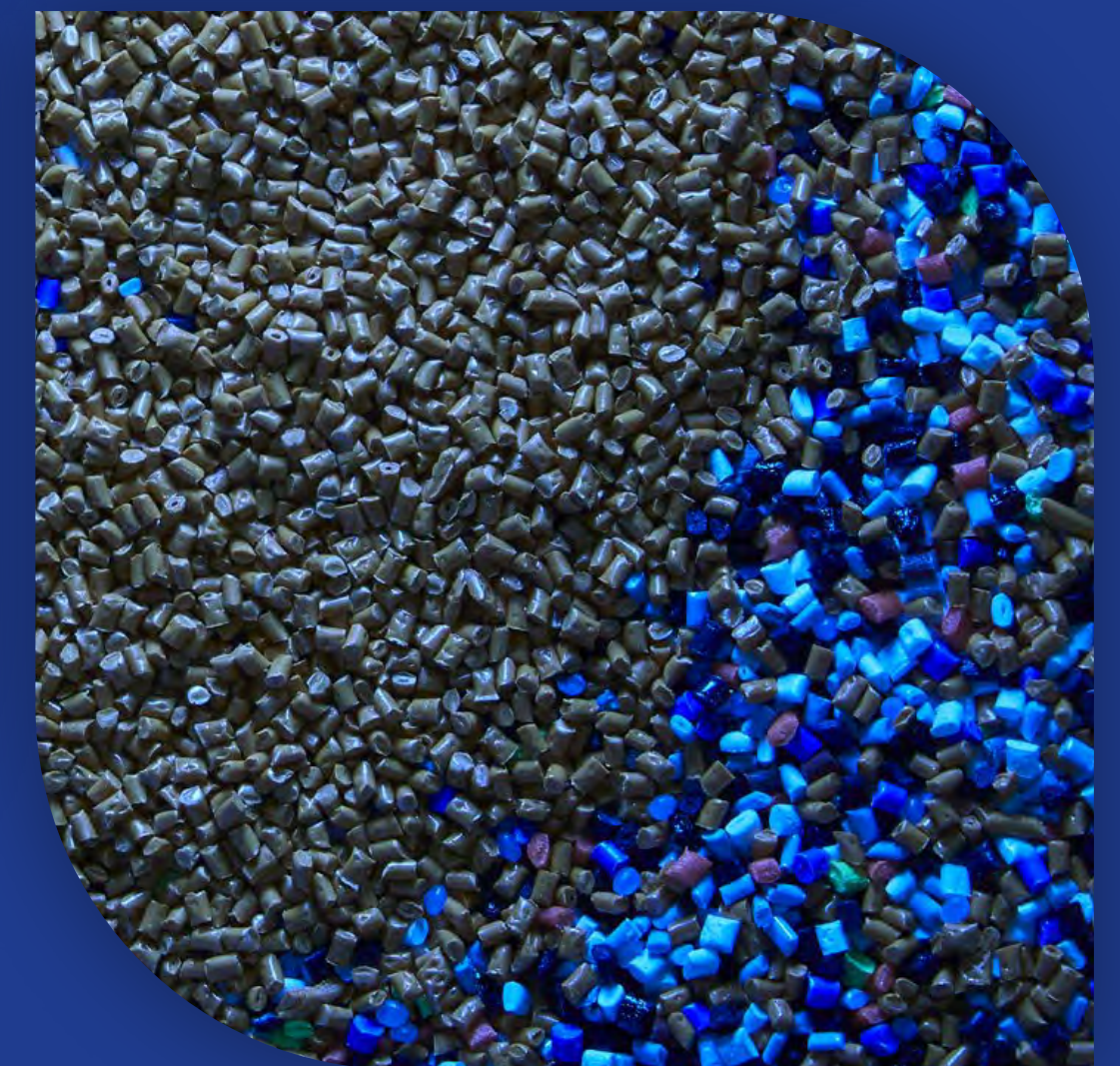
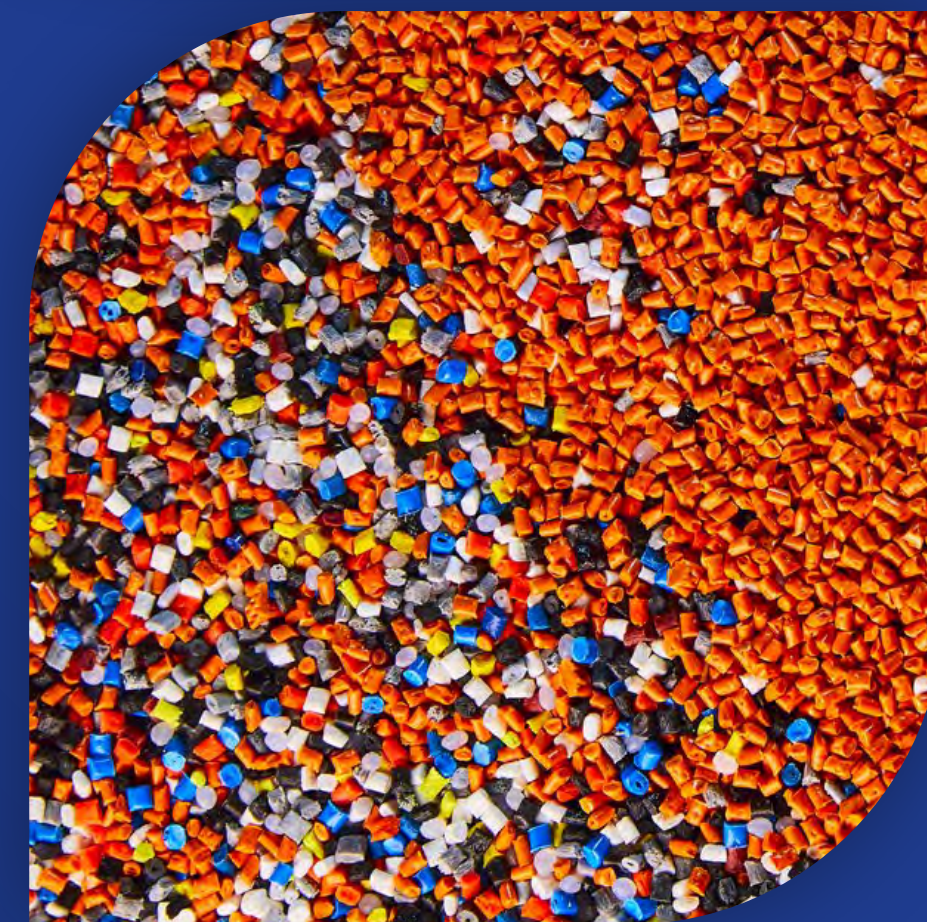
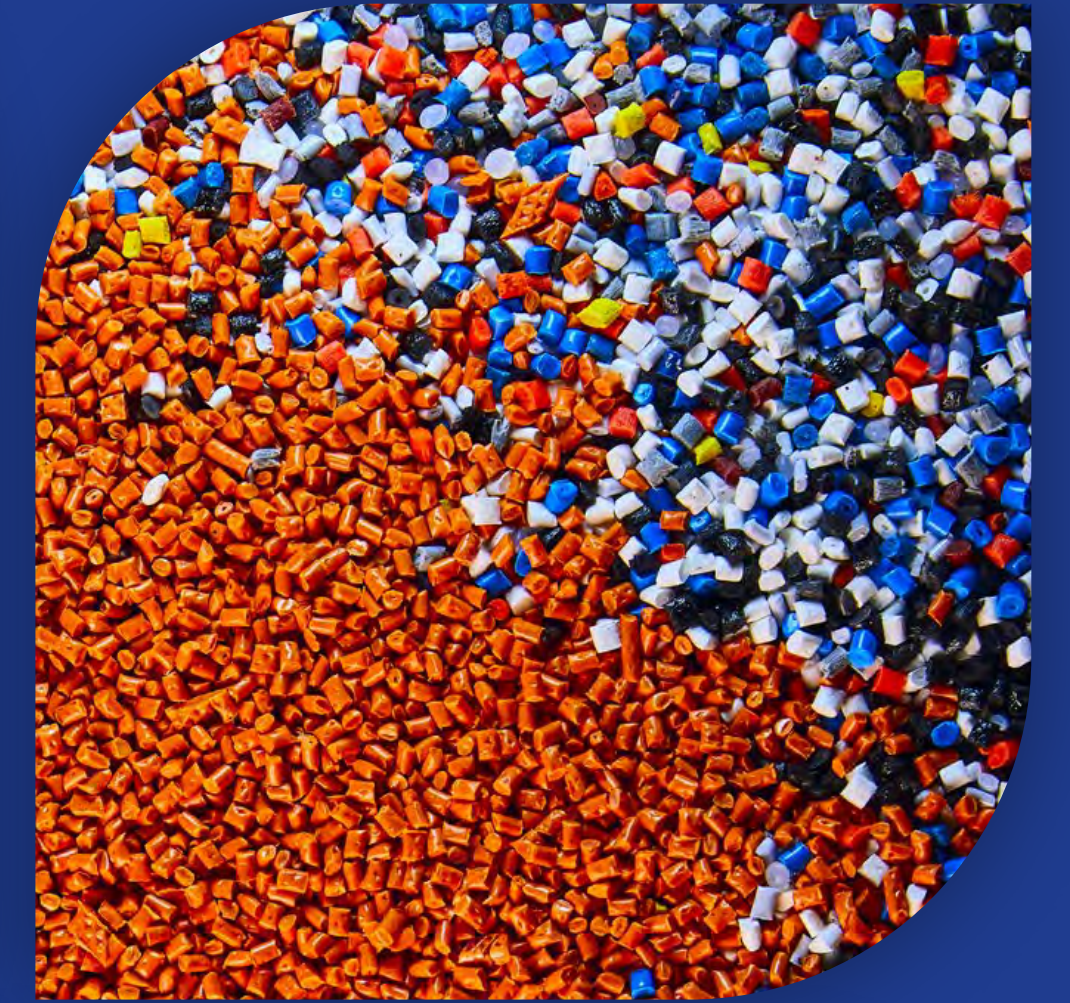
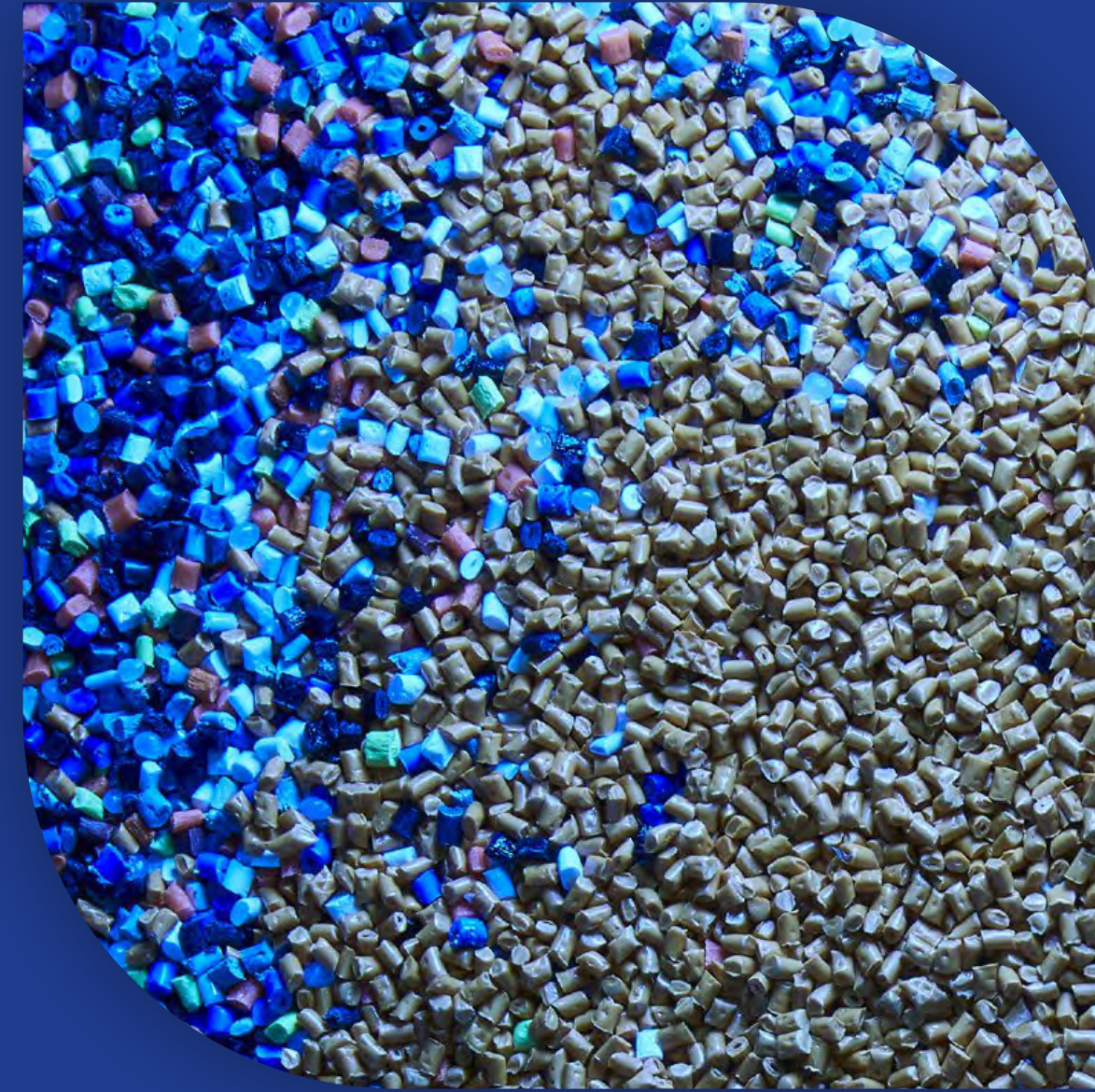




Sustainability Report

2025



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Letter to our stakeholders

Dear readers,

2025 was a complex year, influenced by global geopolitical tensions, market volatility and constantly changing economic trends. Against this backdrop, LATI has chosen to tenaciously pursue its path of sustainable development, confirming its solidity, adaptability and consistency with its identity as a responsible company that looks to the future.

We ended the year with a net profit of **€6,258,124**, reflecting our operating balance, financial discipline and ability to generate value even in a challenging macroeconomic environment. The growth in sales volumes **(+4.1%)** and turnover **(+2.7%)** confirm the solidity of our strategic positioning.

A complex international scenario

The resumption of the tariff war, drawn-out international conflicts and critical global logistics issues have fuelled uncertainty in trade. Thanks to its market diversification and limited exposure to the most affected areas, LATI contained the most direct impacts on production and supplies.

Pressures on commodities - especially strategic commodities - were caused by strong tensions on critical sources such as rare earths and strategic minerals. This resulted in price increases for specific categories of technical additives. Despite this backdrop, LATI maintained supply continuity through substantial diversification and proactive planning.

Solid financial performance

LATI faced 2025 with a balanced financial structure, which is characterised by:

- a growing gross profit **(+5.4%)**;
- adjusted gross operating profit (EBITDA) of **€14.72 million**;
- net financial indebtedness close to neutral at **-1.3 million**, with a net financial indebtedness/EBITDA ratio below 1;
- overall **stable or improving** financial position and performance **indicators** compared to 2024.

A significant provision for litigation concerning a tax benefit was prudently accrued. Despite this, though lower than last year, LATI's EBITDA was similar to the budgeted amount. The company confirmed its ability to weather volatility, cost inflation and the slowdown in weaker sectors such as automotive and household appliances.



Technology, digitalisation and innovation

2025 saw a major acceleration in operational efficiency and technological innovation, thanks to:

- advanced digitalisation of production lines through IoT (Internet of Things) and MES (Manufacturing Execution Systems);
- **new** high-efficiency **extrusion lines**;
- progress in the **Lean Manufacturing** programme, with reductions in plant changeover times of up to 40%;
- upgrading the IT infrastructure and beginning the process to achieve **NIS2 compliance**;
- industrialisation and transferring of know-how to support the new joint venture in India.

These investments consolidate LATI's role as an international player focused on quality, efficiency and continuous innovation.

Global strategy and sustainable growth

LATI LOXIM PRIVATE LIMITED joint venture in India was established in India during the year as a key step in more closely serving a rapidly expanding market. Meanwhile, the modernisation and expansion process begun in previous



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years at the Gornate Olona site continued with industrial investments.

Focused on **sustainability, innovation and internationalisation**, the company's **2026-2028 strategic plan** reiterates the sound choices it has made and its feasible investment plan.

Our strength is our people and corporate culture

LATI continued to invest in a people-centred development model with several initiatives:

- maintaining **full employment** and stabilising the workforce;
- an average of **22 hours of training per capita**;
- **inclusion and equality** programmes (UNI/PdR 125 gender equality certification, "LATI Posto Sicuro" and support for Varese Pride);
- extending the **LATI4u welfare**, well-being and family support programme;
- confirming the **EcoVadis Gold Medal** with a score of 83/100 and the Workplace Health Promotion (**WHP**) programme award.

The above confirms a corporate culture based on respect, equity, professional growth and well-being.

Quality, safety, environment and energy

In 2025, LATI confirmed all its certifications (ISO 9001, 14001, 45001, IATF 16949) and obtained **ISO 50001** certification for energy. Its commitment to sustainability has been consolidated by:

- publishing its fifth sustainability report;
- obtaining a CDP Climate Change “B” rating;
- offsetting Scope 1 emissions through certified carbon credits;
- obtaining **Operation Clean Sweep®** certification.

An advanced ownership structure for stability and sustainable growth

LATI strengthened its governance by clearly separating ownership from industrial management. The family set up a new holding company, LATI Finanziaria, dedicated to overseeing ownership, in order to simplify the previous ownership structure and make it more consistent and functional. A formal distinction was also made between industrial activities and real estate assets, separating the Vedano Olona site from operations and transferring it to LATI Immo-

biliare. This structure empowers industrial assets geared towards investment and competitiveness, separating them from family assets, which are managed with a view to long-term protection. This ensures strong, stable and shared governance. It also prevents conflicts of interest, clarifies roles and responsibilities and allows the holding company to carry out steering functions, while LATI operates with full managerial autonomy. This choice strikes a balance between family identity and managerial paradigms, favouring stability and sustainable growth.

Future challenges: a changing world and how the company reacts to it

The global situation continues to be blighted by tensions and uncertainties.

The Russia-Ukraine and Israeli-Palestinian conflicts and the **evolving crisis in Iran**, with its repercussions on Iranian-US relations, have exacerbated unstable energy markets and trade routes.

There are also risks in major **strategic shipping corridors**, particularly in the **Strait of Hormuz**, a critical channel for global maritime traffic and energy supply. These trends have generated significant pressure on commodity prices and supplies from Asia.

Faced with these challenges, **LATI has chosen a prudent and responsible approach**, stockpiling the most critical raw materials to preserve production continuity and ensure reliable services to its customers.

We are aware that the coming years will bring new complexities: energy transition, changing European regulations, digitalisation of processes, new sustainable materials and geopolitical volatility.

However, we know that we have the know-how, financial strength and determination to tackle these with vision and responsibility.

Thanks to all stakeholders

I would like to express my sincere thanks to everyone at LATI, including the shareholders, customers, suppliers, partners and local communities.

All of you contributed to our results for 2025.

With gratitude,

Michela Conterno



Guide to reading the report

The report consists of **four parts** divided into four corresponding chapters and an appendix.

