>	<b>12</b>

Outgoing employees by gender, age group, and geographical area												
Number of people	2023											
	Italy				Abroad				Group			
	<30	30-50	>50	Total	<30	30-50	>50	Total	<30	30-50	>50	Total
Men	3	2	6	11	1	-	1	2	4	2	7	13
Women	-	3	1	4	-	2	-	2	-	5	1	6
<b>Total</b>	<b>3</b>	<b>5</b>	<b>7</b>	<b>15</b>	<b>1</b>	<b>2</b>	<b>1</b>	<b>4</b>	<b>4</b>	<b>7</b>	<b>8</b>	<b>19</b>

### Outgoing employees by gender, age group, and geographical area

Number of people	2024											
	Italy				Abroad				Group			
	<30	30-50	>50	Total	<30	30-50	>50	Total	<30	30-50	>50	Total
Men	2	2	5	9	-	3	3	6	2	5	8	15
Women	1	-	-	1	3	1	2	6	4	1	2	7
<b>Total</b>	<b>3</b>	<b>2</b>	<b>5</b>	<b>10</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>12</b>	<b>6</b>	<b>6</b>	<b>10</b>	<b>22</b>

### Hiring rate by gender, age group, and geographical area

Number of people	2022											
	Italy				Abroad				Group			
	<30	30-50	>50	Total	<30	30-50	>50	Total	<30	30-50	>50	Total
Men	6,9%	2,3%	1,5%	10,8%	-	-	-	-	6,9%	2,3%	1,5%	10,8%
Women	7,7%	3,8%	-	11,5%	-	-	-	-	7,7%	3,8%	-	11,5%
<b>Total</b>	<b>7,1%</b>	<b>2,6%</b>	<b>1,3%</b>	<b>10,9%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7,1%</b>	<b>2,6%</b>	<b>1,3%</b>	<b>10,9%</b>

### Hiring rate by gender, age group, and geographical area

Number of people	2023											
	Italy				Abroad				Group			
	<30	30-50	>50	Total	<30	30-50	>50	Total	<30	30-50	>50	Total
Men	1,8%	2,4%	1,2%	5,5%	0,6%	3,0%	1,2%	4,8%	2,4%	5,5%	2,4%	10,3%
Women	10,2%	6,1%	4,1%	20,4%	8,2%	2,0%	0,0%	10,2%	18,4%	8,2%	4,1%	30,6%
<b>Total</b>	<b>3,7%</b>	<b>3,3%</b>	<b>1,9%</b>	<b>8,9%</b>	<b>2,3%</b>	<b>2,8%</b>	<b>0,9%</b>	<b>6,1%</b>	<b>6,1%</b>	<b>6,1%</b>	<b>2,8%</b>	<b>15,0%</b>

Hiring rate by gender, age group, and geographical area												
Number of people	2024											
	Italy				Abroad				Group			
	<30	30-50	>50	Total	<30	30-50	>50	Total	<30	30-50	>50	Total
Men	4,0%	4,0%	0,6%	8,7%	0,6%	3,5%	0,6%	4,6%	4,6%	7,5%	1,2%	13,3%
Women	7,7%	3,8%	1,9%	13,5%	3,8%	1,9%	0,0%	5,8%	11,5%	5,8%	1,9%	19,2%
<b>Total</b>	<b>4,9%</b>	<b>4,0%</b>	<b>0,9%</b>	<b>9,8%</b>	<b>1,3%</b>	<b>3,1%</b>	<b>0,4%</b>	<b>4,9%</b>	<b>6,2%</b>	<b>7,1%</b>	<b>1,3%</b>	<b>14,7%</b>

Turnover rate by gender, age group, and geographical area												
Number of people	2022											
	Italy				Abroad				Group			
	<30	30-50	>50	Total	<30	30-50	>50	Total	<30	30-50	>50	Total
Men	1,5%	2,3%	2,3%	6,2%	-	0,8%	-	0,8%	1,5%	3,1%	2,3%	6,9%
Women	-	11,5%	-	11,5%	-	-	-	-	-	11,5%	-	11,5%
<b>Total</b>	<b>1,3%</b>	<b>3,8%</b>	<b>1,9%</b>	<b>7,1%</b>	<b>-</b>	<b>0,6%</b>	<b>-</b>	<b>0,6%</b>	<b>1,3%</b>	<b>4,5%</b>	<b>1,9%</b>	<b>7,7%</b>

Turnover rate by gender, age group, and geographical area												
Number of people	2023											
	Italy				Abroad				Group			
	<30	30-50	>50	Total	<30	30-50	>50	Total	<30	30-50	>50	Total
Men	2,3%	1,6%	4,7%	8,6%	0,6%	-	0,6%	1,2%	2,4%	1,2%	4,2%	7,9%
Women	9,7%	6,5%	19,4%	35,5%	-	4,1%	-	4,1%	-	10,2%	2,0%	12,2%
<b>Total</b>	<b>-</b>	<b>1,9%</b>	<b>0,6%</b>	<b>2,5%</b>	<b>0,5%</b>	<b>0,9%</b>	<b>0,5%</b>	<b>1,9%</b>	<b>1,9%</b>	<b>3,3%</b>	<b>3,7%</b>	<b>8,9%</b>

### Turnover rate by gender, age group, and geographical area

Number of people	2024											
	Italy				Abroad				Group			
	<30	30-50	>50	Total	<30	30-50	>50	Total	<30	30-50	>50	Total
Men	1,2%	1,2%	2,9%	5,2%	0,0%	1,7%	1,7%	3,5%	1,2%	2,9%	4,6%	8,7%
Women	1,9%	-	-	1,9%	5,8%	1,9%	3,8%	11,5%	7,7%	1,9%	3,8%	13,5%
<b>Total</b>	<b>1,3%</b>	<b>0,9%</b>	<b>2,2%</b>	<b>4,4%</b>	<b>1,3%</b>	<b>1,8%</b>	<b>2,2%</b>	<b>5,3%</b>	<b>2,7%</b>	<b>2,7%</b>	<b>4,4%</b>	<b>9,8%</b>

## GRI STANDARDS 404-1 DISCLOSURE: Average annual training hours per employee

Mandatory training hours by professional category and gender - 2022						
Professional category	Nr. Man-hours	Nr. Man-hours per capita	Nr. Women-hours	Nr. Women-hours per capita	Nr. Total hours	Nr. Total Hours per Capita
Executives	-	-	-	-	-	-
Managers	12	1	-	-	12	1
Office staff	206	5	46	2	252	4
Workers	330	4	2	1	332	4
<b>Total</b>	<b>548</b>	<b>4</b>	<b>48</b>	<b>2</b>	<b>596</b>	<b>4</b>

Mandatory training hours by professional category and gender - 2023						
Professional category	Nr. Man-hours	Nr. Man-hours per capita	Nr. Women-hours	Nr. Women-hours per capita	Nr. Total hours	Nr. Total Hours per Capita
Executives	-	-	-	-	-	-
Managers	48	3	12	2	60	3
Office staff	262	5	63	2	325	4
Workers	906	10	21	3	927	9
<b>Total</b>	<b>1.216</b>	<b>7</b>	<b>96</b>	<b>2</b>	<b>1.312</b>	<b>6</b>

Mandatory training hours by professional category and gender - 2024						
Professional category	Nr. Man-hours	Nr. Man-hours per capita	Nr. Women-hours	Nr. Women-hours per capita	Nr. Total hours	Nr. Total Hours per Capita
Executives	-	0	1	0	1	0
Managers	38	2	10	2	48	2
Office staff	119	2	119	3	238	3
Workers	781	8	28	4	809	8
<b>Total</b>	<b>938</b>	<b>5</b>	<b>158</b>	<b>3</b>	<b>1.096</b>	<b>5</b>

**Non-mandatory training hours by professional category and gender - 2022**

Professional category	Nr. Man-hours	Nr. Man-hours per capita	Nr. Women-hours	Nr. Women-hours per capita	Nr. Total hours	Nr. Total Hours per Capita
Executives	47	24	--	-	47	24
Managers	148	11	-	-	148	9
Office staff	416	11	60	3	476	8
Workers	80	1	-	-	80	1
<b>Total</b>	<b>691</b>	<b>5</b>	<b>60</b>	<b>2</b>	<b>751</b>	<b>5</b>

**Non-mandatory training hours by professional category and gender - 2023**

Professional category	Nr. Man-hours	Nr. Man-hours per capita	Nr. Women-hours	Nr. Women-hours per capita	Nr. Total hours	Nr. Total Hours per Capita
Executives	48	5	-	-	48	5
Managers	225	16	51	10	276	15
Office staff	879	17	218	6	1.097	13
Workers	600	7	37	5	637	6,4
<b>Total</b>	<b>1.752</b>	<b>11</b>	<b>306</b>	<b>6</b>	<b>2.058</b>	<b>10</b>

**Non-mandatory training hours by professional category and gender - 2024**

Professional category	Nr. Man-hours	Nr. Man-hours per capita	Nr. Women-hours	Nr. Women-hours per capita	Nr. Total hours	Nr. Total Hours per Capita
Executives	91	13	1	0	92	9
Managers	543	32	77	15	620	28
Office staff	1.155	22	851	24	2.006	23
Workers	553	6	24	3	577	6
<b>Total</b>	<b>2.342</b>	<b>14</b>	<b>953</b>	<b>18</b>	<b>3.295</b>	<b>15</b>

**Total training hours by professional category and gender - 2022**

Professional category	Nr. Man-hours	Nr. Man-hours per capita	Nr. Women-hours	Nr. Women-hours per capita	Nr. Total hours	Nr. Total Hours per Capita
Executives	47	24	-	-	47	24
Managers	160,5	12	-	-	161	9
Office staff	621,5	16	106	5	728	13
Workers	410	5	2	1	412	5
<b>Total</b>	<b>1239</b>	<b>10</b>	<b>108</b>	<b>4</b>	<b>1347</b>	<b>9</b>

**Total training hours by professional category and gender - 2023**

Professional category	Nr. Man-hours	Nr. Man-hours per capita	Nr. Women-hours	Nr. Women-hours per capita	Nr. Total hours	Nr. Total Hours per Capita
Executives	48	5	-	-	48	5
Managers	273	19	63	12	336	18
Office staff	1.141	22	281	8	1.422	17
Workers	1.506	17	58	7	1.564	16
<b>Total</b>	<b>2.968</b>	<b>18</b>	<b>402</b>	<b>8</b>	<b>3.370</b>	<b>16</b>

**Total training hours by professional category and gender - 2024**

Professional category	Nr. Man-hours	Nr. Man-hours per capita	Nr. Women-hours	Nr. Women-hours per capita	Nr. Total hours	Nr. Total Hours per Capita
Executives	91	13	2	1	93	9
Managers	581	34	87	17	668	30
Office staff	1.274	24	970	27	2.244	25
Workers	1.334	14	52	7	1.386	13
<b>Total</b>	<b>3.280</b>	<b>19</b>	<b>1.111</b>	<b>21</b>	<b>4.391</b>	<b>20</b>

## GRI STANDARDS 405-1 DISCLOSURE: Diversity of governance bodies and employees

Total number of employees by professional category and gender									
Professional category	As of 31 December 2022			As of 31 December 2023			As of 31 December 2024		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Executives	2	-	2	9	1	10	7	3	10
Managers	14	3	17	14	5	19	17	5	22
Office staff	38	20	58	51	35	86	53	36	89
Workers	76	3	79	91	8	99	96	8	104
<b>Total</b>	<b>130</b>	<b>26</b>	<b>156</b>	<b>165</b>	<b>49</b>	<b>214</b>	<b>173</b>	<b>52</b>	<b>225</b>

Total number of employees by professional category and gender (percentage)									
Professional category	As of 31 December 2022			As of 31 December 2023			As of 31 December 2024		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Executives	100,0%	-	1,3%	90,0%	10,0%	4,7%	70,0%	30,0%	4,4%
Managers	82,4%	17,6%	10,9%	73,7%	26,3%	8,9%	77,3%	22,7%	9,8%
Office staff	65,5%	34,5%	37,2%	59,3%	40,7%	40,2%	59,6%	40,4%	39,6%
Workers	96,2%	3,8%	50,6%	91,9%	8,1%	46,3%	92,3%	7,7%	46,2%
<b>Total</b>	<b>83,3%</b>	<b>16,7%</b>	<b>100%</b>	<b>77%</b>	<b>23%</b>	<b>100%</b>	<b>77%</b>	<b>23%</b>	<b>100%</b>

Total number of employees by professional category and gender												
Professional category	As of 31 December 2022				As of 31 December 2023				As of 31 December 2024			
	<30	30-50	>50	Total	<30	30-50	>50	Total	<30	30-50	>50	Total
Executives	-	1	1	2	-	2	8	10	0	4	6	10
Managers	-	9	8	17	1	11	7	19	0	16	6	22
Office staff	11	32	15	58	23	45	18	86	22	46	21	89
Workers	23	35	21	79	24	51	24	99	29	56	19	104
<b>Total</b>	<b>34</b>	<b>77</b>	<b>45</b>	<b>156</b>	<b>48</b>	<b>109</b>	<b>57</b>	<b>214</b>	<b>51</b>	<b>122</b>	<b>52</b>	<b>225</b>



Total number of employees by professional category and gender (percentage)												
Professional category	As of 31 December 2022				As of 31 December 2023				As of 31 December 2024			
	<30	30-50	>50	Total	<30	30-50	>50	Total	<30	30-50	>50	Total
Executives	0%	50%	50%	1%	0%	20%	80%	5%	0%	40%	60%	4%
Managers	0%	53%	47%	11%	5%	58%	37%	9%	0%	73%	27%	10%
Office staff	19%	55%	26%	37%	27%	52%	21%	40%	25%	52%	24%	40%
Workers	29%	44%	27%	51%	24%	52%	24%	46%	28%	54%	18%	46%
<b>Total</b>	<b>22%</b>	<b>49%</b>	<b>29%</b>	<b>100%</b>	<b>22,43%</b>	<b>50,93%</b>	<b>26,64%</b>	<b>100%</b>	<b>23%</b>	<b>54%</b>	<b>23%</b>	<b>100%</b>

Composition of the Board of Directors by gender and age group												
Number of people	As of 31 December 2022				As of 31 December 2023				As of 31 December 2024			
	<30	30-50	>50	Total	<30	30-50	>50	Total	<30	30-50	>50	Total
Men	1	1	8	10	-	2	8	10	-	2	8	10
Women	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>1</b>	<b>1</b>	<b>8</b>	<b>10</b>	<b>-</b>	<b>2</b>	<b>8</b>	<b>10</b>	<b>-</b>	<b>2</b>	<b>8</b>	<b>10</b>

Composition of the Board of Directors by gender and age group (percentage)												
Number of people	As of 31 December 2022				As of 31 December 2023				As of 31 December 2024			
	<30	30-50	>50	Total	<30	30-50	>50	Total	<30	30-50	>50	Total
Men	10%	10%	80%	100%	0%	20%	80%	100%	0%	20%	80%	100%
Women	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>10%</b>	<b>10%</b>	<b>80%</b>	<b>20%</b>	<b>0%</b>	<b>20%</b>	<b>80%</b>	<b>100%</b>	<b>0%</b>	<b>20%</b>	<b>80%</b>	<b>100%</b>

**GRI STANDARDS 405-2 DISCLOSURE: Ratio of basic salary and remuneration of women to men<sup>50</sup>**

Ratio of basic salary for women and men by job classification									
	As of 31 December 2022			As of 31 December 2023			As of 31 December 2024		
Professional category	Men	Women	Ratio of women to men	Men	Women	Ratio of women to men	Men	Women	Ratio of women to men
Executives	91.539	-	0,00	98.995	88.352	0,89	95.846	86.133	0,90
Managers	61.724	54.552	0,88	50.359	43.966	0,87	52.514	43.194	0,82
Office staff	35.776	31.568	0,88	31.370	28.895	0,92	31.265	26.448	0,85
Workers	30.304	23.233	0,77	20.900	16.903	0,81	20.867	16.401	0,79

Ratio of basic salary for women and men by job classification									
	As of 31 December 2022			As of 31 December 2023			As of 31 December 2024		
Professional category	Men	Women	Ratio of women to men	Men	Women	Ratio of women to men	Men	Women	Ratio of women to men
Executives	158.213	-	0,00	156.107	107.482	0,69	142.260	89.060	0,63
Managers	85.571	68.054	0,80	65.449	53.286	0,81	68.472	51.952	0,76
Office staff	43.518	35.105	0,81	37.569	31.402	0,84	39.500	29.577	0,75
Workers	43.540	26.820	0,62	26.995	19.239	0,71	29.476	18.301	0,62

<sup>50</sup> The ratio of basic salary and remuneration of women to men for each employee category is calculated considering only full-time employees of SICIT Group S.p.A., SICIT Chemitech S.p.A., and Patagonia Biotecnología S.p.A. who have worked for a period of 12 months.

## GRI STANDARDS 403-9 DISCLOSURE: Work-related injuries of employees<sup>51</sup>

Group Employees			
Work-related injuries			
Number of incidents	2022	2023	2024
Total number of fatalities due to work-related injuries	-	-	-
Total number of serious work-related injuries (excluding fatalities) <sup>52</sup>	-	-	-
Total number of recordable work-related injuries	2	5	2
Injury rates			
Fatality rate due to work-related injuries	-	-	-
Rate of serious work-related injuries (excluding fatalities)	-	-	-
Rate of recordable work-related injuries <sup>53</sup>	8	15	5
Hours worked	263.507	329.613	376.482

<sup>51</sup> The scope of health and safety data includes only employees. The Group is considering the possibility of collecting data from the employers of external collaborators working at the Group's sites to report any injuries.

<sup>52</sup> Work-related injuries that resulted in harm from which the worker cannot recover, does not recover, or it is not realistic to expect that they will fully recover to their pre-incident health status within 6 months.

<sup>53</sup> The injury rate is calculated as the ratio of the total number of injuries to the total hours worked, using a multiplication factor of 1,000,000. The data includes commuting injuries only if the transportation was managed by the organisation. No cases of occupational disease occurred in 2023.

# OUR POSITIVE IMPACT ON THE COMMUNITY

## SUMMARY & HIGHLIGHTS

### VALUES

SICIT's mission is to be a pillar in the **community where it operates**.

SICIT actively commits to supporting the **development and well-being of people**.

### OBJECTIVES

- Initiatives for **economic and social development** in the **local community**.
- Promote **environmental sustainability** and the **protection of local natural resources**.
- **Collaborate with local authorities and non-governmental organisations** to address the specific challenges and needs of the **community**.
- Create **job opportunities and local economic development** to support the economic well-being of residents.

### SICIT IN NUMBERS<sup>54</sup> vs 2023 *In Thousands*



*Expenditure on chemical products*  
*In €*

14.667 -11%



*Expenditure on packaging*  
*In €*

4.134 +26%



*Expenditure on services*  
*In €*

5.122 +167%

<sup>54</sup> The 2024 figures include the new company PatBio.