1.

The **first chapter** provides a concise description of the organization, its identity, its history and its ownership structure.

2.

The **second chapter** presents the corporate bodies, principles and procedures adopted by the Company to ensure proper management.

3.

The **third chapter** details how the organization uses financial and non-financial “capitals” (see glossary) to generate value, which impacts, risks and opportunities are linked to this process, and which strategies enable long-term and shared value creation.

4.

The **fourth chapter** explores in detail the results achieved, the activities and the Company’s objectives across the ESG dimensions, namely environmental (Environment), social (Social) and governance (Governance).

5.

The **final part** details the references used in drafting the report and the index of Global Reporting Initiative (GRI) Standard indicators.



1. Executive summary



Values



Know-how

We cultivate and apply our know-how to ensure the production and the proper use of plastic materials. We constantly strive to raise awareness among the public and our customers.



Integrity

All our relationships are built on trust and mutual benefit and reflect a long-term vision of what we want to achieve with our employees, business partners, and customers.



Environment, Sustainability and Development

We are committed to preserving the environment through the relentless pursuit of innovative product and process solutions, and the promotion of environmental sustainability wherever we operate. Our priority is qualitative, not quantitative growth.



Employment and Employability

Creating and maintaining employment is a primary goal for our company. We continuously invest in our people to generate opportunities for personal and professional growth.



Participation

Internally, we involve our people in strategic and operational decision-making. Externally, we actively participate as partners in our local communities to drive economic and social development and prosperity.



Wellbeing

We want our employees to feel involved, stimulated, and respected. We ensure their safety and promote their psycho-physical health.

Vision, mission and purpose



VISION

We seek to become a **partner of choice** for **safe, durable** and **ethical** solutions that **unleash the potential** of thermoplastic materials for our customers.



MISSION

Our threefold goal is to **preserve our primacy** in flame retardant materials, to **reinforce our reputation** for high-performance technical solutions and to **achieve leadership** in special compounds.



PURPOSE

We constantly strive to generate a **positive impact** on the environment and on society through our **innovative compounds** and to promote the **sustainable use** of plastic. We pursue the **wellbeing of our people** and the **development of the local territory**.

1.2 History

1945

Construction and beginning

LATI was founded in 1945 by Cosimo Conterno. The Company's first activity was the production of cellulose acetate compounds through the **selection and recycling of plastics recovered** from war remnants.

1950s
and 1960s

Economic boom and early successes

Thanks to its relationship with Montedison, the Company experienced a genuine boom in the 1950s and 1960s. In the early 1960s, a complete range of **products reinforced with short and long glass fibers** was launched.

1970s

Consolidation and internationalization

In the early 1970s, the range of **flame-retardant (FR) materials** was refined. During these years the first generational transition took place. Management of the Company was entrusted first to Giovanni, Cosimo's eldest son, and then to his brother Francesco, who transformed the Company into an international business while preserving the entrepreneurial DNA based on **corporate social responsibility** and centered on the **value of people**.

1980s
and 1990s

Focus on high performance and specialty compounds

At the end of the 1980s a strategic change took place: the decision to invest in the development of specialty and high-performance products. In these years, internationalization marked the Company's full maturity.

2000-
2020

New leadership and generational transition

The Company continued along the path of internationalization and innovation. Great importance was given to **sustainable products**. A **second generational transition** took place: in 2016 Francesco Conterno transferred full management powers to his daughter Michela, appointing her Chief Executive Officer.

2020 to
today

Industry 4.0 and 360° Sustainability

In 2020 the succession process was completed with the transfer of the shares of the LATI Group from the Chairman to his two daughters. In 2022 LATI became a **Benefit Corporation** by including three common benefit objectives in its Articles of Association. In 2023, governance evolved with the appointment of two **General Managers** and the entry of **three Independent Directors** onto the Board of Directors, strengthening corporate growth and transparency. The important multi-year investment journey continues, with increasing attention paid to technological innovation in the Company's processes.

LATI's history comes to life through Artificial Intelligence

To mark the conclusion of the celebrations for its **80th anniversary**, LATI produced a historical video using **Artificial Intelligence** technologies to animate archive photographs from the Company's early years. The images, often in black and white, tell the story of the faces, places and moments that marked LATI's growth. The video represents a bridge between memory and innovation, enhancing the Company's history with a contemporary language.

[Watch the video here](#)

LATI recognized as a Historic Trademark of National Interest

In 2025, on the occasion of its **80th anniversary**, LATI obtained recognition as a **Historic Trademark of National Interest**, awarded by the Ministry of Enterprises and Made in Italy to companies that represent a significant part of the country's industrial history. This recognition highlights the Company's growth path, entrepreneurial continuity and contribution to the development of the engineering thermoplastic materials sector. For LATI it represents not only an important milestone, but also a commitment to continue innovating while keeping its industrial roots and ties with the local area firmly in place.

For further information, [visit the article on this page.](#)



1956 Photo Archive Lati S.p.A. - Milan 1956 – Giulio Natta and Cosimo Conterno

LATI Benefit Corporation

In July 2022, LATI became a **Benefit Corporation** by including **common benefit** purposes in its **Statute** alongside profit objectives. This natural evolution into the legal form of a Benefit Corporation represents a concrete opportunity for the Company to **generate value and positive impact through its business model**.

The three common benefit purposes identified by LATI are:

1. Product sustainability
2. People's wellbeing within and outside the organization
3. Development of the local territory and ecosystem



1.3 Ownership structure and operational framework

GRI 2-1 | GRI 2-2

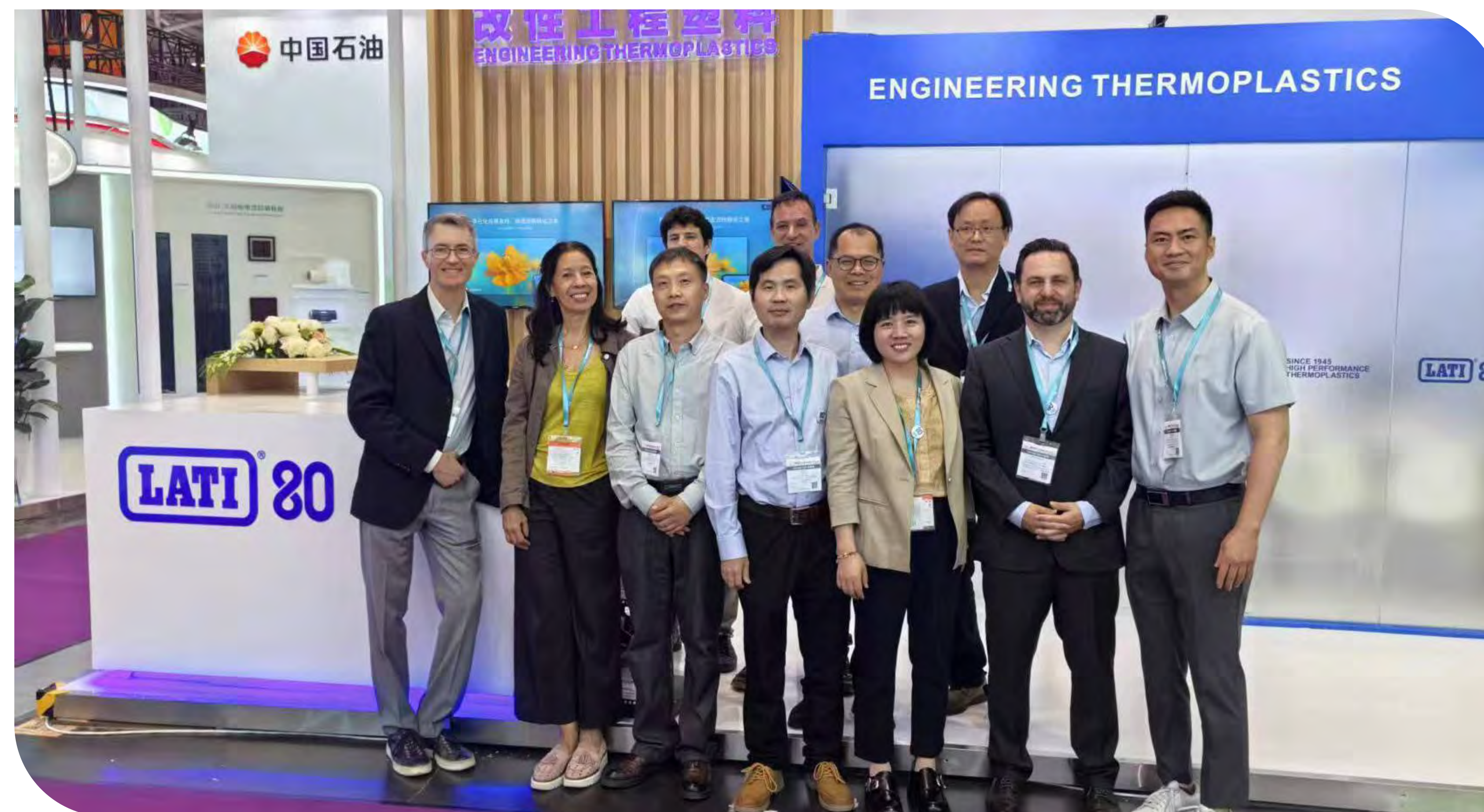
LATI Industria Termoplastici S.p.A. (hereinafter LATI) has its **registered office and operating headquarters in Vedano Olona, Italy**. The Company is 98% owned by the **holding company SVI S.p.A.**, which coordinates services across the various companies with the aim of improving shared efficiency. The remaining 2% ownership interest is held by Carla Conterno, cousin of the founder, Prof. Cosimo Conterno.

LATI carries out its **production activities in Italy at the Vedano Olona and Gornate Olona plants** and relies on a **network of sales offices across Europe**. In particular, LATI's foreign branches are located in the following European countries: **Sweden**, in Gothenburg, belonging to the "LATI Sweden Filial" branch; **Germany**, in Wiesbaden, belonging to the "LATI Industria Termoplastici S.p.A. - Zweigniederlassung Deutschland" branch; **Slovakia**, in Nové mesto nad Váhom, belonging to the "LATI Industria Termoplastici S.p.A. - Organizačná zložka" branch; **France**, in Paris, belonging to

the "LATI Industria Termoplastici S.p.A. - succursale France" branch; and **Spain**, in Barcelona, belonging to the "LATI Industria Termoplastici S.p.A. - succursal Espana" branch.

The group is completed by **three wholly owned subsidi-**

aries: in the **United Kingdom** (LATI U.K. Ltd.), in the **United States** (LATI U.S.A. Trading, Inc.) and in China (LATI Shanghai Co. Ltd.). In June 2025, the **51%-owned subsidiary LATI-LOXIM Thermoplastics Private Limited** joined the LATI Group to develop the Indian market¹.



1. It is specified that the reporting boundary, unless otherwise specified, includes employee workers at the Italian sites of Vedano Olona and Gornate Olona, the European Branches (France, Germany, Spain, Slovakia and Sweden) and the non-European subsidiaries LATI U.K. Ltd., LATI U.S.A. Trading, Inc. and LATI Shanghai Co. Ltd. For further details, please refer to [paragraph 4.3.1 LATI People](#) and the [Methodological Note](#).

A global vision



Headquarter

Vedano Olona, Italy



3 production sites

Vedano Olona, Gornate Olona (Italy) and Ahmedabad (India).

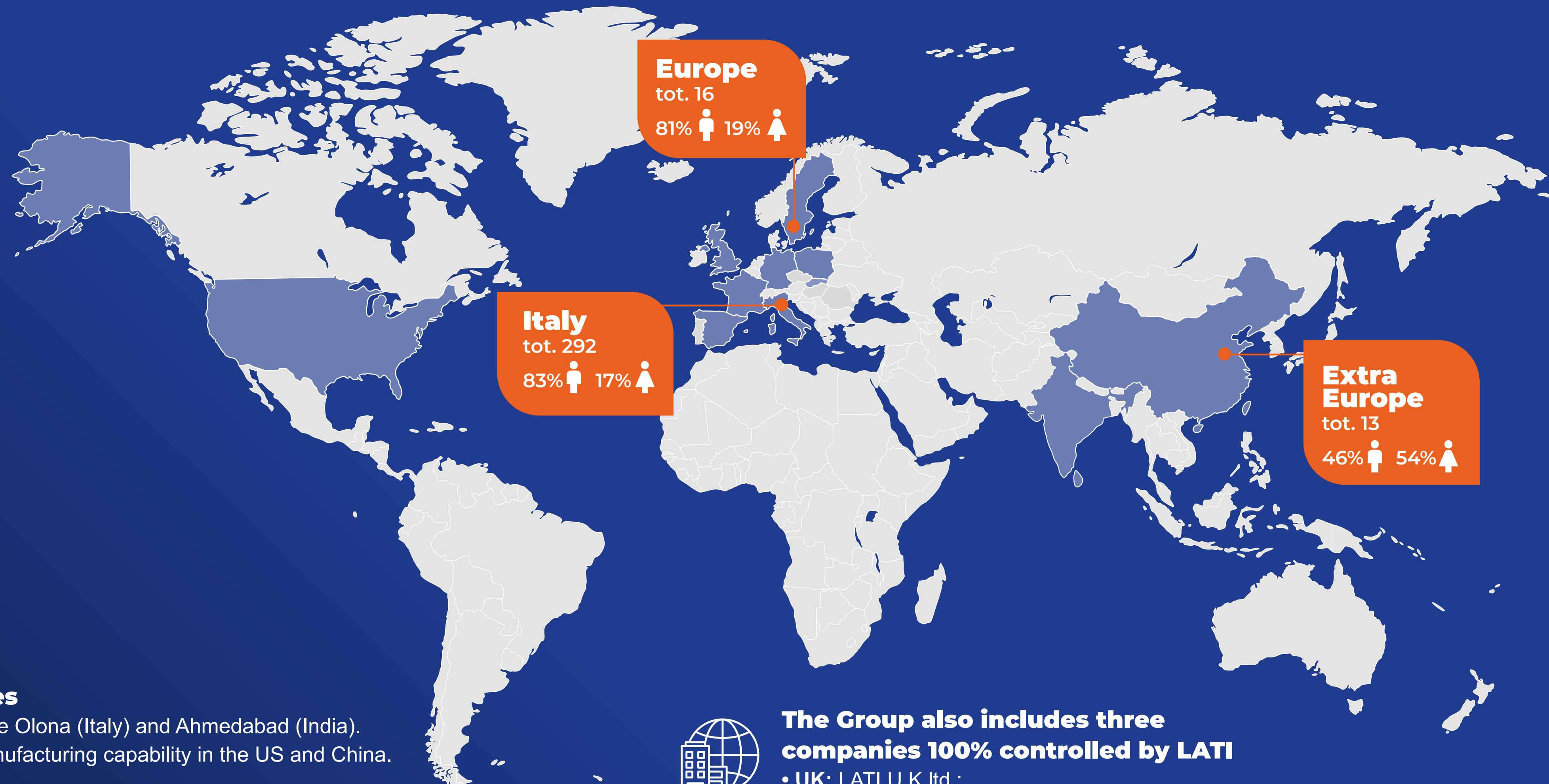
We have localised manufacturing capability in the US and China.



International branches

LATI's international branches are located in the following European countries:

- **Sweden:** LATI Sweden Filial;
- **Germany:** LATI Industria Termoplastici S.p.A. – Zweigniederlassung Deutschland;
- **Slovakia:** LATI Industria Termoplastici S.p.A. Organizačná zložka;
- **France:** LATI Industria Termoplastici S.p.A. – Succursale France;
- **Spain:** LATI Industria Termoplastici S.p.A. – Sucursal España.



The Group also includes three companies 100% controlled by LATI

- **UK:** LATI U.K.ltd.;
- **America:** LATI U.S.A. Trading, Inc.;
- **China:** LATI Shanghai Co. Ltd. .



In June 2025, the acquisition of a 51% stake in LATI-LOXIM Thermoplastics Limited was announced;

this transaction is of strategic importance for the development of the Indian market for engineering plastics.

1.4 Key figures at a glance

Environmental



+1 LATIGEA products

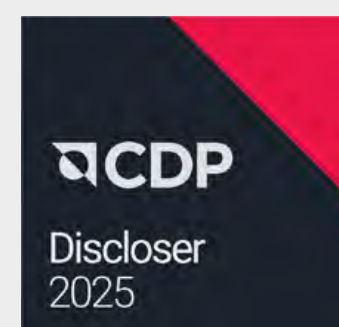
+15 LATIECO products

0.06 tCO₂eq/t

CO₂ emissions intensity market-based approach

1,658 GJ
energy from
photovoltaic system

100%
energy from
renewable
sources



Social



21
training hours per employee

321
number of people

22%
women executives



Governance



152.2 ML €
Sales

14.7 ML €
EBITDA

67%
ESG Financing
(as % of value against total)

758
suppliers, of which
79% italian

2,195 number of active formulations

2,022
Number of
customers

+ 3%
tons material produced vs 2024





2. Corporate governance



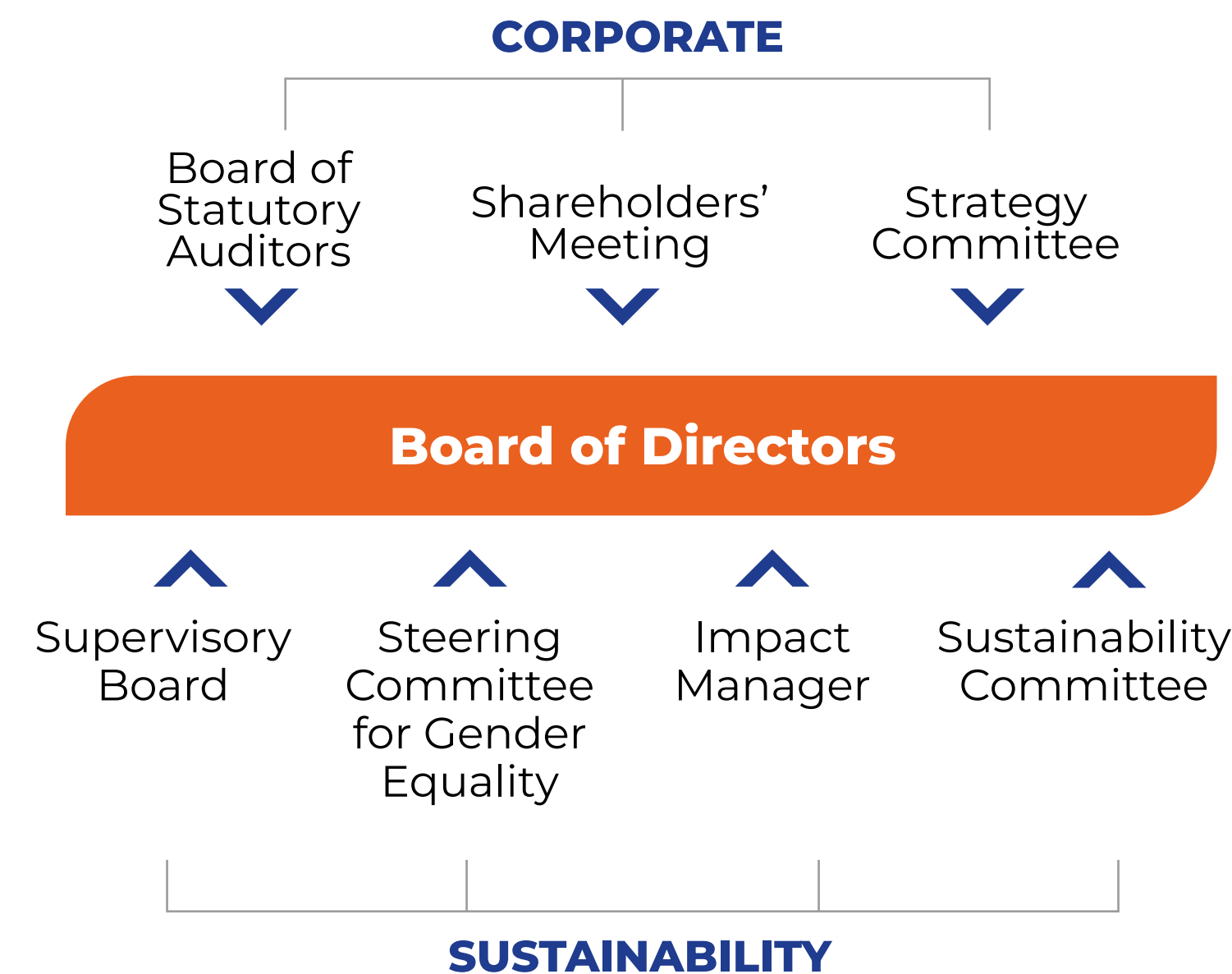
2.1 Governance framework

GRI 2-9 | GRI 2-10 | GRI 2-11 | GRI 2-15 | GRI 2-16 | GRI 2-17 | GRI 2-18
| GRI 2-19 | GRI 405-1

To ensure the correct and transparent operation of the Company, LATI has adopted a traditional governance model consisting of the Board of Directors (BoD), the Board of Statutory Auditors and the Shareholders' Meeting.

The governance structure is completed by the Supervisory Body², the Impact Manager³ and the Steering Committee for Gender Equality⁴. In addition, with the appointment of the new BoD, two board committees were established in 2024: the Sustainability Committee and the Strategy Committee.

As set out in the regulations, the board-level Sustainability and Strategy committees each consist of five members, including at least one independent director. Their objective is to verify the appropriate corporate strategy and provide opinions to the BoD in their respective areas of responsibility.



The Strategy Committee

- Monitors the drawing up of the **Business Plan**.
- Contributes to the formulation of growth strategies via external channels (**M&A**).
- Stimulates product **innovation**.
- Approves industrial **investments** based on ROI and monitors compliance with the plan in terms of costs and timing.

The Sustainability Committee

- Deals with all **ESG** (Environmental, Social, Governance) issues
- Monitors sustainability **ratings** and **certifications**.
- Monitors achievement of **the goals of the sustainability plan**, with particular reference to the decarbonisation strategy.
- Supervises the **Steering Committee for Gender Equality** and fosters a meritocratic culture.
- Oversees **non-financial reporting**.

2. For more information, please refer to the [paragraph 2.4 Ethics Code and Model 231](#).

3. For more information, please refer to the [paragraph 2.2 Management of ESG impacts](#).

4. For more information, please refer to the [paragraph 2.3 Gender Equality Policy - UNI/PdR 125:2022](#).

The Board of Directors

Management and control of the Company, as well as the definition of strategic guidelines, are entrusted to the Board of Directors (BoD). The BoD's main responsibilities include:

- Defining and monitoring the **implementation** of the Company's **purpose** and **strategies**.
- Identifying the **corporate governance system** and assessing the adequacy of the organizational, administrative and accounting structure, with particular attention to the internal control and risk management system.
- Approving the **strategic, industrial and financial plans** and assessing management performance.
- Defining the **level of risk compatible with the strategic objectives**, considering all relevant elements for long-term value creation.
- Resolving on **transactions of strategic, economic, equity or financial significance**.
- Establishing the criteria for assessing **directors' independence and promoting equal treatment and equal opportunities between genders**.

By resolution of 29 April 2024 and with the simultaneous installation of the renewed BoD, the shareholders defined the following **rules for the composition of the governing body** to ensure independent and transparent management:

- **Composition:** the BoD must consist of between 3 and 9 members, with at least two independent members and a majority not composed of family members.
- **Diversity:** gender equality must be ensured and diversity of thought encouraged.
- **Age:** at least one director must be under 40 years old, while only one may be over 75 years old. The age limit for non-family members is 78.
- **Term of office:** the mandate lasts 3 years and may not be renewed more than twice for non-executive directors. It is therefore the shareholders' responsibility to select members, ensuring **professionalism, alignment with corporate values and diversity**. The current Board of Directors, in office until approval of the 2026 Financial Statements, consists of **nine members, 55% of whom are women**, with an **average age of 58** and **specialized, diversified skills**. In addition, as established by the composition rules, the current BoD includes **three independent directors**:
 - **Independent Director for Sustainability**
 - **Independent Director for Innovation**
 - **Lead Independent Director**

The independent directors are responsible for promoting constructive dialogue and supporting management on specific issues based on their expertise.

The Lead Independent Director is responsible for ensuring a "check and balance" mechanism. This role subjects individual conduct to merit-based assessment, reserving the most important decisions for collective judgment. It serves as a reference and coordination point for the contributions of independent directors, ensuring timely and complete information flows. The Lead Independent Director may also convene meetings reserved for independent or non-executive directors to address matters of interest relating to the functioning of the BoD or the board committees.

Following the renewed appointment of the BoD, in 2024 the members took part in an induction day designed to explore the structure and functioning of the governing body and the newly established board committees. In 2025, LATI further strengthened its approach to governance and director training by organizing **two strategic discussion days** for the BoD, aimed at consolidating the Company's medium- to long-term vision. The activities also included **a training and information session specifically dedicated to risks**, to strengthen awareness of the main corporate risks and ensure the full integration of sustainability factors into the decision-making processes of the Board of Directors.

Chief Executive Officer <i>MICHELA CONTERNO</i>	Date of birth 15/07/1975	Executive	Degree in Economics and Business	Appointment date 29/04/2024	Term expiration date 29/04/2027
Chairman of the Board of Directors Chief Executive Officer for Social Affairs <i>LIVIA CONTERNO</i>	Date of birth 15/07/1975	Executive	Degree in Natural Sciences	Appointment date 29/04/2024	Term expiration date 29/04/2027
Counselor <i>DOMINIQUE JACQUES</i> <i>MICHEL RENAUDIN</i>	Date of birth 25/01/1951	Non-executive	Degree in Economics and Business	Appointment date 29/04/2024	Term expiration date 29/04/2027
Counselor <i>ALDO TUCCI</i>	Date of birth 16/02/1948	Non-executive	Degree in Industrial Sociology	Appointment date 29/04/2024	Term expiration date 29/04/2027
Counselor <i>LAURA MASSIRONI</i>	Date of birth 30/08/1965	Non-executive	Degree in Business Administration	Appointment date 29/04/2024	Term expiration date 29/04/2027
Counselor Lead Independent Director <i>VALENTINA LAZZAROTTI</i>	Date of birth 06/08/1969	Independent Non-executive	PhD in Management Engineering	Appointment date 29/04/2024	Term expiration date 29/04/2027
Counselor Chairman of the Strategy Committee <i>MARTINA BALLERIO</i>	Date of birth 06/04/1990	Independent Non-executive	Degree in Materials Engineering	Appointment date 29/04/2024	Term expiration date 29/04/2027
Counselor Chairman of the Sustainability Committee <i>MARCO GUAZZONI</i>	Date of birth 03/02/1971	Independent Non-executive	Degree in Electrical Engineering	Appointment date 29/04/2024	Term expiration date 29/04/2027
Counselor <i>EZIO MARZETTA</i>	Date of birth 28/03/1961	Non-executive	Diploma as a Technician in Plastics	Appointment date 24/11/2025	Term expiration date 29/04/2027

At LATI, the BoD plays a **fundamental role in ESG (Environmental, Social, Governance) matters**. In addition to being responsible for managing and directing the Company's strategic lines, the BoD, in synergy with the board Sustainability Committee, has the power to approve policies, strategic plans and the Sustainability Report. Moreover, as a **Benefit Corporation**, the Company's directors have the following responsibilities:

- Balancing shareholders' interests **with the pursuit of common benefit objectives**;
- Appointing **the Impact Manager** and assigning the functions and tasks required to pursue the common benefit objectives;
- Preparing **the Impact Report** to be attached to the Statutory Financial Statements.

LATI's strategy sees the Board of Directors as an **increasingly active body in corporate life**, interacting with top management in meetings of the governing body or committees and collaborating in the definition of the Business Plan with the objective of increasing the Company's value. Executives and managers are periodically involved in the monthly meetings of the Board of Directors to present and update the Board on the Company's strategic projects and to report any critical issues.

In addition, the individual members bring multiple and diversified skills to the Board of Directors:



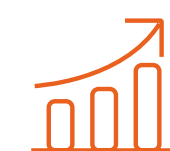
Sustainability and new environmental trends



Product and Process Innovation



Digitalization and new technological trends



Sound Governance, M&A, Risk Management



Diversity, Equity & Inclusion, new social trends, management and leadership techniques



Sector, market and customers

In 2025, LATI appointed director Ezio Marzetta, who has extensive experience in the thermoplastic materials sector, further strengthening technical product and market expertise.

With regard to other **important positions held by the members**: Laura Massironi serves as Managing Partner and

CEO of NEXTEA-Altea Federation; board member Valentina Lazzarotti is Full Professor of Economics and Business Management at LIUC Carlo Cattaneo University, co-director of FABULA, Rector's delegate for Faculty development and reporting for Institutional Centers, and since 2025 board member of the School of Economics and Management; board member Martina Ballerio serves as Director of Customer Success at Elmec Informatica S.p.A. and Vice President of the Board of Directors of Giovani di Confindustria Varese, with responsibility for Institutional Relations for the 2024-2026 three-year period; board member Marco Guazzoni is Sustainability Director at Vibram S.p.A. and, since 2025, President of the Forum della Meritocrazia.

In addition, since 2022 Chief Executive Officer **Michela Conterno** has been an independent member of the Board of Directors of LIUC Università Carlo Cattaneo and LASI Group, and since 2024 she has served as President of the Group that brings together companies in the Rubber and Plastics sector within Confindustria Varese. During 2025, her involvement in local associations was further strengthened: Michela Conterno was **appointed Vice President of Confindustria Varese for the 2025–2028 four-year period**, supporting the new presidency and contributing to the development of the association's strategic guidelines. In addition, the Chief Executive Officer continues to be involved in numerous training and dissemination initiatives and working groups dedicated to sustainability issues, where she presents and promotes LATI's concrete commitment to the environment, people and the local area.

Although there is a close relationship between LATI and its Directors, this circumstance has never created conflicts of interest, as there have never been transactions with the same related parties. In any case, LATI has a specific procedure in place should such a situation arise. Business relationships with related parties are not prevented a priori; rather, a more careful assessment of the supplier is required, comparing it with at least two other alternative offers. The proposal must always be reasonable and guarantee ordinary market conditions.

The remuneration of the members of the Board of Directors reflects the level of responsibility and workload. Directors without specific delegated powers who contribute exclusively during meetings receive an attendance fee.

Finally, the Company's Corporate Governance Regulation provides for a **self-assessment** of the BoD, concerning in particular the size, composition and actual functioning of the Board and its Committees, also considering the role it has played in defining strategies and monitoring management performance and the adequacy of the internal control and risk management system. The Board may carry out the self-assessment annually or every three years, depending on the Company's strategic development phases and the progress of Board activities.



Board of Statutory Auditors

The **Board of Statutory Auditors**, elected in 2023 for a **three-year term**, is the **control body** and is responsible for supervising the directors’ activities and ensuring that the management and administration of the company are carried out in compliance with the law and the articles of association.

It is composed of **experienced and highly reputable professionals** who hold positions in other organizations, also bringing an external comparative perspective.

Chairman of the Board of Statutory Auditors	SONIA DE MICHELI	Date of birth 28/12/1969
Auditor	SONIA PUGLIESE	Date of birth 02/07/1964
Auditor	MARIA VITTORIA BRUNO	Date of birth 06/03/1965
Substitute Auditor	SONIA MOLEA	Date of birth 09/04/1965
Substitute Auditor	SARAH PIRETTI	Date of birth 02/02/1979

In addition to monitoring and verifying the process for preparing the **Statutory Financial Statements** in accordance with legal provisions, the Board of Statutory Auditors supervises the compliance of the **Impact Report** prepared and therefore the balancing of the shareholders’ interests with those of other stakeholders identified in the common benefit objectives for the Benefit Corporation included in the Articles of Association.

Shareholders’ Meeting

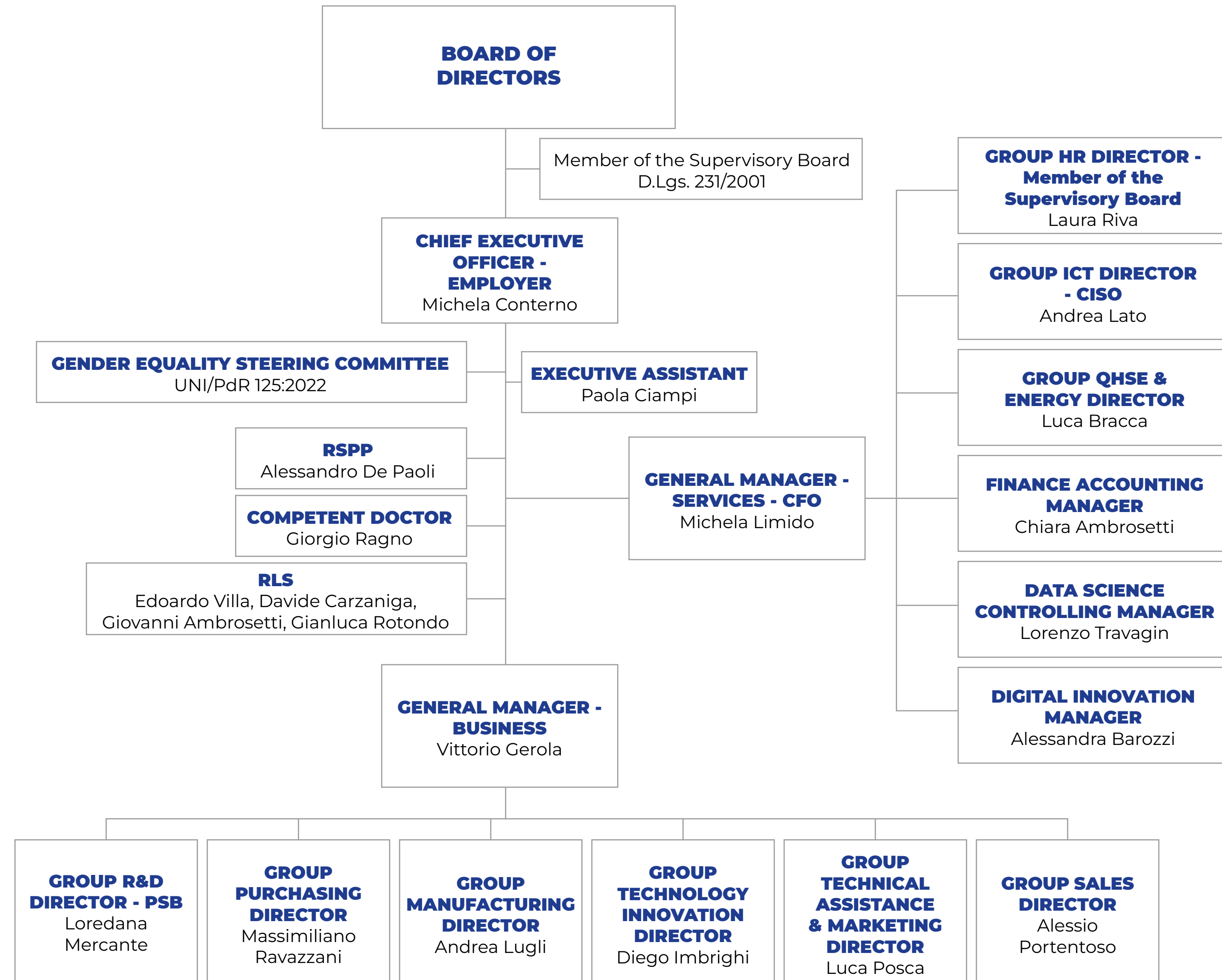
Finally, the **Shareholders’ Meeting** is responsible, in ordinary or extraordinary session, for resolving on the appointment and removal of the members of the Board of Directors and the Board of Statutory Auditors, their remuneration and responsibilities, and the approval of the Financial Statements and allocation of profits.

For the selection of Directors, the Shareholders may use the Nominations Committee, if established, or a head-hunting firm. The Shareholders may also rely on the recommendations made by the Board of Directors and the shareholders. In the absence of a formal self-assessment process, the Shareholders may also invite the Directors to a collective discussion through which they can formulate their guidelines for renewing the body.



LATI's organizational structure

The Board of Directors represents the highest governance body, while at operational level the Company is organized with a **structure based on management functions**. In 2023 LATI launched an important **organizational change** project through the establishment of two **General Management Departments**, with the aim of supporting the Chief Executive Officer in the relevant areas of responsibility. Business and Service activities were grouped within the two General Management Departments. The new organizational model came into force in January 2024.



2.2 Management of ESG impacts

GRI 2-12 | GRI 2-13 | GRI 2-14 | GRI 2-16 | GRI 2-25

The Board of Directors and the Company's executives are involved in approving and updating sustainability strategies, policies and objectives. With the same approach, the Sustainability Report is presented at a dedicated meeting to the highest governance body, which **approves the related materiality analysis**, namely the process of determining and assessing the current and potential impacts of material topics on the economy, the environment and people, including human rights.

Since LATI became a Benefit Corporation in July 2022, the Board of Directors, in addition to appointing the **Impact Manager** internally, evaluates and approves the Impact Report through which it monitors the common benefit objectives.

Indeed, as provided for by Benefit Corporation regulations and the Company's Articles of Association, the Board of Directors is responsible for **pursuing a balance between shareholders' interests**, namely the profit-making purpose, **and the common benefit purposes and stakeholders' interests**.

The Impact Manager supports the Board of Directors in pursuing the common benefit purposes and in the related decision-making process, coordinating and monitoring impact management and reporting activities.

In addition, with the renewal of the Board of Directors, the **Sustainability Committee** was established in 2024 with responsibility for overseeing ESG activities and strategies⁵.

The **Impact Manager**, as defined by Law 208/2015, is responsible for:

Involving all Company functions in implementing the common benefit plan

Supporting the directors by providing data and information on the socio-economic context in which the company operates

Promoting transparency of impact results through the publication of the Impact Report on the website and any other dedicated communication channels



5. For more information on the internal Sustainability Committee, please refer to [paragraph 2.1 Governance framework](#).

2.3 The Gender Equality Policy and UNI / PdR 125:2022 certification

GRI 2-23 | GRI 2-24 | GRI 2-25

Inclusion, equity and equal opportunity have always been an integral part of **LATI's corporate culture**. In particular, in recent years the Company has embarked on a virtuous internal awareness-raising path, involving its people in various initiatives and formalizing its practices within the procedures and policies that guide HR processes.