*"Our local communities are the core of our mission. We are committed to creating an inclusive and supportive environment where mutual support and the well-being of all members are top priorities. Sustainability extends beyond the environment to encompass respect and support for our neighbours. Every day, we work to build a better future for everyone, driven by our commitment to those who make our growth and shared success possible."*







## MATERIAL TOPICS



## SDGs



## Significant KPIs and objectives supporting the local community of the Sustainability Plan

SDGs	Objectives	Progress status	Time frame
<p><b>11</b> SUSTAINABLE CITIES AND COMMUNITIES</p> 	<p>Identification of three ongoing projects to support local communities</p>		<p>2<sup>nd</sup> Semester 2024, <b>Achieved.</b> SICIT currently has three ongoing projects.</p>
<p><b>3</b> GOOD HEALTH AND WELL-BEING</p> 	<p>Improvement of the welfare plan based on industry best practices</p>		<p>2<sup>nd</sup> Semester 2025</p>
<p><b>17</b> PARTNERSHIPS FOR THE GOALS</p> 	<p>Enhancement and/or creation of spaces for sharing strategic topics with local stakeholders, including those outside the EU (cooperatives, universities, municipalities, local suppliers, NGOs)</p>		<p>2<sup>nd</sup> Semester 2028</p>

## The supply chain

SICIT aims to achieve the highest competitive advantage in its purchasing processes by promoting conduct criteria in relationships with suppliers based on mutual loyalty, transparency, and collaboration.

In 2024, SICIT Group established a policy for sustainable purchasing and conducted a screening of the most significant suppliers, incorporating social and environmental factors. The company also developed a self-assessment questionnaire covering all material topics for the Group, which will serve as the key tool for a more detailed mapping of the supply chain in 2025.

Regarding procurement, it is important to distinguish between suppliers of non-recyclable materials (such as chemicals mixed with protein hydrolysate, packaging, etc.) and the so-called "input raw material suppliers." The latter, typically tanneries, provide the "input raw materials" for recycling (animal by-products and other

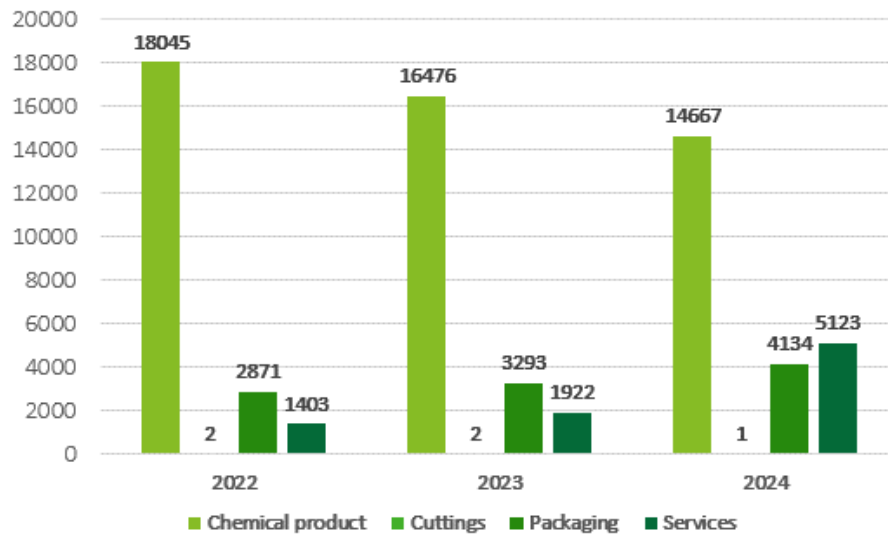
tanning residues), and SICIT offers a collection service to these suppliers for a fee.

In 2024, SICIT Group engaged with **120 suppliers** and **input raw material suppliers**, marking an 11% increase compared to 2023. Of these, 34 are chemical suppliers, with a purchase value of approximately €14.7 million; 26 are packaging suppliers, with a purchase value of approximately €4.1 million; and 10 provide services for the collection and transport of materials from tanneries, with a purchase value of approximately €5.1 million.

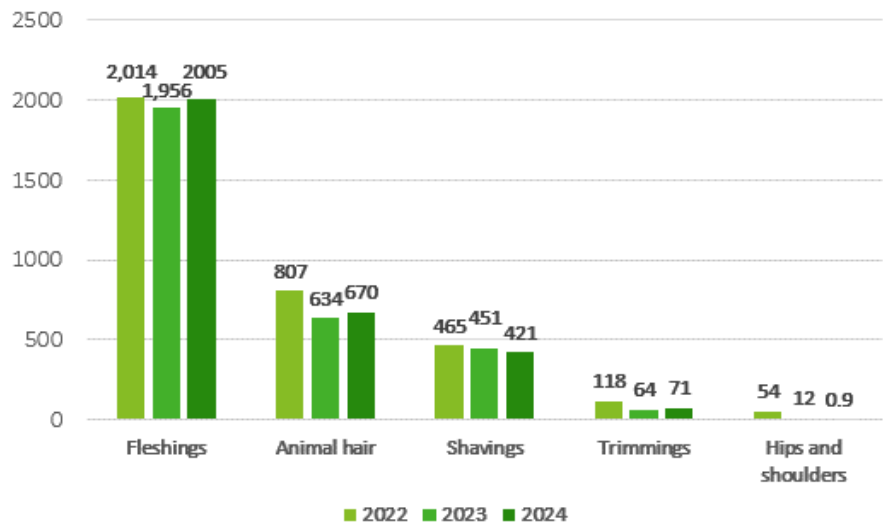
In 2024, **approximately 82% of input material purchases, valued at around €19.1 million, were made from local suppliers based in Italy.** Additionally, **the majority of PatBio's input materials in 2024 came from Chilean suppliers.**

In 2024, SICIT collected waste material from leather tanning from **41 input raw material suppliers.**

Purchases by supplier category (in €000)



Revenues by supplier category (in €000)





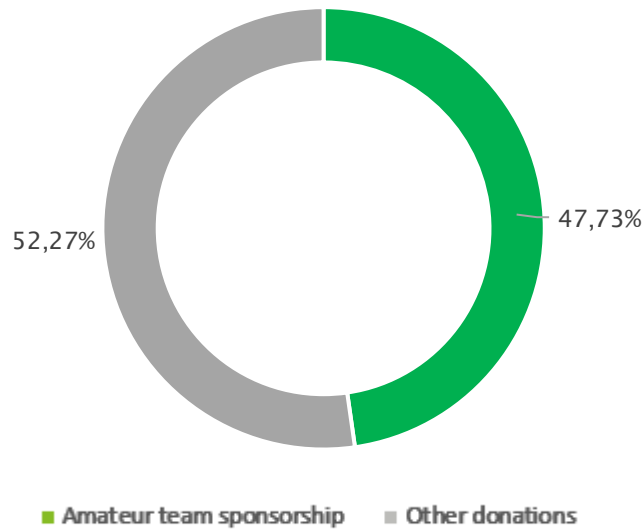
## The connection with the territory

Over the years, SICIT has built a strong connection with the territory where it operates. It promotes solidarity and supports local communities, contributing to social, economic, and environmental development. SICIT backs various socio-assistance projects and initiatives to enhance the territory. This commitment includes support for non-profit organisations, foundations, and charitable projects.

In 2024, SICIT Group contributed **€0.157 million to the local community.**

Donations mainly focused on sponsorships for amateur sports teams, hospitals, medical research foundations, and various other causes, including nursing homes, local associations, and municipalities.

Resources allocated to the community 2024



## Supply chain Annex

### GRI STANDARDS 2-6 DISCLOSURE: Activities, value chain, and other business relationships

Supplier Categorization by Purchase Type				
Type of purchase	2022			
	Expenditure in €	Number of suppliers	€ %	N%
Raw materials	18.045.036	25	96%	30%
Leather offcuts	2.858	1	0,02%	1%
Collection of animal by-products and other tanning residues	-3.458.597	44	-18%	55%
Packaging	2.871.583	11	15%	13%
Services (paid for the collection of fleshings and shavings)	1.403.594	3	8%	4%
<b>Group Total</b>	<b>18.864.474</b>	<b>84</b>	<b>100%</b>	<b>100%</b>

Supplier Categorization by Purchase Type				
Type of purchase	2023			
	Expenditure in €	Number of suppliers	€ %	N%
Raw materials	16.476.236	30	88%	28%
Leather offcuts	2.066	1	0,01%	1%
Collection of animal by-products and other tanning residues	-3.117.596	40	-17%	38%
Plant-based products	67.804	3	0,4%	3%
Packaging	3.293.105	23	18%	21%
Services (paid for the collection of fleshings and shavings)	1.922.253	7	10%	6%
Others	42.653	4	0,2%	4%
<b>Group Total</b>	<b>18.686.521</b>	<b>108</b>	<b>100%</b>	<b>100%</b>

Supplier Categorization by Purchase Type				
Type of purchase	2024			
	Expenditure in €	Number of suppliers	€ %	N%
Raw materials	14.667.246	34	70%	28%
Leather offcuts	987	1	0,005%	1%
Collection of animal by-products and other tanning residues	-3.198.178	41	-15%	34%
Plant-based products	101.421	4	0,5%	3%
Packaging	4.134.071	26	19,8%	22%
Services (paid for the collection of fleshings and shavings)	5.122.809	10	24,5%	9%
Others	44.584	4	0,2%	3%
<b>Group Total</b>	<b>20.872.940</b>	<b>120</b>	<b>100%</b>	<b>100%</b>