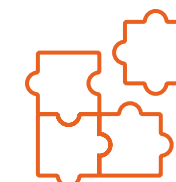
This path resulted in obtaining **Gender Equality certification** in 2023 pursuant to the **Italian practice PdR 125:2022**. Defined by Top Management in coordination with the Steering Committee and approved by the Board of Directors on 25 September 2023, the Gender Equality Policy defines the **principles, purposes and guidelines for the Company's commitment to gender equality, women's empowerment and the enhancement of diversity**.

Through the Policy, LATI defines the following **areas of action** with the aim of ensuring an inclusive, collaborative,

transparent and listening-oriented workplace, safeguarding and protecting people's rights, dignity and safety:



Corporate culture and strategy



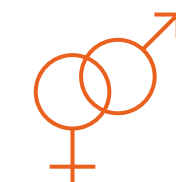
Governance



HR processes



Growth opportunities and inclusion of women in the Company



Gender pay equity



Protection of parenthood and work-life balance

The Gender Equality Policy is available [HERE](#)

Gender Equality Steering Committee

As provided for by **UNI PdR 125:2022 Practice** for Gender Equality certification, LATI established the **Gender Equality Steering Committee**. Composed of the Human Resources Director, the Chief Executive Officer for Social Affairs Livia Conterno and Company representatives from different functions, the Steering Committee is responsible for **adopting and disseminating the Gender Equality Policy and monitoring the initiatives and objectives** defined in the dedicated Strategic Plan.

2.4 Code of Ethics and the 231 Organizational Model

GRI 2-15 | GRI 2-23 | GRI 2-24 | GRI 2-25 | GRI 2-26 | GRI 2-27 | GRI 2-30 |
GRI 205-1 | GRI 205-3

Confirming the importance of social responsibility in conducting its business activities and its commitment to respecting the legitimate interests of its stakeholders and the community, LATI has clearly defined in its Corporate **Code of Ethics** the **ethical principles** that inspire it and whose observance it requires:



Transparency



Legality



Honesty and impartiality



Respect for the environment and people

Integrity Complylog: the anonymous reporting platform

In addition to the dedicated reporting email address, in 2023 LATI introduced the **Integrity Complylog platform**, which allows **anyone inside or outside the Company to report, with complete anonymity and confidentiality, any derogation from or violation of 231 Model, the Code of Ethics and the Gender Equality Policy.**

Reports, including suspicions, may concern:

- incidents of physical, verbal or digital violence;
- gender-based or sexual harassment and bullying;
- discrimination and any form of non-inclusiveness;
- violation of laws, rules or internal procedures relating to compliance with and prevention of the offenses referred to in Legislative Decree 231/2001;
- documented non-compliance with the principles defined in the Company's Code of Ethics and Gender Equality Policy.

The **Whistleblowing Procedure** guarantees the highest level of **confidentiality** and **impartiality**. Reports are received only by the **external members of the Supervisory Body**, which, depending on the type and/or severity, informs the Board of Directors and the Group Human Resource Director. In the event of violation of the principles of the Gender Equality Policy, the Group Human Resource Director may involve the Gender Equality Steering Committee in designing and implementing further awareness-raising actions for all people.

Through the platform, LATI ensures **compliance with Legislative Decree 24/2023 implementing European Directive 2019/1937 on Whistleblowing and promotes a safe, inclusive and discrimination-free workplace.**

The **Code of Ethics** is a pillar of LATI's corporate culture, and acknowledgement and compliance are required not only of all **internal employees**, but also of **suppliers and companies operating with the Company**. LATI shares the content of the Code of Ethics with its suppliers through the **Supplier Quality Manual** and promotes its integration into supply relationships. In 2025, 43% of all suppliers acknowledged the Code of Ethics through **formal signing of the Quality Agreement**, the contractual tool that formalizes mutual commitments on quality, transparency and ethical behavior. In addition, LATI requires acknowledgement of the provisions of the Code of Ethics through the **General Terms and Conditions of Purchase**, applied to **100%** of suppliers with whom purchases were made during the year, thereby ensuring full and systematic alignment with corporate ethical principles throughout the supply chain.

Consistent with the Company's evolution, in **2024 LATI updated its Code of Ethics**. In addition to including corporate values and the common benefit objectives of the Benefit Corporation⁶, the Company formally integrated:

- **the principle of rejecting the use of its products in applications that may harm people's safety;**
- **the commitment to respecting responsible working conditions and protecting human rights;**
- **the recent updates introduced into Legislative Decree 231/01 on administrative liability and the methods for re-**

porting cases of violation of the principles of the Code of Ethics.

With regard to human rights, LATI operates in accordance with labor protection regulations in force in all the countries where it is present and respects and supports compliance with internationally recognized human rights, also incorporating the **principles of the United Nations Global Compact** into its strategies, policies and procedures. In particular, in the Code of Ethics, LATI confirms its commitment to:

- **Prohibit forced labor, child labor, slavery or human trafficking**
- **Enhance diversity, inclusion and equal opportunity**
- **Combat harassment**
- **Comply with applicable laws on working hours and living wages**

In particular, with regard to remuneration within the Italian perimeter, LATI applies as a **minimum the economic conditions established by the National Collective Labor Agreement (CCNL) for the Rubber-Plastics sector**, considered in Italy to be a **benchmark for adequate pay** and living wages. The minimum pay rates set by the CCNL are periodically updated through national negotiations between trade unions and employers' organizations and are **aligned with inflation trends**. This approach is complemented by LATI's focus on the economic and social wellbeing of its people, pursued also through a structured package of cor-

Ogni tua
scelta
incide
sull'etica.
Rispettare
persone,
ambiente
e norme
rende
LATI[®]
solida e
sostenibile.



**Leggi il
codice etico**



CURIAMO LA NOSTRA REPUTAZIONE

Se trascuri i rapporti con gli interlocutori interni e/o esterni danneggi l'immagine di LATI



PRESERVIAMO LA NOSTRA SICUREZZA

Se non rispetti le procedure metti in pericolo la sicurezza, l'ambiente e la qualità del prodotto



RISPETTIAMO LE NORME

Se infrangi le leggi incorri in sanzioni amministrative o penali che possono coinvolgere anche la Società



EVITIAMO I CONFLITTI DI INTERESSI

Se agisci in conflitto d'interesse per ottenere vantaggi personali arrechi un danno alla Società



PROTEGGIAMO I NOSTRI DATI

Se diffondi dati e/o utilizzi strumenti informatici aziendali in maniera impropria metti a rischio la Privacy



OPERIAMO IN MODO TRASPARENTE E TRACCIABILE

Se ometti o nascondi dati rilevanti comprometti la tracciabilità delle informazioni ed esponi te stesso e la Società a sanzioni anche di carattere penale



LATI TUTELA I DIRITTI UMANI

LATI si impegna a diffondere e consolidare una cultura basata sul rispetto, inclusione e valorizzazione di ogni persona



LATI RISPETTA LE REGOLE DI MERCATO

LATI tutela i propri clienti e respinge ogni forma di concorrenza sleale

Code of Ethics internal communication poster

6. For more information on the internal Sustainability Committee, please refer to [paragraph 1.2 History](#)

porate **welfare opportunities** to provide tangible support for improving the quality of life of workers and their families. Within the Italian perimeter, **100% of LATI employees are covered by the Rubber-Plastics CCNL** and receive remuneration compliant with the levels set by the collective agreement⁷. This approach ensures that all LATI people benefit from adequate remuneration conditions that respect the principles of equity, protection and dignity of work, in line with national and international best practices.

In 2025 LATI created a **short, visual version of the Code of Ethics**, with the aim of making it easier to consult and more accessible to everyone in the organization. The “**Co-dice Etico in Pillole**” (Code of Ethics in a nutshell) and its **Manifesto** are shared through corporate channels and are available both digitally and on noticeboards and printed materials. This simplified version, whose development was overseen and verified by the Supervisory Body, **does not replace** the original Code of Ethics, which remains the only complete and binding text, but serves as a support tool also within **information and training activities on the behaviors to be adopted in the company**, helping to strengthen the corporate ethical culture in a clear and usable way.

In order to ensure compliance with the regulations and rules that guide corporate activities, in 2019 LATI voluntarily prepared its **Organization, Management and Control Model**

pursuant to **Legislative Decree No. 231 of 8 June 2001**, which introduced into the Italian legal system the administrative liability regime (substantially equivalent to criminal liability) applicable to entities.

Through this model, LATI established the **Supervisory Body**, composed mostly of autonomous and independent external members, which is responsible for overseeing the functioning, observance and updating of the conduct Model and promoting its knowledge within the Company and the highest governance body.

The Code of Ethics and the Model also contain the **principles and values** that guide LATI in the **area of anti-corruption**, with specific provisions to ensure compliance with current regulations.

During 2025, the Supervisory Body did not receive any reports concerning non-compliance with aspects of Model 231. In addition, during the year, 5 of the 11 Company activities identified in Model 231 as “at risk” were assessed, and no cases of corruption or anti-competitive behavior, related legal actions, or significant non-compliance with social and economic regulations were identified. The Code of Ethics, Organization and Management Model 231 and Whistleblowing Procedure can be downloaded from the [website](#).



7. It is specified that employee workers in the branches and subsidiaries Extra Europe have entered into contractual agreements directly with the Company.

2.5 QHSE Policy and integrated management systems

GRI 2-25 | GRI 2-24 | GRI 2-23

Since 2020 LATI has implemented a certified **Integrated Quality, Environment, Health and Safety** Management System in compliance with the standards: ISO 9001:2015, IATF 16949:2016, ISO 14001:2015 and ISO 45001:2018. In line with the path toward obtaining ISO 50001:2018 certification, achieved at the beginning of 2025, in 2024 LATI **revised the Policy by integrating the requirements of ISO 50001 and its commitment to reducing energy consumption.**

Through the **Quality, Environment, Health and Safety and Energy Policy**, LATI is committed to continuously **improving its ability to integrate ESG (Environmental, Social, Governance) aspects into its business operations** by implementing innovative organizational and management processes and involving all Company levels.

In accordance with the Management System standards,

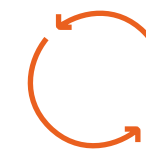
LATI assesses and **updates business risks integrated with the social and environmental aspects** most relevant to the context in which it operates.

The analysis of risks and opportunities, the sustainable management of the business and its value chain, digitalisation and the transition toward Industry 4.0 enable the Company to mitigate its potential negative impacts and expand its positive ones.

Among environmental factors, within the QHSE risk analysis, LATI pays particular attention to:



Reducing the impact of its products



Strengthening circularity policies



Recovering production scraps and process waste



Increasing production from renewable energy sources and the related self-consumption



Mitigating the environmental impacts to which production plants may be exposed



From the perspective of social impacts, the Company places the health and safety of its people at the center of the risk analysis:

- **Assessing** and improving workplaces also from a 4.0 perspective
- **Reducing direct exposure to chemical risk**

The particular attention paid to the supply chain in relation to LATI customers' needs enables the Company to remain dynamic and flexible and to mitigate risks of business interruption and resulting customer dissatisfaction.

All Management Systems manage negative impacts in accordance with the provisions of the specific integrated Procedure dedicated to complaints and non-conformities. For each impact area, all stakeholders are involved in the design, review, operation and improvement of procedures.

[QHSE Policy here.](#)

Industry 4.0 and safety

The high level of automation of the new machinery for weighing additives and colorants, introduced in 2022 in the preparation and mixing department, has enabled LATI to **minimize the chemical risk** to which people are exposed, as it prevents dust dispersion and limits spills into the environment.



2.6 Certifications

The main certifications obtained by LATI are listed below:

QUALITY	UNI EN ISO 9001:2015 International standard for Quality Management Systems certifying LATI’s ability to provide compliant products that meet customer requirements and applicable requirements. The standard aims to increase customer satisfaction through the effective application of the system and its continuous improvement. IATF 16949:2016 International standard for the Quality Management System in the automotive industry. The standard is fully integrated with UNI EN ISO 9001:2015.
ENVIRONMENT	UNI EN ISO 14001:2015 Main international reference standard for Environmental Management Systems for integrating environmental management practices into the Company, pursuing environmental protection, pollution prevention and the reduction of energy and natural resource consumption. Operation Clean Sweep® The OCS® certification, developed by the Plastics Industry Association and the American Chemistry Council, certifies the adoption of rigorous measures aimed at the “zero resin loss” objective and contributes to the protection of the environment, water quality and worker safety.
ENERGY	UNI CEI EN ISO 50001:2018 International standard dedicated to Energy Management Systems, created by the International Organization for Standardization (ISO) to support organizations in improving energy efficiency, reducing energy costs and reducing greenhouse gas emissions through a systematic approach.
HEALTH & SAFETY	UNI ISO 45001:2018 International standard for occupational health and safety management systems that establishes a framework for improving safety, reducing workplace risks and improving workers’ health and wellbeing.
INCLUSION	UNI PdR 125:2022 Italian reference practice that certifies an organization’s internal management system dedicated to policies that implement and promote gender equality.

LATI's product portfolio includes more than 150 UL self-extinguishing certifications, a number of approvals according to EN 45545 for the railway sector, VDE-certified compounds, materials approved for food contact under NSF/ANSI 51 and materials suitable for transporting drinking water according to NSF 61, ACS, WRAS, W270 and KTW standards.



UL Yellow Cards

List of materials with UL certifications for electrical safety and fire resistance



UL insulation systems

List of materials with UL 1446 certification for electrical insulation systems (EIS)



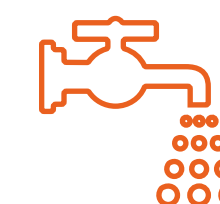
VDE Certification

safety and electromagnetic compatibility



Contact with foodstuffs

List of materials certified for contact with food



Drinking water

List of materials certified for the transport of drinking water



Railway sector

List of certified materials for the railway sector

LATI continues UL certifications for self-extinguishing materials

LATI's objective is to provide materials and data to help customers **design products that are safe and sustainable by design**.

In line with its commitments, during 2025 important new developments were launched to **certify as flame-resistant reinforced compounds obtained from polymer matrices derived from chemical or mechanical recycling**. The ongoing validations concern LATAMID 66 MR H2 G/25-V0HF1, LATAMID 62 MR H2 G/30-V0HF1 and LATAMID 62 MR H2 G/20 and G/30-V2HF,

for which the content of mechanically recycled post-industrial polymer will be validated, while also assessing the products' temperature resistance through the relative temperature index.

There are also interesting new initiatives for new high-GWIT proposals designed for the appliance world, including LATAMID 66 H2 G/25-GWHF1.

Finally, mention should be made both of the development of a PA9T-based self-extinguishing compound for high temperatures, LARAMID T G/30-V0HF1, and the first steps in the world of e-mobility, with several LATI **grades designed to produce battery pack covers passing torch&grit tests**.

2.7 Memberships of associations

GRI 2-28

As required by the relevant GRI, only the national or international associations and advocacy organizations in which LATI participates are reported:



Associazione Fabbrica Intelligente Lombardia is the regional technology cluster recognized by the Lombardy Region that promotes collaboration among companies, universities, research centers and associations, including Confindustria Varese, for the development of advanced manufacturing.



AiFOS (Italian Association of Occupational Safety Trainers and Operators) is a national non-profit association committed to spreading a culture of health and safety in living and working environments. The association enhances the role of training as a fundamental tool for prevention and worker protection.



Comitato Elettrotecnico Italiano is Italy's reference body for technical standardization in the electrotechnical, electronic and telecommunications sectors. Founded in 1909, it promotes safety, innovation and sustainability through technical standards and training.



AIDAF aims to be the reference point in Italy for family businesses; today it brings together more than 275 companies, representing approximately 17% of Italian GDP.



Aice is the non-profit business association that, for more than 75 years, has represented Italian companies active in international trade. It offers comprehensive assistance on all sector issues and maintains institutional relations with national and international authorities.



CPA is a voluntary initiative launched by more than 100 European organizations, including SMEs, large companies, research institutes and administrative authorities, with the aim of enabling the use of up to 10 million tons of recycled plastic each year to produce new goods in Europe.



Confindustria Varese is an independent, non-partisan, non-profit business association belonging to the Confindustria System, with 1,062 member companies employing 65,883 people. LATI is also part of the Confindustria Rubber and Plastics group.



Since 2021, EuMBC has been a sector group of EuPC (European Plastics Converters) that is particularly active in all areas of interest to the plastics industry, such as REACH, food contact, regulation and new technologies.



Fondazione Libellula aims to act at a cultural level to prevent gender-based violence and promote inclusion in the workplace through its company network and training projects, and in the community through its care projects.



Launched by Borsa Italiana in 2012 and now part of the Euronext Group, ELITE is the ecosystem that helps small and medium-sized enterprises grow and access private and public capital markets.



Federazione Gomma Plastica is the Confindustria association representing Italian companies in the rubber, plastics and electrical cable sectors through Assogomma and Unionplast. It promotes the economic, technical and environmental development of the sector, with a strong commitment to sustainability, recycling and innovation, representing nearly 500 companies and more than 51,000 workers.



Forum della Meritocrazia is a non-profit association established in Italy to promote the culture of merit as a lever for a fairer and more inclusive society, through projects, events and collaborations with national and international institutions.



Operation Clean Sweep® (OCS) is a European product stewardship programme designed to ensure that resin, pellets, flakes and powders passing through plastics production plants do not end up in the environment.



Giunca is the first corporate welfare network in Italy, established in 2012 to collaborate through joint actions to improve the wellbeing of its employees



UN Global Compact Network Italy is the UN (United Nations) local foundation and network that promotes the 10 Principles of the Global Compact and the 2030 Agenda among Italian companies. With more than 700 participants, it supports companies in integrating sustainable practices in the areas of environment, human rights, labor and anti-corruption.



The Proplast Consortium is a leading technology center in the creation and promotion of innovative solutions for the plastics industry. Founded in 1998 in Alessandria, it offers research, development, training and consulting services to companies in the sector.



The Italian Association of Plastics Technicians (TMP) is an organization founded in 1979 that informs and updates technicians in the plastics sector on materials, their use and new technologies. It promotes members' professional growth through seminars, conferences and other initiatives.



Women in Plastics Italy, established in 2024, is the Association that brings together professionals, companies and supporters working in the plastics industry. The community's goal is to enhance female talent and promote an inclusive and sustainable culture within the sector.



3. The business model



3.1 The economic backdrop

GRI 2-6

LATI is a **European leader in the production of engineering thermoplastic compounds for injection molding**.

The relationship between LATI and its customers is strong in the **Italian and European markets** thanks to **widespread technical and logistics support**. LATI aims for **growth and development in international contexts** where it is investing in new partnerships: China, India and the USA.

LATI's strengths are product and service quality. In addition, the Company's ability to create value lies in product innovation, attention to market developments, the creation of solid relationships with new customers and the loyalty of existing customers.

Product and process are updated and innovated through technical expertise in R&D, industrialization and support for the development of end-user applications. Market monitoring takes place through marketing intelligence and sales force capabilities.

Geopolitical uncertainty, high energy prices, labor policies and supply difficulties are factors that reduce the competitiveness of Italian industry. Uncertainty, lack of confidence and inflation are reflected in falling demand, especially for durable goods, which are the primary reference markets.

People and local area at the center

Creating a **Company-employee-local area** relationship aimed at protecting the interests and wellbeing of all parties involved leads to a better approach to work and to the presence of industry. The introduction of **5/5 smart working, maximum operational flexibility** and solid **corporate welfare** options are a success factor for LATI. The **Company's sound financial health** translates into greater retention of its people, further supported by the significant investments the Company is making locally to foster quality local employment.



3.2 The company's range of products and services

3.2.1 LATI compounds

GRI 2-6 | 417-1 | 417-2 | 417-3 | 416-1 | 416-2

LATI produces thermoplastic compounds obtained by mixing polymer bases with different types **of functional additives, fillers, reinforcing agents** and pigments, which, once incorporated, give the material performance characteristics that are very different from those of the original polymer. These materials, in granule form, are raw materials for the production of countless objects, components and parts of highly complex and demanding structures. LATI's portfolio **includes a wide variety** of materials that can meet different and technologically advanced needs and functions, enabling their use in **diverse engineering applications**.

LATI is a European market leader **in the production of self-extinguishing materials for the electrical** and appliance sectors. Alongside the ongoing management of its “core business” and leveraging its distinctive expertise, LATI has long been **committed to expanding its portfolio with increasingly high value-added products**. Specialty compounds, whether self-lubricating, thermally or electrically conductive,

detectable or for 3D printing, have the distinctive ability to **serve increasingly diversified market niches**: from automotive to design, from food to machinery, from coffee machines to medical applications.

LATI materials for professional hairstyling

The collaboration between **LATI and Conair (BabylissPRO)** demonstrates how advanced plastic materials can improve the performance and reliability of professional hairstyling appliances. In new styling tools, such as the **BabylissPRO Stilista straightener and the BabylissPRO Falco hair dryer**, LATI high-performance compounds ensure **heat resistance, dimensional stability and safety even above 200°C**. These properties make it possible to maintain precision, ease of use and durability over time, contributing to the development of more efficient and quieter tools for industry professionals.

To learn more:

- [Hairstyling and high temperatures: materials technology in the BabylissPRO straightener](#)
- [High temperature, zero noise: the new standard for professional hair dryers](#)



To guarantee the quality of its products, the Company has a **labeling system that allows verification** of the sourcing of product components, their content and specifically the possible presence of substances with potential negative environmental or social impacts, product disposal methods and the related environmental or social impacts. LATI's attention to these issues has enabled the Company to operate consistently in compliance with regulations and internal procedures. It should be noted that in 2025 no incidents of non-compliance with regulations and/or voluntary codes were recorded either regarding product and service information and labeling or marketing communications.

In addition, LATI assesses health and safety impacts for 100% of product categories and in 2025 no non-compliance with regulations and/or voluntary codes regarding the health and safety impacts of its products was recorded. The Company ensures application of the REACH Regulation (EC No. 1907/2006) and the RoHS Directive (2011/65/EU), operating in compliance with the related regulatory requirements. The Company actively collaborates with customers and suppliers and indicates in Safety Data Sheets the possible presence of substances of very high concern (SVHC) in its products, thereby ensuring transparency and continuity of information throughout the supply chain.

Detectable MDT materials: preventing contamination in industrial processes

To support companies in preventing accidental contamination, LATI has developed the MDT – **Magnetically Detectable Thermoplastics** range, plastic materials designed to be detected **by magnetic-field metal detectors and X-ray systems** even when present as small fragments. These compounds maintain the mechanical and thermal performance typical of engineering polymers while introducing a fundamental safety function for regulated sectors such as **food and pharmaceuticals**.

A first example concerns applications in **food transport systems**. Some component manufacturers for handling lines, such as Forbo and Ganal, have used LATI MDT materials to produce plastic elements used in modular conveyor belts. In this way, any fragments resulting from component wear can be quickly identified by detection systems along

production lines, helping to reduce the risk of food contamination.

MDT compounds have also been adopted by **CEJN**, a Swedish company specializing in pneumatic solutions, to produce the 208 Detect blow **gun intended** for sensitive industrial environments. The selected material ensures reliability, strength and the possibility of quickly identifying any plastic fragments within production processes.

These cases demonstrate how materials innovation can make a concrete contribution to **strengthening quality control and safety systems in industrial supply chains**, offering manufacturers a technical solution that combines performance and risk prevention.

To learn more about the case studies:

- [Forbo case](#)
- [CEJN case](#)
- [Ganal case](#)



Engineering

Filled and reinforced compounds, the simplest solution for the most varied applications



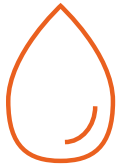
Structural

High glass fibre and carbon content for metal replacement applications: robust and resistant



Self-extinguishing

Certified flame-retardant compounds for multiple application sectors



Self-lubricating

Formulas that reduce friction and wear without external lubrication



Electrically conductive

Antistatic, dissipative, electromagnetic radiation shielding compound



Thermally conductive

Effective and efficient in conveying heat without using metals



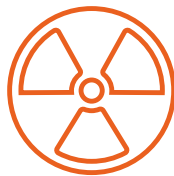
High temperature

Compounds for safe use even at temperatures higher than 150°C



Magnetically detectable

Detectable materials for injection moulding, ideal for the food industry



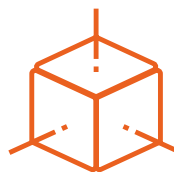
Radiopaque

X-ray opaque and shielding, lead-free compounds



Density controlled

Super-lightweight compounds obtained with expanding agents or with elevated specific weight



3D printing

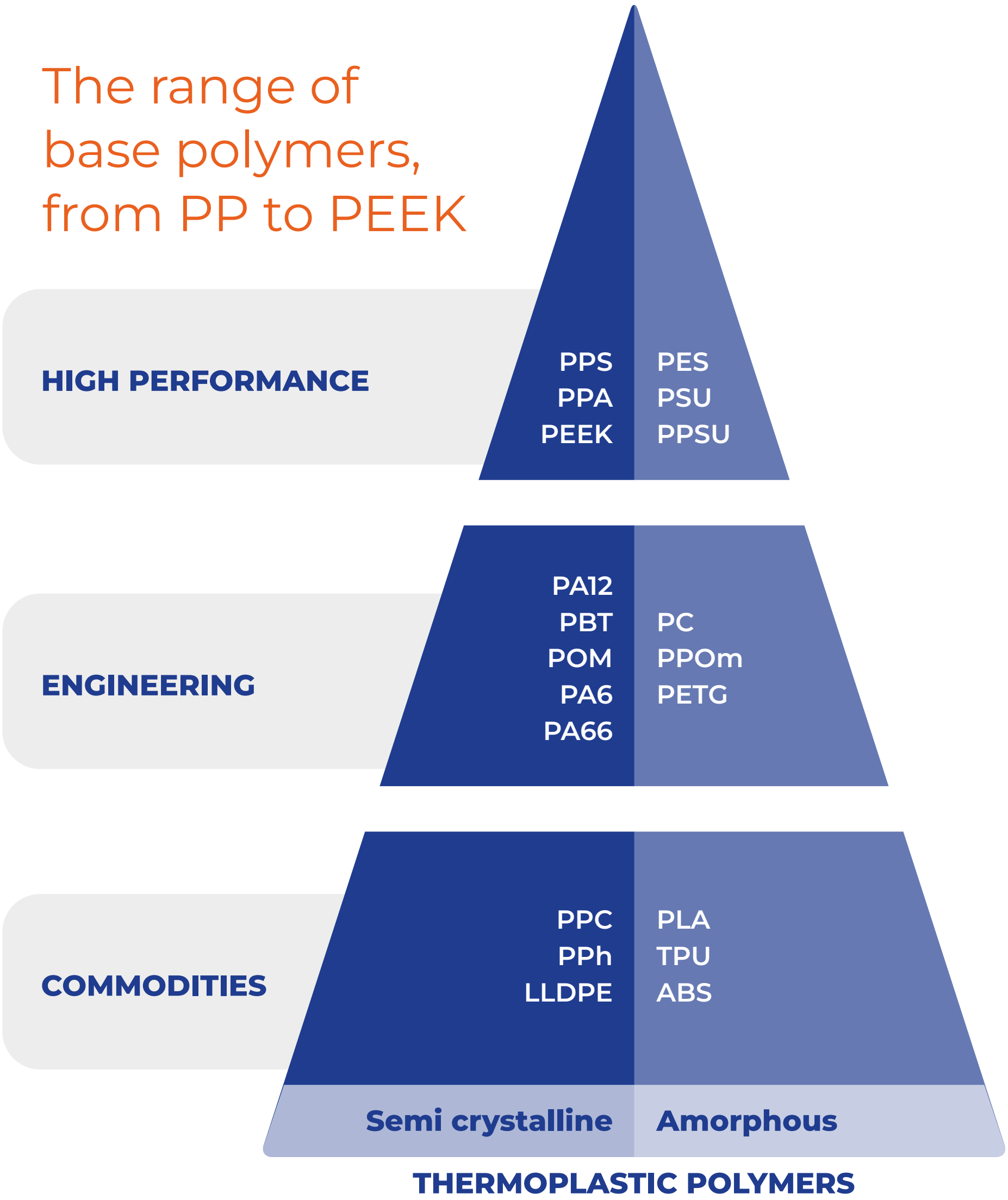
Designed for the production of special yarns



Green and sustainable

Sustainable, renewable, low environmental impact

The range of base polymers, from PP to PEEK



3.2.2 Services and technical support

GRI 2-6

LATI supports its Customers from the earliest **design stages**, in choosing the most suitable material or creating a new product, offering assistance throughout all phases of using the product in the final intended application. The Company creates **tailor-made products** in response to specific customer needs.

LATI also offers its Customers the opportunity to verify the validity of projects with the aid of **FEM computer simulations**, through which it is possible not only to optimize the thermal and mechanical performance of products by acting directly on the formulation of the technical compounds used for their production, but also to correct the mold before it is built or to solve molding and deformation problems.

Thanks to the know-how of its people, LATI also supports customers during the **product “use” phases by providing**, when necessary, molding assistance to solve problems, optimize productivity and quality, start up production processes and correctly interpret the specific features of the most sophisticated compounds.

The Company offers support in **managing regulatory issues**, also directly assisting customers through the material certification process at globally accredited laboratories and bodies. LATI issues internal certifications of compliance with the laws required by all markets.

LATI protects its Customers at every stage of the relationship. The **Company carries out a careful safety assessment of its products**, which covers 100% of the products in its corporate portfolio. At the same time, LATI is committed to **protecting its Customers’ privacy**, for which it provides a specific notice in compliance with current legislation.

LATI has been conducting environmental assessments of its materials for many **years using accredited Life Cycle Assessment (LCA)** methodologies. The Company **applies a cradle-to-gate approach**, analyzing the entire product life cycle from the selection of raw materials to compound production, in order to identify the main levers for impact re-

duction. The studies currently underway compare formulations based on virgin **raw materials** with “sustainable” versions using **post-industrial recycled raw materials and/or biobased polymers, transparently quantifying the environmental benefits of lower-impact alternatives**.

LATI also performs periodic assessments of the **Global Warming Potential (GWP)** of its compounds, supporting the Company’s objective of developing **lower CO₂ emission materials** and continuously improving the environmental performance offered to customers.

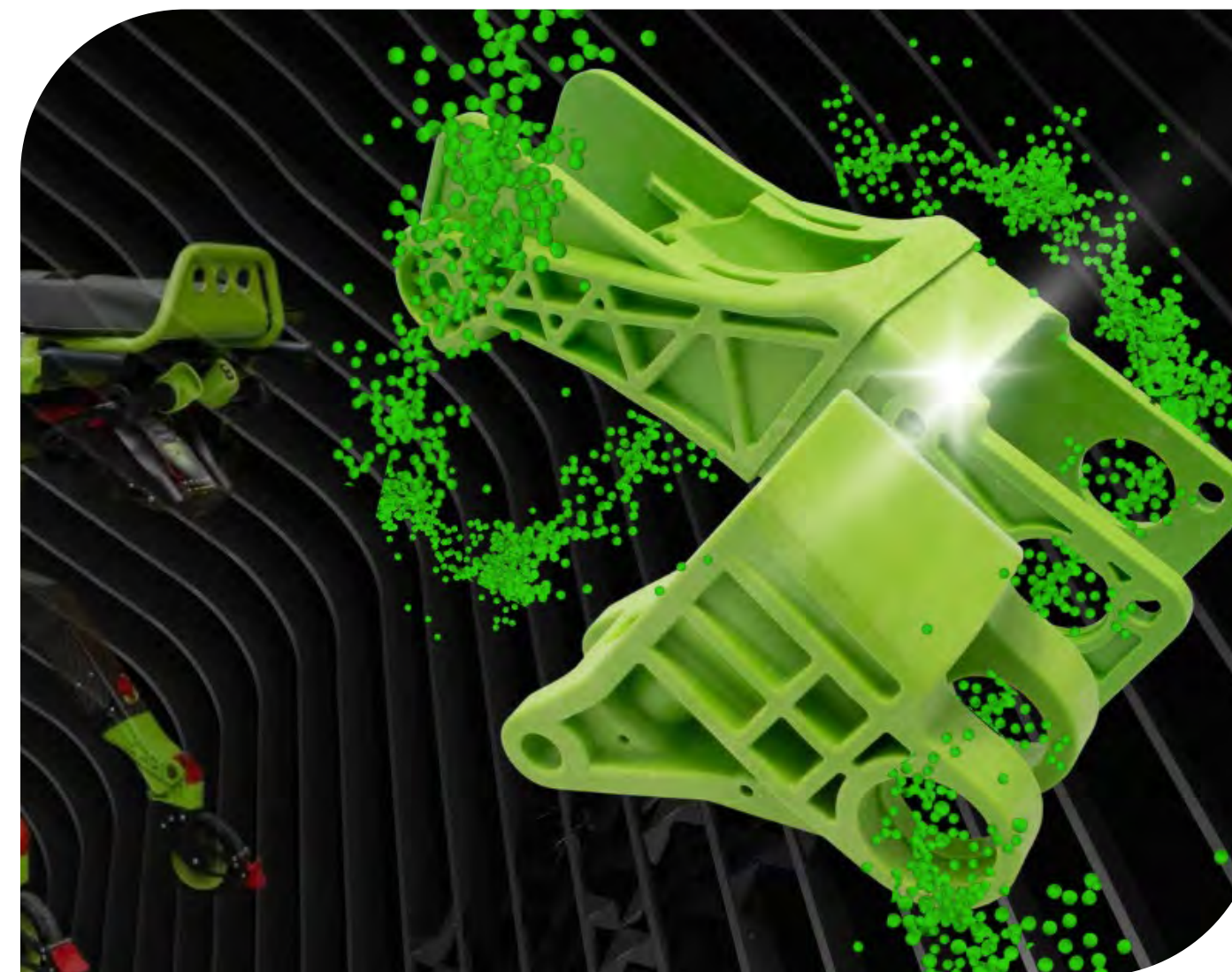
Last but not least, through specific **training courses** organized by qualified personnel, employees and interested Customers are offered useful knowledge about the **characteristics of thermoplastic compounds** in order to raise stakeholder awareness of plastics **that are more sustainable, more durable and safer**.

View LATI technical webinars [here](#).

The new LATI website: a simpler and more intuitive digital experience

In 2025 LATI launched its **new corporate website**, completely redesigned to offer a simpler, faster and more intuitive browsing experience. The website was developed as a true **working tool for customers, partners and designers**, with clearer content, linear browsing paths and an improved search engine to quickly identify materials and technical information. Filters for news and events, direct access to the materials database and greater availability of technical content, webinars and insights were also introduced. The new website reflects LATI's evolution and its growing international presence.

For further information, read the article [on this page](#)



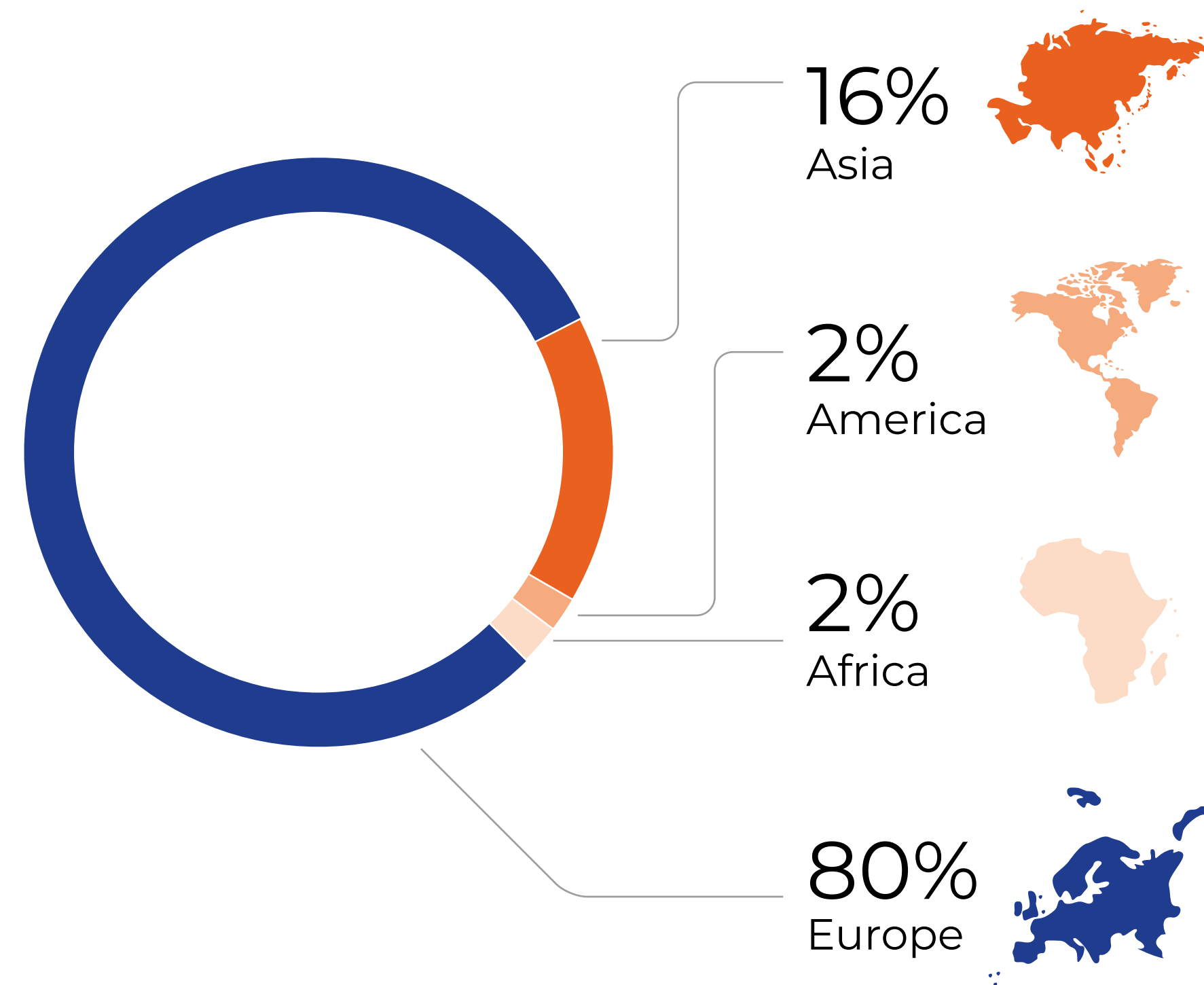
Glass-fiber-reinforced compounds for structural applications

The **glass-fiber-reinforced thermoplastic compounds developed by LATI** offer high mechanical performance, dimensional stability and heat resistance, making them ideal for structural applications in various industrial sectors. These materials make it possible, for example, **to replace traditional metal alloys**, such as lead-free brass, with lighter and corrosion-resistant solutions. At the same time, they are used in technical components subject to mechanical stress, such as parts of GISOWATT **industrial vacuum cleaners** or **complex structures** such as the **SPARK robotic stretcher holder**, helping to improve the robustness, reliability and durability of applications over time.