## GRI STANDARDS 204-1 DISCLOSURE: Proportion of spending on local suppliers

Distribution of Purchases												
Type of purchase	2022				2023				2024			
	Expenditure in €	Number of suppliers	€ %	N%	Expenditure in €	Number of suppliers	€ %	N%	Expenditure in €	Number of suppliers	€ %	N%
<b>Geographical Area - Input Materials Purchased</b>												
Italy	19.409.250	37	87%	93%	18.446.528	39	85%	57%	19.077.576	46	79%	58%
EU	2.913.821	3	13%	8%	2.471.190	2	11%	3%	3.835.631	2	16%	3%
Extra EU	-	-	-	-	886.399	27	4%	40%	1.157.911	31	5%	39%
<b>Total</b>	<b>22.323.071</b>	<b>40</b>	<b>100%</b>	<b>100%</b>	<b>21.804.117</b>	<b>68</b>	<b>100%</b>	<b>100%</b>	<b>24.071.117</b>	<b>79</b>	<b>100%</b>	<b>100%</b>
<b>Geographical Area - Input Materials with Revenue from Collection Service</b>												
Italy	-3.452.755	44	100%	100%	-3.111.386	40	100%	100%	-3.196.485	41	100%	100%
EU	-5.842		-	-	-6.210		-	-	-1.693		0%	0
Extra EU	-	-	-	-	-	-	-	-	-	-	0%	0
<b>Total</b>	<b>-3.458.597</b>	<b>44</b>	<b>100%</b>	<b>100%</b>	<b>-3.117.596</b>	<b>40</b>	<b>100%</b>	<b>100%</b>	<b>-3.198.178</b>	<b>41</b>	<b>100%</b>	<b>100%</b>
<b>Geographical Area - Total Materials</b>												
Italy	15.956.495	81	85%	96%	15.335.142	79	82%	73%	15.881.091	87	76%	72%
EU	2.907.979	3	15%	4%	2.464.980	2	13%	2%	3.833.938	2	18%	2%
Extra EU	-	-	-	-	886.399	27	5%	25%	1.157.911	31	6%	26%
<b>Total</b>	<b>18.864.474</b>	<b>84</b>	<b>100%</b>	<b>100%</b>	<b>18.686.521</b>	<b>108</b>	<b>100%</b>	<b>100%</b>	<b>20.872.940</b>	<b>120</b>	<b>100%</b>	<b>100%</b>

# QUALITY AND INNOVATION

## SUMMARY & HIGHLIGHTS

### VALUES

SICIT upholds **quality** and **innovation** as **core pillars** of its **corporate values**. The company is unwavering in its commitment to delivering **exceptional products** through **rigorous quality standards** and **continuous improvement processes**. Simultaneously, SICIT embraces **innovation** as a **catalyst for progress**, **investing in research and development** to stay ahead of **market demands**. These values form the bedrock of the company's **long-term success**.

### OBJECTIVES

- Continuously maintain and enhance the **quality standards** of the products offered.
- Foster a **corporate** culture centred on Innovation.
- Invest in research and development to promote **innovative solutions** that meet **emerging market needs**.
- Carefully monitor **customer feedback** to identify **areas for improvement** and **opportunities for innovation**.

### SICIT IN NUMBERS

vs 2023



*Intermediate controls*

11.727

+15%



*Raw material controls*

4.587

-55%



*Research controls*

20.287

+18%



*Total controls*

102.502

+11%



*Episodes of customer health and safety non-conformity*

0



*"Our company is dedicated to achieving excellence in quality and relentlessly pursuing innovation. Ensuring the highest quality of our products is a top priority for us, and we are committed to consistently exceeding existing standards. Our mission is to embed quality and innovation into every facet of our operations, maintaining our leadership in the industry and creating enduring value for our customers."*

## MATERIAL TOPICS

Environmental impact management

**Innovation, Research and development**

Health and Safety

Economic performance and value creation

Employee development and well-being

Business ethics, Anti-corruption, and Compliance

Local community and Territory

**Product quality and safety**

Sustainable supply chain management

## SDGs



## Significant KPIs and objectives related to quality and innovation of the Sustainability Plan

KEY HIGHLIGHTS					
GRI Indicator	Description	UoM	2023	2024	Δ
<b>Product Quality and Safety</b>					
GRI 416: Customer Health and Safety 2016	<i>Episodes of non-conformity related to the health and safety impacts of products and services</i>	Nr.	-	-	-

SDGs	Objectives	Progress status	Time frame
<b>3</b> GOOD HEALTH AND WELL-BEING 	Maintaining the highest standards in product health and safety to protect customers		Ongoing
<b>12</b> RESPONSIBLE CONSUMPTION AND PRODUCTION 	Continuous product innovation to align with the best sustainability standards		Ongoing

## Quality and product safety

GRI 3-3

GRI 416-2

### ORGANIZATIONAL POLICIES AND GUIDELINES



[For more information, visit the Group's Policy webpage.](#)

Product health and safety has always been central to SICIT's approach to sustainable development.

The Quality Control laboratory of SICIT Chemitech S.p.A. supports the Group's activities by conducting checks on incoming chemicals to ensure they meet contractual standards. It also inspects semi-finished and finished products during and after production cycles. The laboratory ensures compliance with technical specifications and quality standards agreed with customers. It verifies the accuracy of the production process and assists customers with analyses required by local authorities in importing countries. SICIT Chemitech S.p.A. follows the **UNI EN ISO 9001:2015** quality management system. Since 2021, the laboratory has expanded its workspace and modernised its technology. This upgrade included replacing old equipment and introducing new instruments. Specifically, in 2022, a next-generation LC (liquid chromatography) mass spectrometer and an ICP (inductively coupled plasma) mass spectrometer were purchased, becoming operational in 2023. Additionally, further instruments were acquired and became operational in 2024. In the same year, additional instruments

were acquired and became operational in 2024.

The new equipment, used for research, has significantly boosted the technology and quality of controls. As a result, research and development expenses increased by approximately €0.8 million, from €2.9 million in 2023 to €3.5 million in 2024. This rise was driven by higher external costs for new product development, increased personnel expenses to strengthen the team, and amortisation costs for new laboratory equipment and machinery.

In 2024, the following checks were carried out:

Checks as of 31/12/2024	Number
Intermediate	11.727
Bases	9.882
Finished product	43.126
Raw Materials	4.587
Environment	8.598
Research	20.287
External	520
<b>Total</b>	<b>102.502<sup>55</sup></b>
Certificates issued	5.012

In alignment with the **Quality Policy**, the laboratory is committed to defining strategies that prioritise technological innovation. This involves engaging process managers and fostering competence, awareness, and involvement among personnel through extensive internal and

<sup>55</sup> It should be noted that the total number of checks does not correspond to the sum of intermediate checks, bases, finished product, raw materials,

environment, research, and external checks because the laboratory also conducts additional ad-hoc checks.



external training programs. The adoption of this policy ensures that the Quality System adheres to the UNI EN ISO 9001 standard. In 2024, the recertification audit for ISO 9001 was conducted, and no non-conformities were identified by the certifying body, underscoring SICIT's dedication to quality as a fundamental aspect of its business operations.

Over the years, the SICIT Chemitech laboratory has developed substantial expertise in analytical determinations for the characterisation of protein hydrolysates, achieving results that are superior and more cost-effective than those of external analysis laboratories.

**The traceability procedure** implemented in the plants allows for the identification of each batch of finished product, enabling the tracking of the corresponding raw material batch through records managed by the production department. This provides detailed information on the associated chemical analysis, ensuring complete traceability of the production process. The traceability system not only offers customers detailed product information but also facilitates the timely management of any non-conformities. Customer reports are managed by the Commercial Office, which collaborates with the Quality Control laboratory to address any analytical or organoleptic non-conformities.

SICIT is consistently committed to providing effective and prompt responses to its customers. It is noteworthy that, in 2024, as in previous years, there were no non-conformity incidents related to the health and safety impacts of products and services.

### REACH Regulation

The REACH Regulation (Registration, Evaluation, Authorisation of Chemicals) governs the registration, evaluation, authorisation, and restriction of chemical substances within the European Union. It mandates that manufacturers and suppliers of these substances provide information on the associated risks and handling procedures throughout the supply chain.

In compliance with the REACH Regulation, SICIT registers new chemical substances with the European Chemicals Agency (ECHA) to promote the safe use of chemicals. In 2023, SICIT introduced a software to manage multilingual safety data sheets for finished products (EPY), adhering to current European regulations. The automation enabled by this new software has significantly reduced the time and risk of errors associated with the previous manual process of updating product labels.

## Innovation, Research and Development

GRI 3-3

Product and process innovation has been a key growth driver for SICIT in recent years and it will continue to be a strategic element for future development.

### Product R&D

Product R&D aims at creating **new high-value-added products** that meet customer needs, as well as **optimising raw material yields** to reduce resource consumption while ensuring product quality excellence. This function engages in activities such as developing new formulations and raw materials, product improvement, sampling, preparing usage instructions, production support, product regulation verification, testing, and validation.

Product research and development activities, including chemical, physicochemical, and bacteriological controls, are conducted in SICIT's laboratories in collaboration with the Quality Control laboratory of SICIT Chemitech S.p.A. Specifically:

- The **chemical-extraction laboratory** at SICIT is responsible for developing new formulations and modifying existing ones, both based on internal research and customer specifications;
- SICIT's **chemical laboratory** conducts efficacy tests on industrial products;
- The **agronomic laboratory** at SICIT performs various phytotoxicity and efficacy tests;

- The **quality control laboratory** at SICIT Chemitech supports the aforementioned laboratories.

Basic and applied research activities are carried out independently by the R&D function.