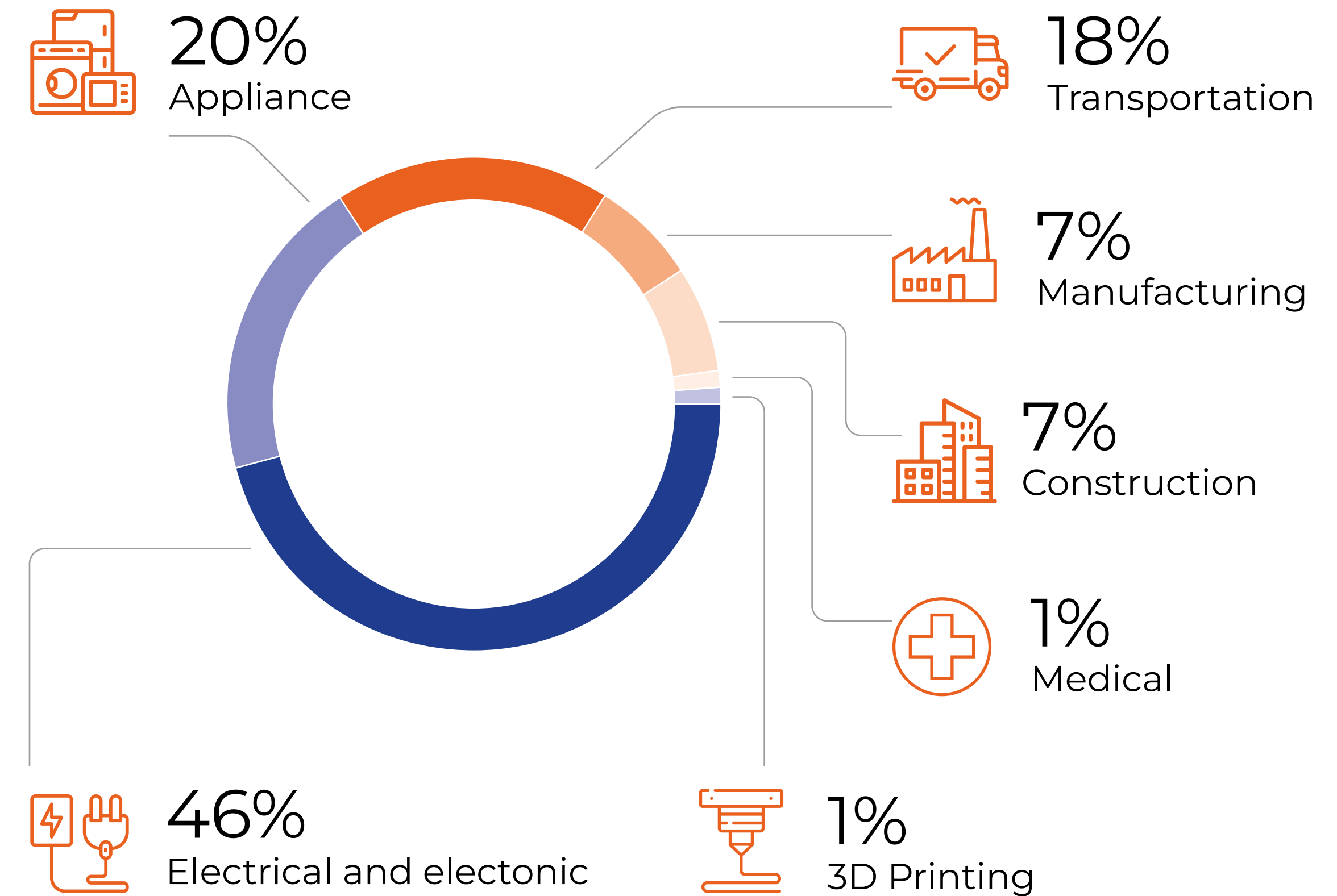
To learn more:

- [Lead-free brass and structural compounds](#)
- [Gisowatt case study](#)
- [Stem EMS case study](#)

Markets served



Industrial sectors served



3.2.3 Supply chain

GRI 2-6 | GRI 204-1 | GRI 308-1 | GRI 414-1

LATI operates with a **global supply chain**, preferring local suppliers wherever possible. In this way, LATI is committed to **reducing the distance of its value chain in order to prevent potential environmental and social impacts** and to contribute to creating local economic activity, **generating value in the area** where it is present.

The challenges of sourcing **raw materials** and the necessary technical requirements of materials place strict constraints on the ability to choose suppliers and purchase materials locally. For this reason, **local raw material suppliers account for 59% of the total number of raw material suppliers, with an economic value of 46%.**

The context is different for **suppliers of goods and services**. LATI’s approach has enabled it to consolidate over time many relationships with suppliers of goods and **services operating in Italy**, which account for 89% of suppliers in this purchasing category and represent a total of 96% of the value of all goods and services purchased by LATI.



758 suppliers



98 ML/€



89% allocated to raw material purchases

GRI 2-6 - Activities, value chain and other business relationships

Geographical area	Unit of measure	2023	2024	2025
Italy	n	594	561	603
Europe	n	115	102	109
Extra Europe	n	44	45	46
Total suppliers	n	753	708	758
	% raw materials	25%	27%	27%
	% indirect goods and services	75%	73%	73%

LATI selects its suppliers according to **criteria of impartiality and fairness** and transparent methods declared in the procedure for controlling externally provided processes, products and services, avoiding conflicts of interest, including potential conflicts. As required by the Organizational Procedure for controlling externally provided processes, products and services, the Company **qualifies 100% of suppliers with whom it starts a purchasing relationship for the first time**. It should be noted that in 2025 the new raw material suppliers assessed through the **Preliminary vendor** evaluation form numbered 13.

In addition to aspects related to product and service quality, LATI also uses **sustainability criteria** to annually assess 100% of **its active raw material suppliers**. These requirements are based on aspects arising from compliance with the Quality Management Systems **UNI EN ISO 9001:2015 and IATF 16949:2016**, Environment **UNI EN ISO 14001:2015**, and Health and Safety **ISO 45001:2018**. In 2025 the results of the raw material supplier assessment showed that:

- **55% have a UNI EN ISO 14001:2015 Environmental Management System;**
- **28% have an ISO 45001:2018 Occupational Health and Safety Management System.**

In 2025 LATI integrated gender **equality, diversity & inclusion and human rights aspects into the assessment of active suppliers**, sending active suppliers a specific as-

assessment to collect structured information on these topics with the aim of carrying out an initial mapping of the supply chain. The initiative is part of the Company's path already launched with **UNI/PdR 125:2022 certification**, the **update of the Code of Ethics and adherence to the Manifesto for Gender Equality** in the Italian supply chain, with the aim of promoting an increasingly responsible supply chain aligned with the values of equity and respect for people. To support this **commitment**, **LATI also intensified dissemination of the path** and sharing of its Policies on gender equality, inclusion and human rights within the supply chain, fostering growing awareness and progressive alignment of suppliers with corporate principles. The questionnaire recorded a response rate of 46%. Among the suppliers assessed, 85% of respondents declared that they adopt a code of ethics or code of conduct including references to human rights, while the remaining 15% planned to obtain one. In addition, one supplier already holds UNI/PdR 125:2022 Gender Equality certification, highlighting a good level of maturity on these topics within the supply chain.

LATI shares the Supplier Quality Manual with all its partners with the aim of coordinating collaboration with suppliers in order to create and maintain long-term **relationships, continuous alignment of expectations and transparency**. In this way, LATI has been able to build lasting relationships with **its suppliers over time**. In particular, with strategic suppliers, the partnership generated is approximately 20 years.

At the request of Company Departments or according to defined planning, LATI may carry out **integrated external** audits covering Quality, Health and Safety and Environment in line with international ISO standards. These audits aim to assess whether the Management System meets expected requirements, verify the effectiveness of actions taken following Corrective Actions, check the conformity of products, processes and services and, more generally, ascertain compliance with the minimum requirements defined by LATI, also from an ESG perspective. In 2025 LATI carried out audits at 4 suppliers.

Manifesto for Gender Equality in the Italian supply chain

In 2024 LATI joined the **Manifesto for Gender Equality in the Italian supply chain promoted by Winning Women Institute**, an organization that promotes gender equality and helps companies create fairer and more inclusive workplaces. As a **company certified for Gender Equality** according to UNI PdR 125:2022, LATI, together with the signatory companies, is committed to promoting change also outside its own organization, encouraging the social and economic fabric to adopt sustainable and inclusive initiatives. The Manifesto promotes gender equity and inclusion within companies also through the involvement of the supplier chain.

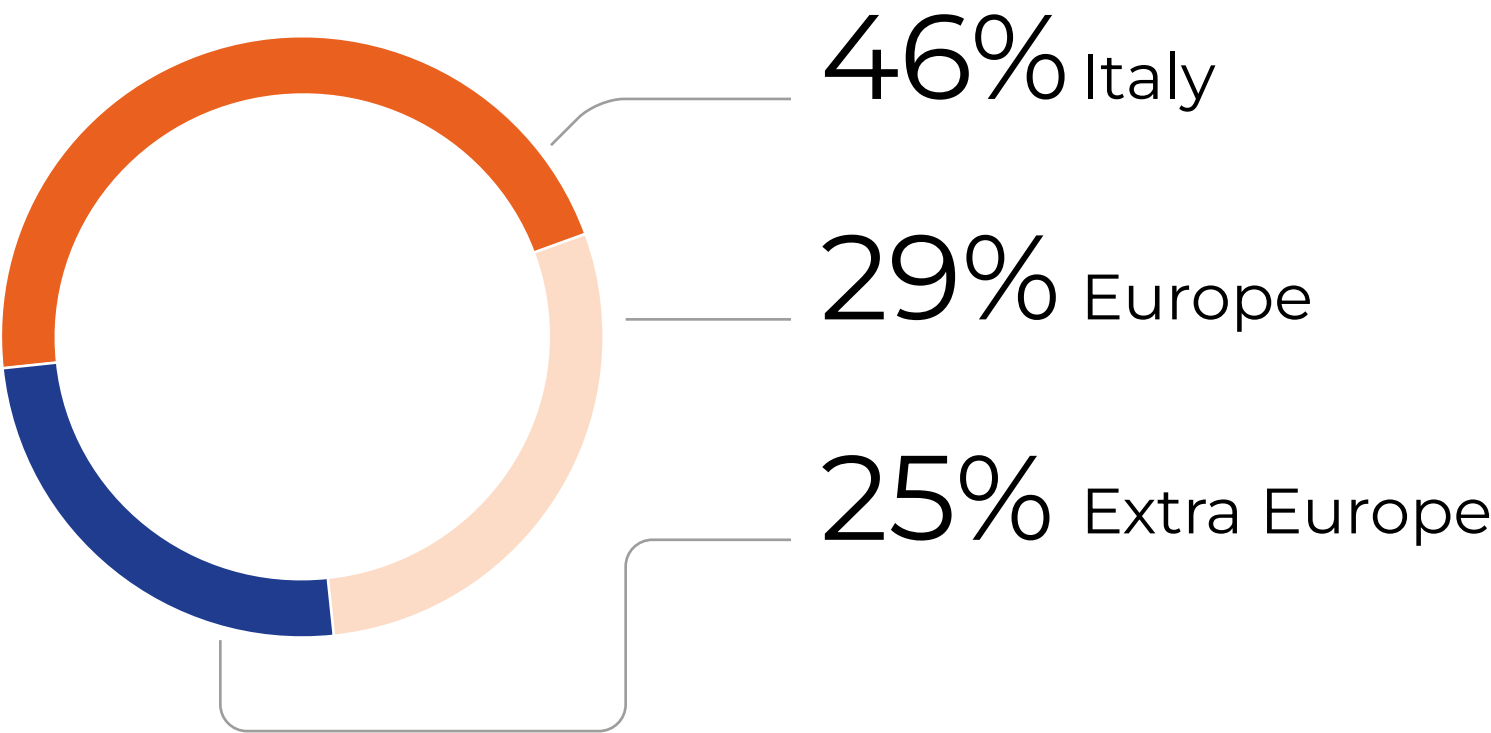
Check [here](#)

The following table details the proportion of spending on raw material suppliers and indirect goods and services by reference geographical area⁸

GRI 204-1 Proportion of spending on local suppliers				
Geographical area	Unit of measure	2023	2024	2025
Italy	€	46,367,290	50,223,994	49,706,325
Europe	€	27,536,935	28,536,222	26,752,198
Extra Europe	€	21,302,697	21,605,981	22,281,237
Total suppliers	€	95,206,922	100,366,196	98,739,760
	% raw materials	89%	90%	89%
	% indirect goods and services	11%	10%	11%

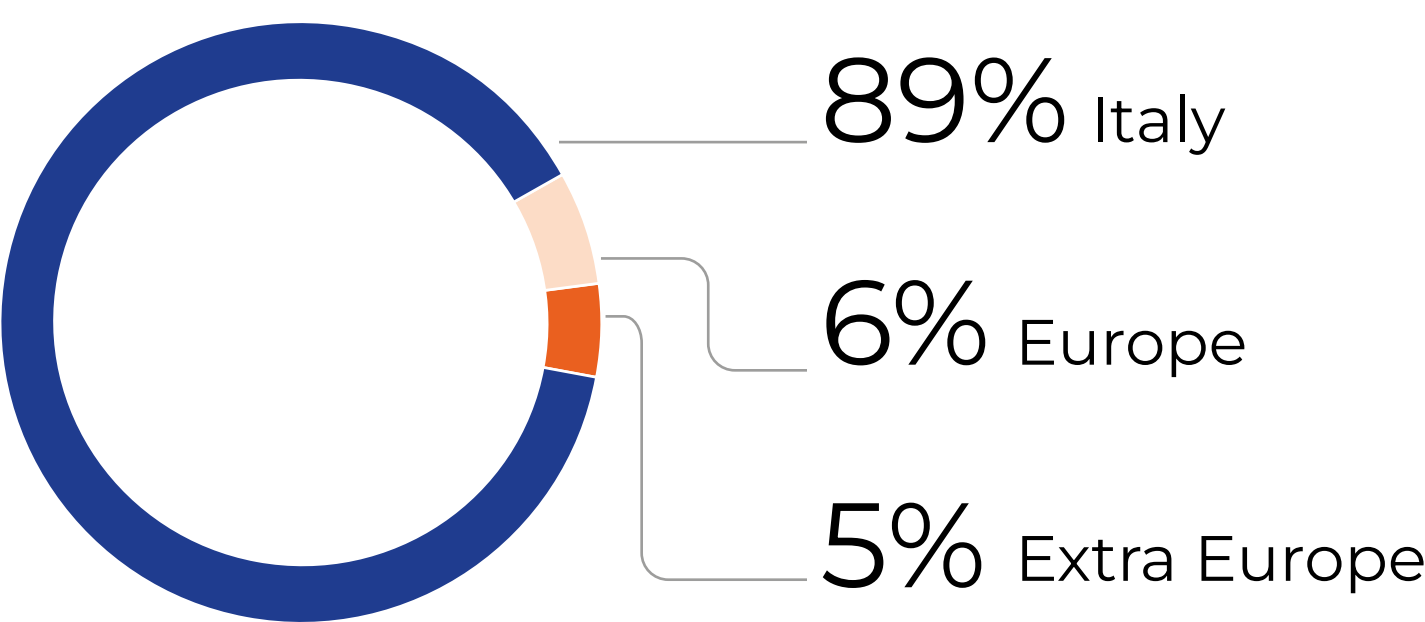
Raw materials 2025

Tot. 88,171,236 €



Indirect goods and services 2025

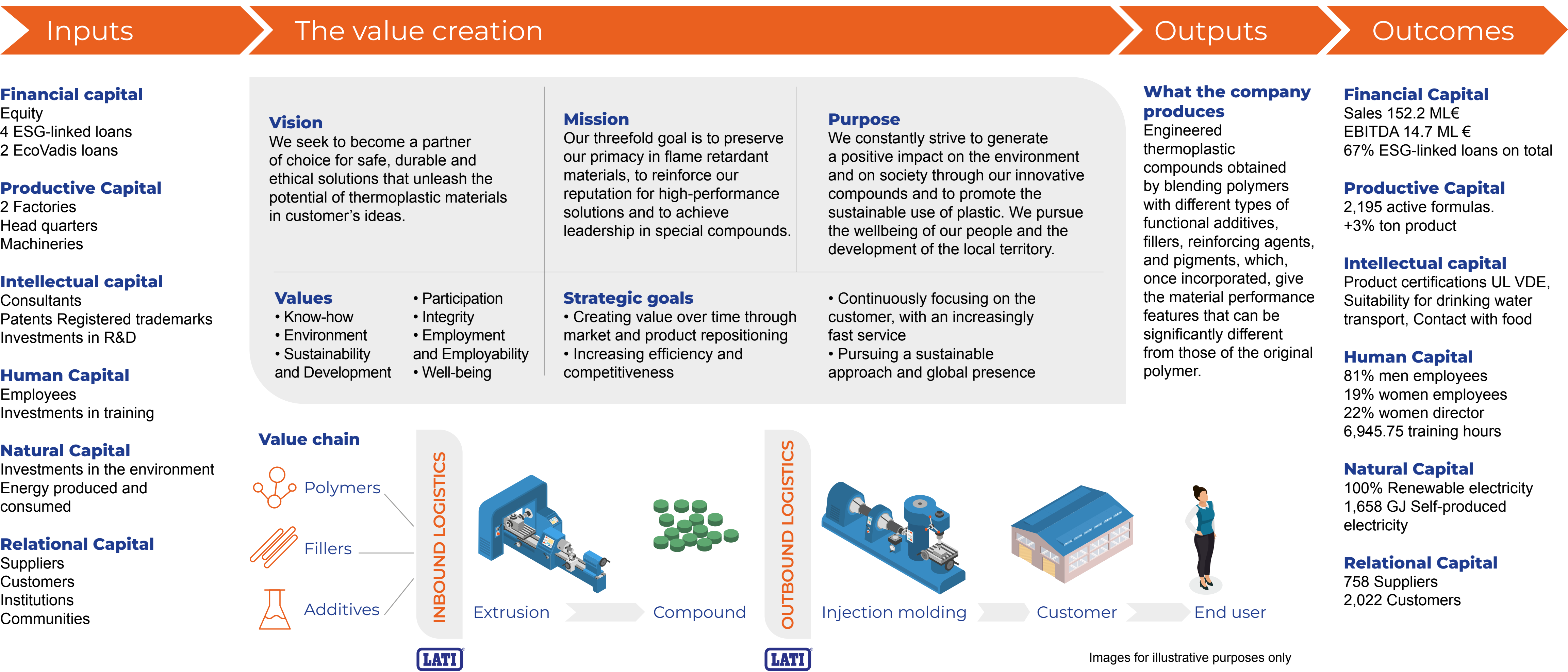
Tot 10,568,524 €



8. “Local suppliers” refer to suppliers with an operational headquarters in Italy. In relation to the Company’s business, significant business locations are deemed those that host manufacturing activities.