Basic and applied research activities are independently carried out by the R&D function. New product development is always conducted in close collaboration with the Commercial and Operations functions to verify customer interest in potential new products. As well, it ensures sufficient purchase volumes to justify increased complexity in production and supply planning.

Recently, research initiatives have been undertaken to develop plant-based biostimulants. Examples are the Moringa extract, a plant known for its diverse functional properties, and marine algae extracts. These R&D efforts have led to the creation of patented production processes specific to these materials.

### Process R&D

Process R&D focuses on the **preliminary design and optimisation of facilities** through laboratory tests and pilot plant experiments. The goal is to enhance efficiency and production yield, as well as to introduce new processes that create additional commercial opportunities. This area collaborates with the internal technical design office or external experts to define the detailed project plans for production facilities. The activities are carried out by internal engineers and process specialists.

The development of new production processes is carried out in close collaboration with:

- The "**Operations**" and "**Purchasing**" departments, to assess the feasibility of the project industrialization from the initial stages and thereby mitigate the risk of the project not being implemented after the early phases;
- The "**Operations**" and "**Commercial**" departments. The objective is to minimise the risk that any modifications to production processes might result in significant changes to the characteristics guaranteed to customers in the final products;
- The "Environment" department, to ensure that the introduction of new processes adheres to current regulations, thereby reducing the risk of non-compliance.

In addition to the three laboratories at the Arzignano site (chemical-extractive, agronomic, and quality control), there is an active laboratory at the Chiampo

headquarters. Here, further analytical checks are conducted on production intermediates for the facility. This is complemented by research and development activities on existing and potential processes, as well as the preparation of samples exceeding one kilogram.

Within the chemical-extractive laboratory in Arzignano, there is a technological laboratory dedicated to the experimentation and testing of retardants used in gypsum setting for construction.

Regarding training, approximately 200 hours were dedicated to quality control in 2024, covering both health and safety aspects and technical training. This included the use of new equipment, webinars on specific analytical determinations, and specialised analysis techniques.

# GOVERNANCE AND ECONOMICS

## SUMMARY & HIGHLIGHTS

### VALUES

SICIT is committed to promoting robust and transparent Corporate Governance, in line with the principles of the circular economy. The core values that guide our governance practices include environmental and social responsibility, transparency, innovation, ethics, and integrity.

### OBJECTIVES

- **Promote** a culture of **transparency** and **accountability** at all levels of the **organisation**.
- **Ensure** **responsible** **risk management** by identifying, assessing, and addressing risks promptly and effectively.
- **Promote** **environmental** and **social sustainability** through corporate policies and practices.
- Provide an **effective mechanism** for **resolving** complaints and addressing violations of corporate governance principles.

### SICIT IN NUMBERS

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6° *Sustainability Report*

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0 *Significant Cases of Non-Conformity to Laws and Regulations*

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0 *Confirmed Incidents of Corruption*

---



0 *Legal Actions for Anti-Competitive Behaviour, Anti-Trust, and Monopolistic Practices*

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*" Corporate Governance is central to our mission of leadership in the circular economy. Beyond achieving financial objectives, we are dedicated to cultivating a corporate culture rooted in integrity, transparency, and accountability."*










## MATERIAL TOPICS




## SDGs



## Significant KPIs and governance objectives of the Sustainability Plan

SDGs	Objectives	Progress status	Time frame
-	Establishment of a corporate-level working group on ESG topics to align standards and operational approaches		2 <sup>nd</sup> Semester 2027
-	Raising awareness of ESG trends among management and the board		2 <sup>nd</sup> Semester 2026
-	Integration of quantitative targets in the Human Rights Policy and the Sustainable Procurement Policy		2 <sup>nd</sup> Semester 2025 <b>Achieved.</b> SICIT Group has integrated quantitative targets into both policies.
-	Consolidation of policies, procedures, and standards at the Group level		2 <sup>nd</sup> Semester 2027
-	Insertion of KPIs related to sustainable procurement in the sustainability report		2 <sup>nd</sup> Semester 2026
-	Evaluation of the adoption of additional corporate ratings and impact measurement tools (e.g., CDP, LCA, etc.) to align with supply chain standards		2 <sup>nd</sup> Semester 2026
-	Establishment of a risk management committee		2 <sup>nd</sup> Semester 2025
-	Implementation of mitigation actions for significant risks identified in the 2024 Risk Assessment		2 <sup>nd</sup> Semester 2026
-	Launch of an anti-phishing training campaign for employees		2 <sup>nd</sup> Semester 2025 <b>Achieved.</b> In 2024, the launch of the anti-phishing training campaign was carried out.

SDGs	Objectives	Progress status	Time frame
<b>9</b> INDUSTRY, INNOVATION AND INFRASTRUCTURE 	Implementation of projects to strengthen cybersecurity (e.g., control, management, and monitoring of access and devices)		2 <sup>nd</sup> Semester 2025 <b>Achieved.</b> In 2024, cybersecurity courses were conducted.
<b>12</b> RESPONSIBLE CONSUMPTION AND PRODUCTION 	Drafting of a Supplier Code of Conduct		2 <sup>nd</sup> Semester 2025
<b>12</b> RESPONSIBLE CONSUMPTION AND PRODUCTION 	Multiple objectives guiding actions to enhance the monitoring of ESG topics along the supply chain		2 <sup>nd</sup> Semester 2025
<b>12</b> RESPONSIBLE CONSUMPTION AND PRODUCTION 	Training key corporate roles on sustainable procurement standards		2 <sup>nd</sup> Semester 2025
<b>12</b> RESPONSIBLE CONSUMPTION AND PRODUCTION 	Conducting on-site audits at selected suppliers		2 <sup>nd</sup> Semester 2026
<b>12</b> RESPONSIBLE CONSUMPTION AND PRODUCTION 	Implementing a policy for selecting significant suppliers that includes defining a decarbonisation pathway as part of the selection criteria		2 <sup>nd</sup> Semester 2027
-	Formalising a career path for key corporate roles to strengthen management		2 <sup>nd</sup> Semester 2026
-	Maintaining ISO 9001, 14001, and 45001 certifications		<i>Ongoing</i>
-	Continuing sustainability reporting with limited assurance from an external audit firm		<i>Ongoing</i>

SDGs	Objectives	Progress status	Time frame
-	Placement in the top 3% of companies evaluated by EcoVadis		Ongoing

KEY HIGHLIGHTS <sup>56</sup>						
GRI Indicator	Description	UoM	2022	2023 <sup>57</sup>	2024	Δ 24/23
<b>GOVERNANCE AND ECONOMICS</b>						
GRI 2-27: Compliance with laws and regulations 2021	<i>Confirmed cases of non-compliance with laws and regulations</i>	Nr.	-	-	-	-
GRI 205-3: Confirmed incidents of corruption and actions taken 2016	<i>Confirmed cases of corruption</i>	Nr.	-	-	-	-
GRI 206-1: Legal actions related to anti-competitive behaviour, trust activities, and monopolistic practices 2016	<i>Legal actions for anti-competitive behaviour, anti-trust activities, and monopolistic practices</i>	Nr.	-	-	-	-
GRI 405-1: Diversity in governance bodies and among employees 2016	<i>Women on the Board of Directors</i>	%	-	-	-	-
	<i>Individuals under 30 on the Board of Directors</i>	%	10%	-	-	-

<sup>56</sup> Refer to the Economic Annex for complete information regarding the GRI indicators related to the Group's environmental performance.

<sup>57</sup> The data in the "2023" column includes the company PatBio from the date of its entry into the reporting period.



## Corporate Governance

GRI 2-2	GRI 2-9	GRI 2-10
GRI 2-11	GRI 2-12	GRI 2-13
GRI 2-14	GRI 2-15	GRI 2-17
GRI 2-18	GRI 2-19	GRI 2-20
GRI 2-21		

**SICIT Group S.p.A.** operates at the Arzignano and Chiampo (VI) sites. It focuses on B2B production and commercialisation of biostimulants for agriculture and amino acid and peptide-based gypsum retardants. Additionally, it sells animal fat obtained from tannery residues, used as a product for biofuels.

As of December 31, 2024, the Group is **composed** as follows:

**SICIT Chemitech S.p.A.**, based in Chiampo (VI), was established in 2000. It is active in quality control and product traceability, providing services mainly to the Parent Company. It offers quality control services, laboratory analyses and tests, production and issuance of technical documentation and certificates, and technical consultancy to the commercial sector. Additionally, it supports SICIT's Research and Development laboratories.

**SICIT Commercial Consulting Shanghai Ltd.**, based in Shanghai, China, was established in 2016. It handles sales brokerage in the Asian market and registration of biostimulants in China on behalf of the Parent Company.

**SICIT (China) Technology Co., Ltd.**, 78% owned, was established in October 2021. It focuses on developing operational activities and commercial opportunities in the Chinese market. It is based in Tianjin,

China.

**Patagonia Biotecnología S.p.A.**, acquired in May 2023, is an agricultural biotechnology company based in Patagonia. Using algae as raw material, it develops products that enhance crop resilience to abiotic stress and increase yield.

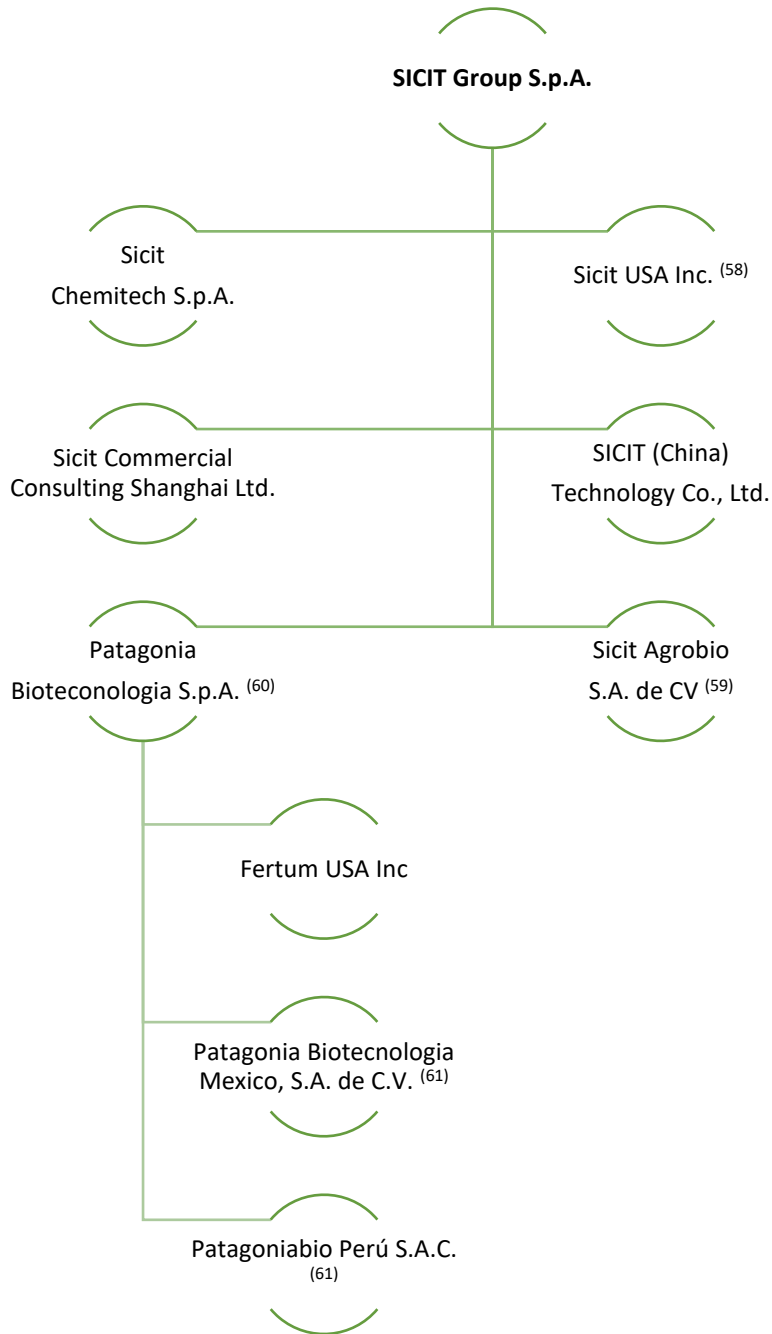
Along with the acquisition of PatBio, its subsidiaries Fertum USA, Inc. (distribution of biostimulants in the USA), Patagonia Biotecnología Mexico, S.A. de C.V., and Patagonia bio Perú S.A.C. (the latter two non-operational during 2024) have been fully consolidated into the Group.

**SICIT Agrobio S.A. de CV** In October 2023, SICIT established SICIT Agrobio S.A. de CV in Leon, Guanajuato, Mexico. The aim is to build a new production plant dedicated to collecting residues from the local tannery district, one of the most significant in the world.

### Ownership Structure

SICIT Group S.p.A. is a joint-stock company established in Italy and registered with the Vicenza Chamber of Commerce. The current shareholders are INTESA HOLDING S.p.A., which holds 50% of the share capital, and GALILEO OTTO S.à r.l., which holds the remaining 50%. SICIT has adopted a traditional administration and control structure, including the Shareholders' Meeting, the Board of Directors, the Board of Statutory Auditors, and the Audit Firm. Corporate management is entrusted to the Board of Directors, supervisory functions to the Board of Statutory Auditors, and legal auditing and accounting control to the

Audit Firm appointed by the Shareholders' Meeting.



<sup>58</sup> Non-operational since July 2023

<sup>59</sup> Established in October 2023

<sup>60</sup> Acquired in May 2023 (51%)

<sup>61</sup> Non-operational

## Board of Directors

The Board of Directors consists of 7 to 11 members, appointed by the Shareholders' Meeting, including non-shareholders. The Shareholders' Meeting determines the number of directors before proceeding with the appointment.

On August 6, 2021, the ordinary Shareholders' Meeting of SICIT Group S.p.A. appointed the Board of Directors, consisting of 10 members, who will remain in office until the approval of the financial statements for the year ending December 31, 2024.

As of December 31, 2024, the Board of Directors is **composed** as follows:

Board of Directors as of 31.12.2024	Role	Executive / non-executive	Date of Nomination	Number of Other Significant Positions Held
<b>Rino Mastrotto</b>	Chairman	Non-executive	06/08/2021	12
<b>Massimo Costantino Neresini</b>	CEO	Executive	06/08/2021	-
<b>Mario Peretti</b>	CEO	Executive	06/08/2021	4
<b>Giuseppe Walter Peretti</b>	Director	Non-executive	06/08/2021	15
<b>Riccardo Grotto</b>	Director	Non-executive	06/08/2021	4
<b>Gianfranco Dalle Mese</b>	Director	Non-executive	06/08/2021	7
<b>Fabio Cosmo Domenico Canè</b>	Director	Non-executive	06/08/2021	13
<b>Tommaso De Bustis Figarola</b>	Director	Non-executive	06/08/2021	5
<b>Matteo Perugi</b>	Director	Non-executive	06/08/2021	-
<b>Andrea Paolo Maria Vallini</b> <sup>62</sup>	Director	Non-executive	25/05/2022	5

<sup>62</sup> Director Andrea Paolo Maria Vallini has expertise in the organisation's ESG impacts. He is the ESG manager of the NB Renaissance fund and, as Operating Partner, is responsible for coordinating the

fund's ESG activities and those of its portfolio companies. SICIT also aims to provide ESG training to Board members in future years.

The Board consists entirely of male directors, with no independent directors. Members represent only the shareholder composition and do not represent third parties or other social groups.

The appointment and selection procedure for the Board of Directors is regulated by the shareholders' agreement. The agreement stipulates that the Board consists of 10 members, designated as follows:

- i. 4 directors designated by Galileo Otto S.à.r.l.;
- ii. 4 directors designated by Intesa Holding S.p.A.;
- iii. 1 director (the current CEO) jointly designated by Galileo Otto S.à.r.l. and Intesa Holding S.p.A.;
- iv. 1 director designated by Intesa Holding S.p.A. who will serve as Chairman.

Shareholders from the industrial sector and with sector experience are represented by Intesa Holding S.p.A. directors. Neuberger Berman Renaissance Partners Holding S.à r.l. directors have financial, M&A, strategy, and ESG expertise. The Chairman of the Board does not have operational delegations within the company. There is no formal procedure to prevent and mitigate conflicts of interest concerning the highest governing body. Related party transactions are regulated by an internal procedure and are constantly monitored for financial reporting purposes.

The Board of Directors oversees the impacts caused by the organisation on the economy, environment, and people. It is also responsible for preparing and approving this document and defining the Group's medium- to long-term sustainability goals.

A working group appointed by the Board supports the CEO in implementing the sustainability plan. It is coordinated by the CFO and includes the HR director, Environmental director, Operations Manager, Commercial director, and the CEO. This group interfaces with the Board for the implementation of the before mentioned aspects. Currently, there are no internal Board committees.

The Group does not have formalised specific processes for evaluating the Board's performance in supervising the management of the organisation's impacts on the economy, environment, and people.

Remuneration for the Board of Directors is reserved for the two CEOs: one receives a fixed compensation, while the other receives both fixed and variable compensation. Remuneration regulations are not linked to ESG objectives. Compensation for Board members is defined by the Shareholders' Meeting.

Between December 2022 and December 2023, the Board of Directors of the Parent Company implemented the "Stock Option Plan 2022-2028" approved by the Shareholders' Meeting on November 16, 2022. This is a medium- to long-term plan (LTI – Long Term Incentive) aimed at executive directors and employees of the Company and its subsidiaries who hold strategically significant roles.

The plan grants beneficiaries the right to receive variable incentive compensation in the form of shares from the Company.

The right to receive this incentive compensation will be based on specific conditions such as:

- A divestment by the current shareholders;
- that through the divestment, the selling

shareholders achieve a specific multiple on their investment;

- continued service of the beneficiaries at the date of divestment.

This plan is designed to align the medium- to long-term interests of shareholders and managers with key or strategic roles.

The annual total compensation ratio<sup>63</sup> of SICIT Group for 2024 is 15.55 (17.13 in 2023). This ratio represents the relationship between the annual compensation of the highest-paid individual (CEO) and the median compensation of employees (excluding the highest-paid individual). The indicator aims to represent the pay disparity between the highest-paid individual and the general employee population. Compensation levels can be influenced by a range of factors such as company size, sector, geographic area, and the Group's employment strategy. In 2024, the ratio between the percentage increase in total compensation of the highest-paid individual and the median

percentage increase in total annual compensation of all employees is 0.44.

### Board of Statutory Auditors

The Board of Statutory Auditors of SICIT is composed of one chairman and two active auditors. It was appointed on 6 August 2021 and will remain in office until the approval of the financial statements as of 31 December 2024. All members of the Board of Statutory Auditors possess the eligibility, honourability, and professionalism requirements mandated by law.