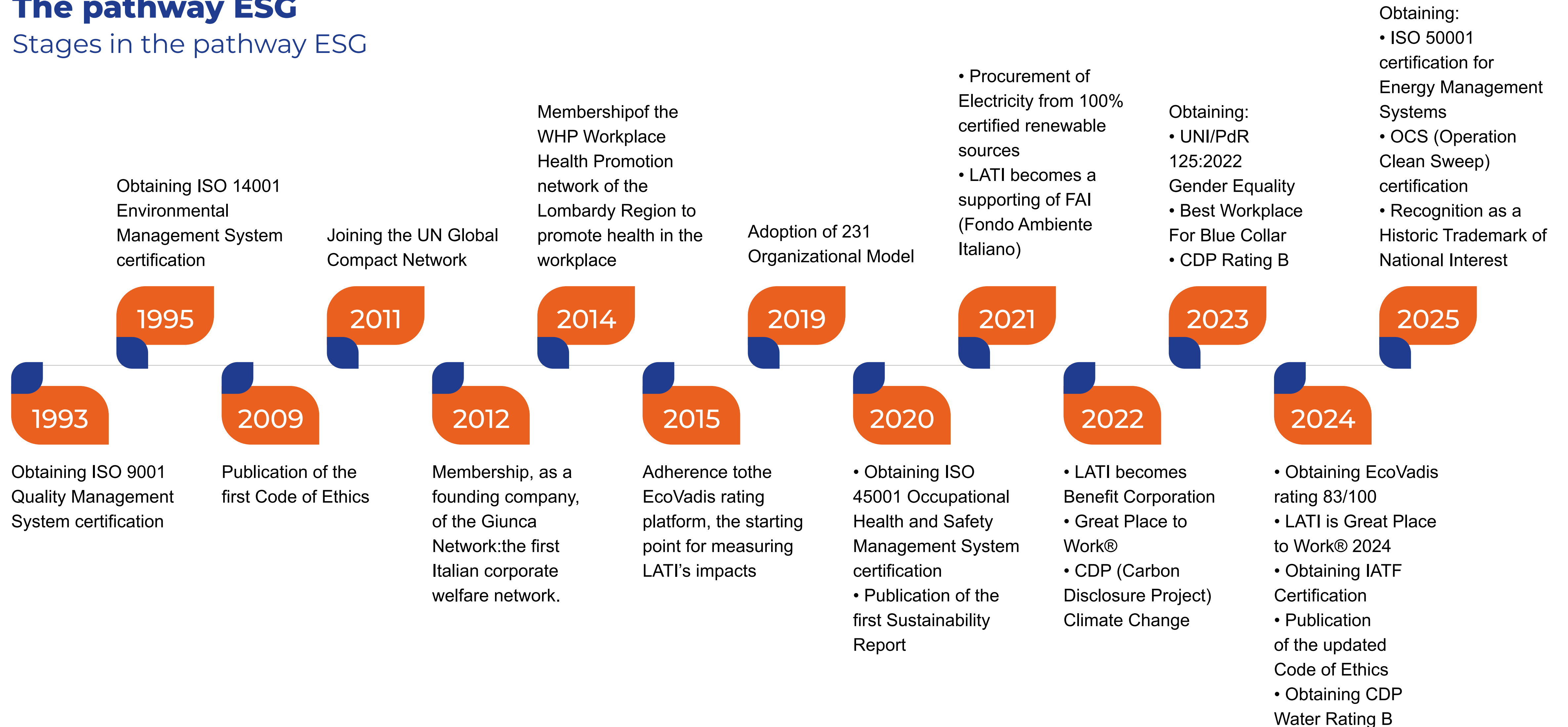
3.3 The creation of shared value

The diagram summarizes how LATI generates value, analyzing the financial and non-financial capitals used by the organization and how they are transformed into impacts (outcomes) through its business activities.



The pathway ESG

Stages in the pathway ESG

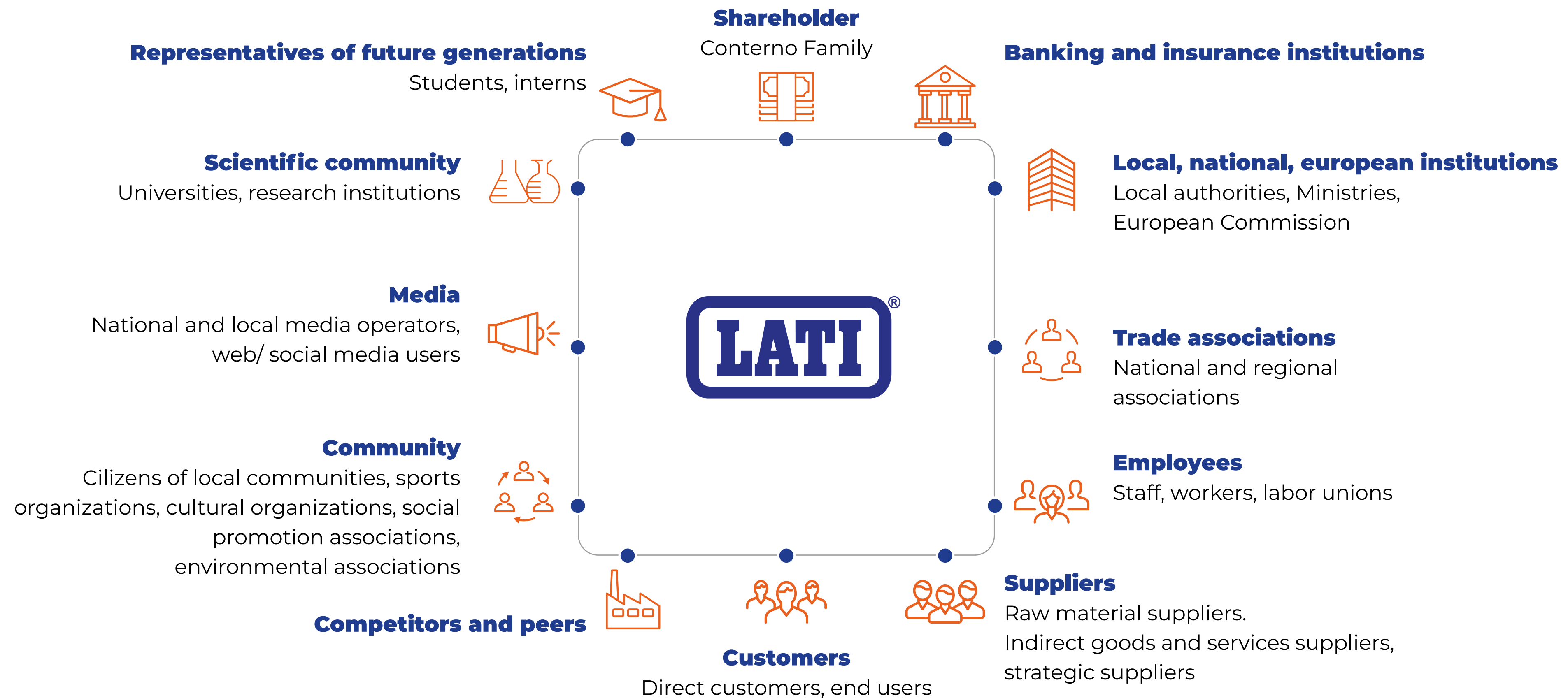


3.4 Stakeholder engagement

GRI 2-29

LATI considers collaboration with its stakeholders to be a fundamental element in directing its business strategy and maximizing its ability to create value over time. For this rea-

son, it is committed to playing an active role within its relational network, promoting the values that distinguish its work and working to build solid and lasting relationships.



As its first commitment to all its stakeholders, LATI works, on the one hand, to continuously improve its ability to listen to and receive the requests expressed by stakeholders and, on the other, to guarantee clear and transparent information through its institutional communication channels, providing prompt and precise responses to requests from internal and external stakeholders.

From this perspective, LATI draws inspiration from the *principles of the AccountAbility AA1000AP* framework (inclusivity, responsiveness, materiality and impact), engaging its stakeholders consistently with the Accountability 1000 – *Stakeholder Engagement Standard process standard*.

In this direction, before moving on to a phase of actual stakeholder engagement, LATI selects stakeholders based on the type of relationship, considering significance, the nature of the relationship and its frequency. Among the five criteria illustrated by AA1000 SES (responsibility, influence, tension, dependence, diverse perspectives), LATI considers the following selection criteria:

- **influence**, meaning that it selects those parties that are, or may in the future be, able to influence the Company's ability to achieve its objectives, thereby influencing the Company's strategic and operational processes;
- **dependence**, meaning that it selects those parties that depend most on the products and their performance and that therefore need to be involved in a more structured way in the management of business activities.

The AccountAbility Principles

MATERIALITY

Decision makers should identify and be clear about the sustainability topics that matter

IMPACT

Organisations should monitor, measure and be accountable for how their actions affect their broader ecosystems

INCLUSIVITY

People should have a say in the decisions that impact them

RESPONSIVENESS

Organisations should act transparently on material sustainability topics and their related impacts

As a result, at a more strictly operational level, opportunities for stakeholder engagement arise partly from Company needs and objectives and partly from requests from the stakeholders themselves.

Relations with stakeholders are managed horizontally by all Company functions, within their respective areas of responsibility. The engagement process is in fact fully inte-

grated into the ordinary management of business activities and is planned with the different Company owners involved in the various dialogue channels with the relevant stakeholders.

The following table describes the main stakeholder engagement methods:

STAKEHOLDER	ENGAGEMENT TOOLS
SHAREHOLDER	Meetings Periodic preparation and sharing of information material
BANKING AND INSURANCE INSTITUTIONS	Meetings Periodic sending of information material
LOCAL, NATIONAL AND EUROPEAN INSTITUTIONS	Meetings with local institutions Participation in working groups Creation of local networks to support the management of emergency situations
TRADE ASSOCIATIONS	Participation in association initiatives Sharing information on LATI and its business activities in periodic meetings Participation in working groups Participation in research activities promoted by associations
WORKERS	Company intranet Internal communication programme Mailing Periodic discussion and internal alignment meetings Internal training activities Internal surveys addressed to employees Trade union meetings
SUPPLIERS	Periodic meetings, surveys, one-to-one meetings

LATI 80 years: a year of meetings with the Company's communities

On the occasion of its **80th anniversary**, LATI organized several moments of engagement during the year with its communities of reference. The celebrations began in the spring with the **sales force and Account Manager meeting at the headquarters**, which was also attended by international customers. In June, **the Company opened its doors to employees, families and friends for the Festa sull'Aia**, while in September, in collaboration with LIUC – Università Cattaneo, it organized an **event dedicated to family-owned customer companies**. The celebrations concluded with the **Christmas party**, during which the M53 warehouse at the headquarters was transformed into a space to welcome stakeholders, suppliers, customers and the press. During the year there were also other significant moments with various communities linked to the Company, including **Confindustria Giovani and the Women in Plastics association**.

STAKEHOLDER	ENGAGEMENT TOOLS
CUSTOMERS	Dedicated section of the website Preparation and sharing of product information materials (technical data sheets) Periodic meetings Technical training Dedicated technical webinars Collaboration projects Survey
COMPETITORS AND PEERS	Collaboration projects
COMMUNITY	Participation in working groups Promotion of and/or participation in projects organized in collaboration with civil society organizations Dialogue initiatives with local associations Creation of local networks to support the management of emergency situations Sponsorships and charitable donations
MEDIA	Website Participation in initiatives aimed at sharing information on LATI and its business activities
SCIENTIFIC COMMUNITY	Participation in European projects Participation in research projects Participation in working groups
REPRESENTATIVES OF FUTURE GENERATIONS	Presence on social media channels Innovative projects and/or projects supporting sustainable development Meetings in schools Internships and traineeships School-work programme

To give greater focus to its sustainability management path, also in relation to future challenges, in 2023 LATI developed a more structured **stakeholder engagement process** based on three different dialogue channels:



online survey – addressed to customers, suppliers, and internal members of the impact team and Company management to prioritize material topics



one-to-one interviews – with key customers and suppliers for mutual exchange on the main sustainability management initiatives, also from a collaboration and open innovation perspective



focus group – with members of the impact team on impact materiality and financial materiality

For further details on the results of the materiality analysis and the outcomes of the engagement activity, please refer to the following paragraph “Materiality analysis”.

3.5 Materiality analysis

GRI 3-1 | GRI 3-2

In 2023, applying the requirements of the GRI Universal Standards *2021 reporting standard*, LATI carried out its impact materiality analysis, updating the material topics in relation to which the organization generates the most significant impacts on the economy, environment and people, including impacts on human rights.

In line with the methodological approach proposed by GRI 3, the following table summarizes the main phases and related outputs of the **impact materiality analysis**.

Analysis of Context	Identification of material topics	Definition of Impacts	Stakeholder engagement
Analysis of international and sector trends: • WEF (2024), Global Risks Report 2024 • WBCSD (2022) Enabling corporate plastics disclosure • WBCSD (2023) Guiding the integration of sustainability in valuation: A framework for integration, research examples and reflections • T.R. Walker (2021), (Micro)plastics and the UN Sustainable Development Goals, in Current Opinion in Green and Sustainable Chemistry • O. Oladele et al. (2023), Modern Trends in Recycling Waste Thermoplastics and Their Prospective Applications: A Review in Journal of Composite Sciences (2023) Benchmarking analysis Analysis of the sustainability reports and the respective ESG data of 46 companies amongst competitors and customers.	Identification of 14 ESG topics of which: - 5 environmental - 5 social - 4 related to governance Linking of material topics to common benefit objectives: 1. Product sustainability (linked to 6 material topics and 13 impacts) 2. People’s wellbeing within and outside the organisation (linked to 6 material topics e 10 impacts) 3. Acting for the development of the local territory and ecosystem (linked to 2 material topics e 3 impacts)	Definition of 26 impacts of which: - 10 environmental - 8 social - 8 related to governance	Focus groups and internal survey: The impact team and top management took part in a training and induction activity for the validation of the topics and impacts. The participants were asked to complete a survey for the prioritisation of material topics. Survey with external stakeholders for the prioritization of 5 topics: - n. 62 customers - n. 23 suppliers One-to-one interviews with strategic external stakeholders: - n. 6 customers - n. 6 suppliers

Within this process the factors that have rendered LATI's materiality process more rigorous were:

- **refinement of the description of material topics** in light of the evolution of the current context (scientific literature, megatrends, global risks and regulatory complexity), corporate development plans and benchmark analysis;
- **the linking of material topics and the impact areas relating to the common benefit objectives of the Benefit Company**, with a view to creating a stronger connection between the Sustainability and the Impact report;
- **the clarification and assessment of impacts** with reference to:

- type: negative or positive;
- probability: actual or potential;
- severity: 1 = not at all relevant, 2 = slightly relevant, 3 = moderate, 4 = relevant, 5 = highly relevant;
- impacted stakeholder: Shareholder, Workers, Suppliers, Customers, Collectivity, Scientific Community, Banks and Insurance Companies, Representatives of future generations, Competitors and peers, Professional Associations, Local, national and European institutions.

The impact assessment was carried out in full compliance with GRI 3 - Material Topics 2021 and was performed and validated during several internal meetings attended by members of the Impact Team and top management.

In this context, stakeholder engagement for the 2023 reporting year was conducted with a focus on achieving a higher level of awareness among the stakeholders involved.

For this reason, the engagement process was managed by **organizing an in-depth workshop for internal stakeholders** on the **backdrop to and the evolution of impact materiality**. During the workshop, various scenario trends were described, and the updated benchmark analysis illustrated, sharing both the list of impacts and their descriptions and assessments. The participants then gave their feedback. In addition, all members of the Impact Team and top management were invited to complete **a survey to identify the top 5 priority topics**.

As regards **external stakeholders**, in addition to running a survey to request **prioritisation of the top five topics**, various customers and suppliers were selected for one-to-

one interviews to gauge their expectations and feedback on LATI's sustainability and reporting path.

As regards the prioritisation of material topics, the internal and external surveys revealed the following five priorities (listed in order of importance):



Workplace health and safety



Innovative products with positive impact



Culture of sustainable use of plastic materials



Circular economy



Environmental impact

In the context of regulatory developments in sustainability reporting, in 2025 LATI launched a structured **process of preparation and gap analysis with respect to the requirements of the CSRD (Corporate Sustainability Reporting Directive) and the ESRS (European Sustainability Reporting Standards)**. During this process, the Omnibus package was published in **February 2025, a legislative initiative of the European Commission** aimed at **harmonizing and simplifying** the European framework on **sustainability reporting and due diligence through a series of amendments to the Directives**.

In this transitional phase, for 2025 LATI analyzed and confirmed its double **impact materiality analysis**, identifying no changes compared with the previous year. In addition, as an **output of the gap analysis** carried out as part of the preparation process for the ESRS, a reconciliation of **the nomenclature of material topics was performed**, aligning the topics required by the European ESRS standards with those already identified and assessed by the Company⁹.

The outcome of this process led to the **correlation between the material topics** defined and assessed by the Company in 2023 and the topics defined by the ESRS, while maintaining full correspondence with **the Common Benefit Objectives**. The material topic relating to a sustainable **culture of plastics remains separate** because it has no direct equivalent within the ESRS. This topic is considered strategic for LATI and strongly linked to its role in the sector. For this reason, at this stage it is considered useful to keep it separate as **a Company-specific**

material topic.

The gap analysis work also led to an analysis of the biodiversity topic. It should be noted that in 2023 LATI assessed the material topic Protection of biodiversity taking into account the work carried out under the Operation Clean Sweep® (OCS) programme dedicated to containing pellet dispersion into the environment¹⁰ and support for biodiversity protection projects such as the project dedicated to Campo dei Fiori¹¹.

To assess the presence of direct impacts generated by the Company at the production sites where it operates in relation to

biodiversity, LATI will carry out analyses in line with the requirements of the GRI and ESRS topical standards. Based on the outcomes of these assessments, the Company will consider whether to update the impact materiality analysis and the information to be reported.

In addition, pending the conclusion of the work on the Omnibus package, the **Company reserves the right to await future regulatory updates before evaluating how to proceed with both the update and integration of the double materiality analysis**.



9. It is specified that, for the purpose of reconciling the nomenclature of the Company's material topics with the ESRS topics, only ESRS topics were considered, excluding in this exercise sub-topics and sub-sub-topics of the European standards.