As of 31 December 2024, the Board of Statutory Auditors **is composed** as follows:

Board of Statutory Auditors as of 31.12.2024		Role
Maurizio Salom		Chairman
Manfredo Turchetti		Active Statutory Auditor
Sergio Zamberlan		Active Statutory Auditor

<sup>63</sup> The annual compensation of the highest-paid individual includes both fixed and variable components (bonuses, incentives, MBO). For the median employee compensation (excluding the

highest-paid individual), both fixed and variable elements (overtime, bonuses, incentives, MBO, welfare vouchers) were considered.

## Economic value generated and distributed

The global market for agricultural biostimulants is driven by global-scale phenomena that create favorable growth prospects, such as the increase in the world population and food demand, the reduction of arable land per capita, the evolution of agri-food systems towards sustainability, and the growing focus on circular economy-related issues.

The biostimulants market is strongly influenced by agricultural production and the willingness of operators to use biostimulants as a supplement to agrochemicals and chemical fertilizers, as they are natural and eco-friendly products capable of improving crop yields both quantitatively and qualitatively, making them more resistant to abiotic stress.

The growing interest of modern agriculture in biostimulants is stimulated by increasing consumer demand for sustainability and ongoing regulatory and legislative interventions in Europe, the USA, China, and India, where local governments are setting ambitious targets for reducing the use of synthetic chemical products.

Globally, the biostimulants market was valued at approximately \$2.81 billion in 2022, with a projected compound annual growth rate (CAGR) of around 12% over the next five years. This compares to values of \$2.56 billion in 2021 and \$2.32 billion in 2020. The sector is estimated to involve more than 500 companies worldwide, ranging from startups to well-established firms, operating either exclusively in the

biostimulants sector or also in the fertilizers sector.

The economic value directly generated by SICIT in 2024 is approximately €129 million, mainly driven by the consolidated revenues of SICIT, which amounted to about €123.8 million in the 2024 financial year.

The global market for gypsum and drywall panels, where gypsum retarders are used, is driven by the evolution of the construction sector, and particularly the increasing use of such products in building applications. Drywall walls are preferred by builders over traditional masonry walls due to their lightness, faster installation, and superior fire resistance and insulation properties. Moreover, the demand for drywall walls is supported by the following macro-trends: (i) population growth; (ii) increased urbanization; (iii) rising disposable income and growing demand for higher-quality housing; (iv) an increasingly international regulatory framework focused on introducing sustainable housing standards due to heightened consumer awareness of environmental impact.

The global gypsum market was valued at approximately \$7.85 billion in 2023, representing an 83% growth compared to 2022, with an expected CAGR of around 6.2% by 2033 (reaching \$13.76 billion by 2033).

Global construction production is expected to remain essentially stable in 2024 (+1.2%, or +0.1% excluding China) due to high construction material costs and labor shortages. The slowdown reflects challenging conditions in most global markets, including high inflation and

tighter monetary policies that have curbed investments.

Regarding animal fat, the selling price is indexed to national stock market quotations, which in turn are influenced by global market prices. In Italy, the main reference market for defining the selling and purchase price is the Milan Grain Exchange. Throughout 2023, weekly trading prices recorded a sharp decline until the end of the first half of the year, when they began to stabilize, a trend that continued into the early months of 2024.

For further insights into SICIT's economic performance and its financial and asset situation, please refer to the SICIT Group

Consolidated Financial Statements as of December 31, 2024.

The distributed economic value amounts to approximately €97.9 million, about 69% of which comes from supplier remuneration, comprising the cost of goods sold, research and development costs, commercial costs, and general and administrative expenses. Employee remuneration represents about 18% of the distributed economic value. In 2024, SICIT allocated approximately €0.16 million to community support initiatives. Finally, the value retained by the Group, determined as the difference between the directly generated economic value and the distributed economic value, amounted to approximately €31.1 million.

## Economic Annex

### GRI Standards Disclosure 201-1: Direct economic value generated and distributed

DIRECT ECONOMIC VALUE GENERATED AND DISTRIBUTED	2024	
	€000	%
Economic value generated	129.027	
Economic value retained	31.142	
Economic value distributed, of which:	97.885	
Remuneration of suppliers	67.547	69%
Remuneration of personnel	17.294	17,7%
Remuneration of financiers	8.419	8,6%
Remuneration of shareholders <sup>64</sup>	0	0%
Remuneration of the Public Administration	4.468	4,6%
Community	157	0,2%

<sup>64</sup> Refer to the proposal for the allocation of the profit for the year in the Explanatory Notes to the Separate Financial Statements of SICIT Group S.p.A. as of 31 December 2023, which does not provide for the distribution of dividends.



# METHODOLOGICAL NOTE

## Methodological note

The Sustainability Report of the SICIT Group, now in its sixth edition, serves as a tool to transparently and comprehensively describe the results achieved by SICIT in the 2024 fiscal year (from January 1 to December 31) in economic, social, and environmental areas. It highlights the commitment and initiatives undertaken in favour of sustainable development. The reporting period coincides with that of the consolidated financial statements of the SICIT Group.

This document, published annually, has been prepared in accordance with the "GRI Standards" issued by the Global Reporting Initiative (GRI), as indicated in the "GRI Content Index" with the "in accordance" option.

As required by the GRI Standards, SICIT has identified relevant sustainability topics through a Materiality Analysis, described in the paragraph "Materiality Analysis".

The scope of economic-financial and social data and information corresponds to that of the consolidated financial statements of the SICIT Group as of December 31, 2024. Environmental data and information refer solely to the three production sites in Chiampo, Arzignano, and Puerto Montt in Chile, as those related to other locations/offices of the companies included in the reporting scope are not considered significant.

Information for the reporting period is compared with that of the previous fiscal year, where available; any restatements of data from previous years compared to what was published, due to the refinement of the data collection and reporting process, are clearly indicated as such. To ensure data

reliability, the use of estimates has been minimised as much as possible; where present, they are appropriately indicated and based on the best available methodologies. Data may occasionally present rounding errors due to representation in thousands/millions. It should be noted that variations and percentage impacts are calculated on precise data.

In 2024, there were no significant changes in the size, organisational structure, or supply chain of the SICIT Group. Additionally, the report includes information on Patagonia Biotecnología SpA (PatBio) following its acquisition in May 2023, with the full consolidation of the Group also including its subsidiaries Fertum USA Inc (distribution of biostimulants in the USA), Patagonia Biotecnología Mexico, S.A. de C.V., and Patagoniabiobio Perú S.A.C. (not relevant for the Group's environmental and social performance and therefore not included in the reporting scope).

For completeness, it is noted that the establishment of the company SICIT Agrobio S.A. de CV began in October 2023 and was not operational during the 2024 fiscal year.

This Sustainability Report as of December 31, 2024, was approved by the Board of Directors of SICIT Group S.p.A. March 27, 2025.

The Sustainability Report underwent a limited assurance engagement (according to the criteria indicated by the ISAE 3000 Revised standard) by Deloitte & Touche

S.p.A.; this activity will conclude with the issuance of the "Audit Firm's Report".

For further information and suggestions regarding the SICIT Sustainability Report, please contact [info@SICITgroup.com](mailto:info@SICITgroup.com) or visit the website [www.sicitgroup.com](http://www.sicitgroup.com).

# GRI CONTENT INDEX

## GRI CONTENT INDEX

<b>Statement of use</b>	SICIT Group has presented a report in accordance with the GRI Standards for the period from 1 January 2024 to 31 December 2024.
<b>Use of GRI 1</b>	GRI 1 - Fundamental Principles - version 2021
<b>Relevant GRI Sector standard</b>	N.A.

GRI STANDARD	DISCLOSURE	LOCATION	OMISSION			GRI SECTOR STANDARD REFERENCE NUMBER
			OMITTED REQUIREMENTS	REASON	EXPLANATION	
<b>General Information</b>						
<b>GRI 2: General Disclosures 2021</b>	2-1 Organizational details	2; 7-10				
	2-2 Entities Included in the organisation's sustainability reporting	105-106 ; 114-115				
	2-3 Reporting period, frequency, and contact point	114-115				
	2-4 Restatement of information	32; 37; 43-45; 52; 54 - 56; 62				
	2-5 External assurance	114-115 ; 127				
	2-6 Activities, value chain, and other business relationships	7-10; 15-20				

	2-7 Employees	63;64; 70;71			
	2-8 Non-employee workers	71			
	2-9 Governance structure and composition	105-111			
	2-10 Nomination and selection of the highest governance body	107-109			
	2-11 Chair of the highest governance body	107			
	2-12 Role of the highest governance body in overseeing the management of impacts	105-109			
	2-13 Delegation of responsibility for managing impacts	105-109			
	2-14 Role of the highest governance body in sustainability reporting	105-109			
	2-15 Conflicts of interest	108			
	2-16 Communication of Critical concerns	11-14			
	2-17 Collective knowledge of the	105-109			

	highest governance body				
	2-18 Evaluation of the performance of the highest governance body	105-109			
	2-19 Remuneration policies	108-109-			
	2-20 Process to determine remuneration	108-109			
	2-21 Annual total compensation ratio	109			
	2-22 Statement on sustainable development strategy	5; 21-28			
	2-23 Policy commitments	11-14; 29-30			
	2-24 Embedding policy commitments	11-14; 29-30 63			
	2-25 Processes to remediate negative impacts	23 - 26			
	2-26 Mechanisms for seeking advice and raising concerns	11-14			
	2-27 Compliance with laws and regulations	12 - 13			

	2-28 Membership associations	7				
	2-29 Approach to stakeholder engagement	21 - 22				
	2-30 Collective bargaining agreements	66; 72				
<b>Material Topic</b>						
<b>GRI 3: Material topics 2021</b>	3-1 Process to determine material topics	23 - 26				
	3-2 List of material topics	25 - 26				
<b>Economic performance and value creation</b>						
<b>GRI 3: Material topics 2021</b>	3-3 Management of material topics	110 - 112				
<b>GRI 201: Economic performance 2016</b>	201-1 Direct economic value generated and distributed	110 - 111				
<b>Business Ethics, Anti-corruption, and Regulatory Compliance</b>						
<b>GRI 3: Material topics 2021</b>	3-3 Management of material topics	11 - 14				
<b>GRI 205: Anti-corruption 2016</b>	205-3 Confirmed incidents of corruption and actions taken	11-12; 104				
<b>GRI 206: Anti-competitive behaviour 2016</b>	206-1 Legal actions for anti-competitive behaviour, antitrust, and monopoly practices	11-12; 104				



Management of environmental impacts						
<b>GRI 3: Material topics 2021</b>	3-3 Management of material topics	34-52				
<b>GRI 301 Materials 2016</b>	301-2 Recycled input materials used	49; 52				
<b>GRI 302: Energy 2016</b>	302-1 Energy consumed within the organization	41-46; 53				
	302-3 Energy intensity	44-45; 53				
<b>GRI 303: Water and effluents 2018</b>	303-1 Interactions with water as a shared resource	47 - 48				
	303-2 Management of water discharge-related impacts	47 - 48				
	303-3 Water withdrawal	47 - 48; 54				
	303-4 Water discharge	47- 48; 55				
<b>GRI 305: Emissions 2016</b>	305-1 Direct GHG emissions (Scope 1)	38;43-44; 55				
	305-2 Indirect GHG emissions from energy consumption (Scope 2)	38; 43-44; 56				
	305-3 Other indirect GHG emissions (Scope 3)	43-44	Indirect GHG emissions (Scope 3) in	Information not available/incomplete	The information necessary to calculate indirect GHG emissions	

			tonnes of CO2e		(Scope 3) is currently not available. The Group is committed to including such data starting from the 2025 Sustainability Report.	
	305-4 GHG emissions intensity	32;38;44;56				
	305-7 Nitrogen oxides (NOx), sulphur oxides (SOx), and other significant air emissions	45; 57				
<b>GRI 306: Waste 2020</b>	306-1 Waste generation and significant waste-related impacts	47 - 49				
	306-2 Management of significant waste-related impacts	47 - 49				
	306-3 Waste generated	47 - 49; 57				
<b>Local community and territory</b>						
<b>GRI 3: Material topics 2021</b>	3-3 Management of material topics	84 - 89				
<b>GRI 204: Procurement practices 2016</b>	204-1 Proportion of spending on local suppliers	87 - 88				

<b>GRI 413: Local communities 2016</b>	413-2: Operations with significant actual and potential impacts on local communities	23 - 26; 89; 96 - 98				
<b>Employee development and well-being</b>						
<b>GRI 3: Material topics 2021</b>	3-3 Management of material topics	58 - 69				
<b>GRI 401: Employment 2016</b>	401-1 New hires and employee turnover	72 - 76				
	401-2 Benefits provided to full-time employees that are not provided to part-time or temporary employees	65 - 69				
<b>GRI 404: Training and education 2016</b>	404-1 Average annual training hours per employee	69; 77 - 78				
<b>GRI 405: Diversity and equal</b>	405-1 Diversity in governance bodies and	63; 70 - 71; 80 - 81				

<b>opportunity 2016</b>	among employees					
	405-2 Ratio of basic salary and remuneration of women to men	82				
<b>GRI 406: Non-discrimination 2016</b>	406-1 Episodi di discriminazione e misure correttive adottate	65				
<b>Occupational health and safety</b>						
<b>GRI 3: Material topics 2021</b>	3-3 Management of material topics	67 - 69				
<b>GRI 403: Occupational health and safety 2018</b>	403-1 Occupational health and safety management system	67 - 69				
	403-2 Hazard identification, risk assessment, and incident investigation	67 - 69				
	403-3 Occupational health services	67 - 69				
	403-4 Worker participation, consultation, and communication on occupational health and safety	67 - 69				
	403-5 Worker training on occupational health and safety	67 - 69				

	403-6 Promotion of worker health	67 - 69				
	403-7 Prevention and mitigation of occupational health and safety impacts within business relationships	67 - 69				
	403-9 Work-related injuries	67 - 69; 83				
<b>Product quality and safety</b>						
<b>GRI 3: Material topics 2021</b>	3-3 Management of material topics	93 - 97				
<b>GRI 416: Customer health and safety 2016</b>	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	95; 97				
<b>Innovation, research, and development</b>						
<b>GRI 3: Material topics 2021</b>	3-3 Management of material topics	98 - 99				
<b>Sustainable supply chain management</b>						
<b>GRI 3: Material topics 2021</b>	3-3 Management of material topics	84 - 92				
<b>GRI 308: Supplier Environmental assesment 2016</b>	308-1 New suppliers that were screened using environmental criteria	87				
<b>GRI 414: Supplier social assesment 2016</b>	414-1 New suppliers that were screened	87				

	using social criteria					
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# AUDIT COMPANY REPORT



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## INDEPENDENT AUDITOR'S REPORT ON THE SUSTAINABILITY REPORT

To the Board of Directors of  
SICIT Group S.p.A.

We have carried out a limited assurance engagement on the Sustainability Report of SICIT Group S.p.A. and its subsidiary (hereinafter also "Group SICIT" or "Group") as of December 31, 2024.

### Responsibility of the Directors for the Sustainability Report

The Directors of SICIT Group S.p.A. are responsible for the preparation of the Sustainability Report in accordance with the "Global Reporting Initiative Sustainability Reporting Standards" established by GRI - Global Reporting Initiative (hereinafter "GRI Standards"), as stated in the paragraph "Methodological note" of the Sustainability Report.

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

The Directors are also responsible for the definition of the SICIT Group objectives in relation to the sustainability performance, for the identification of the stakeholders and the significant aspects to report.

### Auditor's Independence and quality management

We have complied with the independence and other ethical requirements of the *International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA Code) 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*, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Ancona Bari Bergamo Bologna Brescia Cagliari Firenze Genova Milano Napoli Padova Parma Roma Torino Treviso Udine Verona

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Codice Fiscale/Registro delle Imprese di Milano Monza Brianza Lodi n. 03049660166 - R.E.A. n. MI-1720239 | Partita IVA: IT03049660166

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### Auditor's responsibility

Our responsibility is to express our conclusion based on the procedures performed about the compliance of the Sustainability Report with the GRI Standards. We conducted our work in accordance with the criteria established in the “*International Standard on Assurance Engagements ISAE 3000 (Revised) - Assurance Engagements Other than Audits or Reviews of Historical Financial Information*” (hereinafter “ISAE 3000 Revised”), issued by the *International Auditing and Assurance Standards Board (IAASB)* for limited assurance engagements.

The standard requires that we plan and perform the engagement to obtain limited assurance whether the Sustainability Report is free from material misstatement.

Therefore, the procedures performed in a limited assurance engagement are less than those performed in a reasonable assurance engagement in accordance with ISAE 3000 Revised (“*reasonable assurance engagement*”), and, therefore, do not enable us to obtain assurance that we would become aware of all significant matters and events that might be identified in a reasonable assurance engagement.

The procedures performed on the Sustainability Report are based on our professional judgement and included inquiries, primarily with Company personnel responsible for the preparation of information included in the Sustainability Report, analysis of documents, recalculations and other procedures aimed to obtain evidence as appropriate.

Specifically we carried out the following procedures:

- 1) analysis of the process relating to the definition of material aspects disclosed in the Sustainability Report, with reference to the methods of analysis and understanding of the context, identification, evaluation and prioritization of actual and potential impacts and to the internal validation of the process results;
- 2) comparison between the economic and financial data and information included in the paragraph “Economic value generated and distributed” of the Sustainability Report with those included in the Group’s consolidated financial statements;
- 3) understanding of the processes underlying the origination, recording and management of qualitative and quantitative material information included in the Sustainability Report.

In particular, we carried out interviews and discussions with the management of SICIT Group S.p.A. and with the employees of Sicit Chemitech S.p.A. and we carried out limited documentary verifications, in order to gather information about the processes and procedures, which support the collection, aggregation, elaboration and transmittal of non-financial data and information to the department responsible for the preparation of the Sustainability Report.

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In addition, for material information, taking into consideration the Group's activities and characteristics:

- at the parent company's and subsidiaries' level:
  - a) with regards to qualitative information included in the Sustainability Report, we carried out interviews and gathered supporting documentation in order to verify its consistency with the available evidence;
  - b) with regards to quantitative information, we carried out both analytical procedures and limited verifications in order to ensure, on a sample basis, the correct aggregation of data;
- for the Arzignano and Chiampo production plants of SICIT Group S.p.A., which we selected based on their activities, their contribution to the performance indicators at the consolidated level and their location, we carried out site visits or remote meetings, during which we have met the management and have gathered supporting documentation on a sample basis with reference to the correct application of procedures and calculation methods used for the indicators.

### Conclusion

Based on the work performed, nothing has come to our attention that causes us to believe that the Sustainability Report of Group SICIT as of December 31, 2024 is not prepared, in all material respects, in accordance with the GRI Standards as stated in the paragraph "Methodological note" of the Sustainability Report.

DELOITTE & TOUCHE S.p.A.

Signed by  
**Cristiano Nacchi**  
Partner

Padova, Italy  
April 15, 2025

*This independent auditor's report has been translated into the English language solely for the convenience of international readers. Accordingly, only the original text in Italian language is authoritative.*