10. For more information, please refer to [paragraph 4.1.4 The Operation Clean Sweep® program](#)

11. For more information, please refer to [paragraph 4.1.1 Energy and emissions](#)

The following therefore presents the results of the 2023 impact materiality analysis confirmed for 2025 and the link with the nomenclature of the topics identified by the European ESRS standards:

Impact area	ESRS topic	Material topic	Description	Impacts	Type	Severity	Probability	Stakeholder	Paragraph
Product sustainability	 WORKERS IN THE VALUE CHAIN	 RESPONSIBLE AND TRANSPARENT MANAGEMENT OF THE VALUE CHAIN	Collaboration and stakeholder engagement throughout the value chain through fair relationships and responsible behavior, with particular attention to customer satisfaction and assessment of supplier sustainability	Lack of a supplier qualification and audit system	−		potential	Shareholder, Suppliers, Customers, Collectivity	3.2.3 Supply chain
				Human rights violations along the supply chain	−		potential	Shareholder, Suppliers, Customers, Collectivity	
	 BUSINESS CONDUCT			Customer satisfaction with technical support	+		actual	Shareholder, Customers	3.2.2 Services and technical support
	 RESOURCE USE AND CIRCULAR ECONOMY	 INNOVATIVE PRODUCTS WITH POSITIVE IMPACT	Development, also in partnership, of innovative products and sustainable applications in line with the highest quality and safety standards, capable of generating a positive environmental and social impact	Lack of Life Cycle Assessment standards	−		potential	Shareholder, Suppliers, Customers	3.2.1 LATI compounds 4.1.5 Materials 4.1.6 Research and innovation
				Use of LATI products for sustainable applications	+		actual	Customers, Collectivity	
				Environmental and social impact of products	−		potential	Shareholder, Suppliers, Customers, Collectivity	

Impact area	ESRS topic	Material topic	Description	Impacts	Type	Severity	Probability	Stakeholder	Paragraph
Product sustainability	 RESOURCE USE AND CIRCULAR ECONOMY	 CIRCULAR ECONOMY	Application of circular economy principles through recovery of waste materials, inclusion of recycled-origin raw materials in formulations, increased durability of the life cycle of its products and reduction of product packaging	Failure to adopt circular economy principles in processes	−	 potential	potential	Shareholder, Customers	4.1.3 Waste 4.1.6 Research and innovation
				Design, engineering and innovation of products based on a non-circular paradigm	−	 potential			
	 WATER AND MARINE RESOURCES	 ENVIRONMENTAL IMPACT	Attention to and progressive reduction of its environmental impacts related to water consumption and waste disposal in all phases of the production process and in the direct and indirect management of all business activities	Environmental damage caused by incorrect waste disposal	−	 potential	potential	Shareholder, Collectivity	4.1.3 Waste
				Inefficient use of water resources	−	 potential			
		 ENVIRONMENTAL IMPACT	Attention to and progressive reduction of its environmental impacts related to water consumption and waste disposal in all phases of the production process and in the direct and indirect management of all business activities						
	 CLIMATE CHANGE	 COMBATTING CLIMATE CHANGE	Attention to and management of direct and indirect emissions generated by the organization and energy efficiency in line with the corporate Carbon Strategy Roadmap	Negative contribution to climate change due to delays in the decarbonization path	−	 potential	potential	Shareholder, Employees, Suppliers, Customers, Banks and Insurance Companies, Collectivity	4.1.1 Energy and emissions
	 POLLUTION			Improvement of performance and energy autonomy	+	 actual			

Impact area	ESRS topic	Material topic	Description	Impacts	Type	Severity	Probability	Stakeholder	Paragraph
Product sustainability	NA	 CULTURE OF SUSTAINABLE USE OF PLASTICS MATERIALS	Raising awareness of the sustainable use of plastics both through institutional communication activities and by activating ad hoc programme addressed to its stakeholders.	Negative impact due to ineffective communication and awareness-raising regarding the culture of sustainable use of plastics	−		potential	Scientific community, Collectivity, Representatives of future generations	4.2.6 Community and local territory 4.1.6 Research and innovation
		 PEOPLE DEVELOPMENT	Fair and transparent access to professional growth paths and training programme aimed at enhancing workers' managerial, technical and organizational skills and consolidating the professionalism required by their role	Development of technical and transversal skills through continuous training	+		actual	Employees, Professional associations	4.2.4 Training and development
People's wellbeing within and outside the organization	OWN WORKFORCE	 WORKPLACE HEALTH AND SAFETY	Development of practices and programme that foster workplace safety protection	Non-compliance with health and safety laws and regulations and lack of awareness-raising on the topic	−		potential	Shareholder, Employees	4.2.7 Occupational health and safety management system
		 WELLBEING, EQUAL OPPORTUNITIES AND INCLUSION	Development of suitable work practices and conditions aimed at fostering workers' wellbeing, guaranteeing equal opportunity and the removal of all forms of discrimination, and promoting corporate welfare initiatives to improve the quality of life of people and their families	Welfare programme aligned with people's needs	+		actual	Employees	4.2.3 People's wellbeing
				Promotion of a culture of inclusion and equal opportunity	+		actual	Employees, Collectivity, Representatives of future generations	2.3 Gender Equality Policy and PdR 125:2022 certification 4.2.2 Inclusion and equal opportunities

Impact area	ESRS topic	Material topic	Description	Impacts	Type	Severity	Probability	Stakeholder	Paragraph
People’s wellbeing within and outside the organization	 BUSINESS CONDUCT	 BUSINESS ETHICS	Development of suitable work practices and conditions aimed at fostering workers’ wellbeing, guaranteeing equal opportunity and the removal of all forms of discrimination, and promoting corporate welfare initiatives to improve the quality of life of people and their families	Unfair business practices	⊖		potential	Shareholder, Suppliers, Customers, Employees, Banks and Insurance Companies	2.4 Code of Ethics and the 231 Organizational Model
				Incidents of corruption, bribery and conflicts of interest	⊖		potential		
		 RISK BASED THINKING	Contribution to local development by promoting projects to spread the culture of sustainability and the common good, activating collaborations and synergies with all local stakeholders, and adopting values such as transparency, dialogue and the pursuit of cooperation in corporate management and communication practices	Enterprise Risk Management integrated with ESG risks	⊖		actual	Shareholder, Suppliers, Customers, Employees, Banks and Insurance Companies	3.5 Materiality analysis
				Cyber security and business continuity	⊖		potential	Shareholder, Customers, Suppliers, Employees, Banks and Insurance Companies	4.3.2 Investments
		 CREATION OF SUSTAINABLE ECONOMIC VALUE	Solid and sustainable economic and financial performance. Generation of shared value	Business model not oriented toward shared value creation	⊖		potential	Shareholder, Customers, Suppliers, Employees, Banks and Insurance Companies	4.3.1 Economic value generated and distributed

Impact area	ESRS topic	Material topic	Description	Impacts	Type	Severity	Probability	Stakeholder	Paragraph
Development of the local territory and ecosystem	 AFFECTED COMMUNITIE	 CORPORATE CITIZENSHIP	Contribution to local development by promoting projects to spread the culture of sustainability and the common good, activating collaborations and synergies with all local stakeholders, and adopting values such as transparency, dialogue and the pursuit of cooperation in corporate management and communication practices	Lack of local community engagement	−	 3	potential	Scientific community, Collectivity	4.2.6 Community and local territory 4.3.1 Economic value generated and distributed
				Positive impact generated by charitable donations, sponsorships, partnerships and collaborations supporting the community	+	 3	actual	Community, Local, national and European institutions	
	 BIODIVERSITY AND ECOSYSTEMS	 SAFEGUARDING OF BIODIVERSITY	Ecosystem protection actions through support for and contributions to areas of high environmental value or areas to be protected in the area where the plants are located	Loss of biodiversity due to environmental externalities caused by production plants	−	 4	potential	Scientific community, Collectivity.	4.1.4 The Operation Clean Sweep® program

Towards double materiality

The **CSRD (Corporate Sustainability Reporting Directive)** and the **ESRS (European Sustainability Reporting Standards)** require companies to approach the materiality process not only from an inside-out impact **perspective** (the Company's most significant impacts on the economy, environment, people and human rights), but also from an outside-in perspective (the most significant impacts of ESG matters on business performance).

During 2023, through three meetings organized internally between the sustainability team and the team overseeing administration, finance and control, the Company carried out an initial double materiality exercise. In particular, the objective was to begin reflecting on **financial materiality**, starting from the impacts that emerged from impact materiality. During the meetings, for each impact the following were assessed:

- the **type of risk** (if negative impact) or **opportunity** (if positive impact),

- the **severity** (very low, low, medium, high and very high) associated with the financial risk class for financial impacts from climate change (CDP – Carbon Disclosure Project assessment)

In 2025 LATI launched the **Enterprise Risk Management (ERM)** process to map and assess the main risks linked to the external context, business processes and sustainability, analyzing the magnitude of potential impacts, likelihood of occurrence and the main mitigation actions in place. This risk-based approach will allow governance to monitor risk scenarios from both an economic-financial and environmental-social perspective and define additional mitigation plans aligned with its corporate strategy. The results of the ERM process will be fundamental inputs for identifying risks and opportunities by adopting the inside-out perspective.

Therefore, following the risk assessment process and in line with the evolution of CSRD regulations, the Company will evaluate updating the double materiality analysis exercise carried out in 2023.



3.6 Sustainability strategy

LATI has been on a path toward corporate sustainability for several years, developing a model for the responsible management of financial and non-financial capitals, the enhancement of people, and the sustainable innovation of products and production processes.

The first milestone in this path was the transformation into a Benefit Corporation in 2022 and the definition of the elements of the dual purpose. Therefore, the **ESG plan took into account the strategic lines of the dual purpose, completing them through the analysis of material topics revisited according to the method described in the previous paragraphs.**

From this analysis, LATI was able to identify, for each material topic, objectives structured according to the ESG dimensions (Environment, Social, Governance) and an action

plan to achieve those objectives, measuring the results and potential impacts on the organization, people and the environment.

To facilitate understanding of the sustainability plan, the diagrams shown for each dimension indicate the material topics, the stakeholders concerned, the results achieved in 2025 based on the commitments made and published in the 2024 Sustainability Report, relating them to the SDGs (United Nations Sustainable Development Goals) and the commitments made for 2026.

Impact area	ESRS topic	Material topic ¹²	SDGs	Commitments 2025	Achievements 2025	Progress of commitment	Commitments 2026	Links to report sections
Product sustainability	 WORKERS IN THE VALUE CHAIN	 RESPONSIBLE AND TRANSPARENT MANAGEMENT OF THE VALUE CHAIN	 8 DECENT WORK AND ECONOMIC GROWTH	Integration of Gender Equality and Ethics topics into information requests for new supplier qualification and active supplier assessment	Gender Equality, Diversity & Inclusion and Human Rights topics integrated into active supplier assessment processes through a specific assessment.		Inclusion of Gender Equality, Diversity & Inclusion and Human Rights questions in new supplier qualification	3.2.3 Supply chain
	 BUSINESS CONDUCT		 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE					

Social Material topic ESRS topic **Environmental** Material topic ESRS topic **Governance** Material topic ESRS topic

12. For further details regarding the correlation between ESRS topics and LATI material topics with the related description, please refer to [paragraph 3.5 Materiality analysis](#).

Impact area	ESRS topic	Material topic	SDGs	Commitments 2025	Achievements 2025	Progress of commitment	Commitments 2026	Links to report sections
Product sustainability	 RESOURCE USE AND CIRCULAR ECONOMY	 INNOVATIVE PRODUCTS WITH POSITIVE IMPACT		Expansion of the LATIGEA and LATIECO product range	Expansion of the LATIGEA and LATIECO product range +15 LATIECO +1 LATIGEA		Expansion of the LATIGEA and LATIECO product range	
				Delivery of the final report of the doctoral research project “Life cycle assessment of industrial processes for high-performance plastic products” by Università Insubria	Completion of the doctoral thesis “Life cycle assessment of industrial processes for high-performance plastic products” by Università Insubria. Publication of the scientific article “Environmental impact of three different engineering thermoplastics: How much does it change when using recycled polyamide?” in the Journal of Cleaner Production?” su rivista Journal of Cleaner Production		• Drafting and publication of technical sustainability documents “Environmental Product Profile” (EPP) • Progress in LCA analysis • In-depth LCA analysis as part of the European DESIDERATA project	4.1.6 Research and innovation
				Participation in the Horizon Europe-funded DESIDERATA project dedicated to innovation in PFAS-free and environmentally compatible flame-retardant materials.	Activities carried out by LATI in 2025 as part of the European DESIDERATA project: • Feasibility assessment comparing current solutions (“Business as Usual”) with the alternatives proposed in DESIDERATA from an SSbD (Safe and Sustainable by Design) perspective. • Use Case 2 (UC2): development of formulations for halogen- and antimony-free thermoplastic compounds for injection molding in the electrical/electronics sector. • Use Case 3 (UC3): development of formulations for PFAS-free, graphene-based thermoplastic compounds for 3D printing.		Ongoing participation in the Horizon Europe-funded European DESIDERATA project dedicated to innovation in PFAS-free and environmentally compatible flame-retardant materials (year 2/4).	

Impact area	ESRS topic	Material topic	SDGs	Commitments 2025	Achievements 2025	Progress of commitment	Commitments 2026	Links to report sections
Product sustainability				Launch of two UL certification processes for approval of the mechanically recycled content of LATIECO products by the certification body.	Ongoing projects for validation of short-term properties and discussion of validation of long-term properties for mechanical recycled content in LATIECO products.		Ongoing UL certification processes for approval of the mechanically recycled content of LATIECO products by the certification body.	
		CIRCULAR ECONOMY	 	Search for solutions to manage and recover production scraps and waste	Ongoing search for solutions to manage and recover production scraps and waste		Ongoing search for solutions to manage and recover production scraps and waste	
	WATER AND MARINE RESOURCES	ENVIRONMENTAL IMPACT	 	Completion of Water Footprint assessment	Analysis of UNI ISO 46001:2021 standard requirements carried out		Ongoing water footprint analysis according to UNI ISO 46001:2021	4.1.2 Water
	CLIMATE CHANGE	COMBATTING CLIMATE CHANGE	 	Launch of the update of the Carbon Strategy Roadmap for decarbonization to include the impact of LATI investments by identifying medium-term targets aligned with the SBTi (Science Based Targets initiative) standard	• Scenario analysis carried out to assess the impact of LATI investments • Assessment of SBTi (Science Based Targets initiative) standard requirements • Scope 3 emissions calculation performed to be integrated into the Carbon Strategy Roadmap		Update of the Carbon Strategy Roadmap for decarbonization in progresse	4.1.1 Energy and emissions
	POLLUTION							
	N/A	CULTURE OF SUSTAINABLE USE OF PLASTICS MATERIALS		Organization of technical webinars and meetings dedicated to the culture of sustainable use of plastics for internal and external stakeholders	Two webinars held: Metal replacement: polymer solutions for structural and thermal applications Advanced plastic materials for E-Mobility		Organization of technical webinars and meetings dedicated to the culture of sustainable use of plastics for internal and external stakeholders	4.2.4 Training and development 4.1.6 Research and innovation
				Renewal of training course at Fondazione ITS Nuove Tecnologie della Vita Academy	Delivery of 60 hours of training at Fondazione ITS Nuove Tecnologie della Vita Academy		Renewal of training courses and LATI testimonials at schools and universities	4.2.6 Community and local territory

Impact area	ESRS topic	Material topic	SDGs	Commitments 2025	Achievements 2025	Progress of commitment	Commitments 2026	Links to report sections
People's wellbeing within and outside the organization	OWN WORKFORCE	PEOPLE DEVELOPMENT	4 QUALITY EDUCATION 5 GENDER EQUALITY 8 DECENT WORK AND ECONOMIC GROWTH 10 REDUCED INEQUALITIES	Identification of training gaps to define any actions (training, coaching, on the job, My LATI Space Academy) to ensure full role coverage and/or ad hoc paths for people included in career paths	Review of skills matrices in line with market benchmarks. Obtaining Gold Meritorg recognition from Forum della Meritocrazia following an assessment to monitor and measure merit within the organization		Finalization of the skills matrix review process, assessment of the matrices and identification of gaps	4.2.4 Training and development
		WORKPLACE HEALTH AND SAFETY	3 GOOD HEALTH AND WELL-BEING	Strengthening awareness of the use and management of exoskeletons. Implementation of software to support verification of the technical and professional suitability, according to internal organizational procedure, of external companies operating at LATI under contract	Purchase of 2 exoskeletons for LATI Vedano and completion of a cycle of training meetings with the Vedano and Gornate Company population. Software implemented for the verification of external companies operating under contract.		Strengthening awareness and information, training and instruction on prevention	4.2.7 Occupational health and safety management system
		WELLBEING, EQUAL OPPORTUNITIES AND INCLUSION	3 GOOD HEALTH AND WELL-BEING	Extension of recognition of 100% parental leave from 2 to 3 months, replacing the 80% share recognized by INPS (Italian National Social Security Institute).	Recognition and payment of 100% parental leave up to three months in the cases provided for.		Maintenance and renewal of initiatives dedicated to parents.	4.2.3 People's wellbeing
			4 QUALITY EDUCATION 5 GENDER EQUALITY	Maintenance of initiatives dedicated to parents.	Maintenance of initiatives dedicated to parents. Introduction of the LianeCare platform with people caring services and the coaching program for return to work after a long period of absence			
			8 DECENT WORK AND ECONOMIC GROWTH 10 REDUCED INEQUALITIES	Maintenance of WHP (Workplace Health Promotion) recognition with dedicated activities	Maintenance of WHP recognition through the Walking Leaders initiative, aimed at promoting physical activity within or in connection with the work environment		Maintenance of WHP (Workplace Health Promotion) recognition with dedicated activities	

Impact area	ESRS topic	Material topic	SDGs	Commitments 2025	Achievements 2025	Progress of commitment	Commitments 2026	Links to report sections
People’s wellbeing within and outside the organization	BUSINESS CONDUCT			Expansion of the offering of services dedicated to the psychophysical wellbeing of its people. Increase in the number of meetings available per person from 4 to 10	Expansion of services on the platform and increase to 10 meetings per person available on the Wellfood platform for services dedicated to the psychophysical wellbeing of its people	✔	Maintenance and search for any new dedicated initiatives	
		BUSINESS ETHICS	9	Dissemination and training on the principles of the LATI Code of Ethics	Publication of the Code of Ethics in brief and Manifesto to raise awareness of the principles of the LATI Code of Ethics updated in 2024	✔	Continued dissemination and training on the principles of the LATI Code of Ethics	2.4 Code of Ethics and the 231 Organizational Model
		RISK BASED THINKING	9	Consolidation of the financial materiality process and integrated analysis of ESG risks	Launch of the Enterprise Risk Management (ERM) process integrated with ESG risks	🔄	Enterprise Risk Management (ERM) process integrated with ESG risks in progress	3.5 Materiality analysis
		CREATION OF SUSTAINABLE ECONOMIC VALUE	8 12	Retention of ESG-linked funding	Retention of ESG-linked funding	✔	Retention of ESG-linked funding	4.3.1 Economic value generated and distributed
Development of the local territory and ecosystem	AFFECTED COMMUNITIES	CORPORATE CITIZENSHIP	4 17	Maintenance of projects and charitable donations for the local area and community	Support for Fondazione Renato Piatti. Activation of the corporate volunteering programme Work with Heart	✔	Maintenance of projects and charitable donations for the local area and community	4.2.2 Inclusion and equal opportunities 4.2.6 Community and local territory
	BIODIVERSITY AND ECOSYSTEMS	SAFEGUARDING OF BIODIVERSITY	15	Launch of Operation Clean Sweep ® certification process	Obtaining Operation Clean Sweep ® certification	✔	Maintenance of Operation Clean Sweep ® certification Biodiversity thematic analysis in line with the standards	4.1.4 The Operation Clean Sweep ® program

4. Impact assessment and scale of ESG



4.1 Environmental impact

LATI has always been committed to measuring and **monitoring the impacts of its production process** on the environment, as confirmed by the first macro-objective **of the dual purpose**, namely product sustainability. The Company's **objective is in fact to develop innovative products** that have a positive environmental impact and **to contribute to creating a sustainable culture of plastic use**.

Material topics

- *Innovative products with positive impact*
- *Environmental footprint*
- *Combatting climate change*
- *Circular economy*
- *Safeguarding Biodiversity*

SDG



Highlights 2025



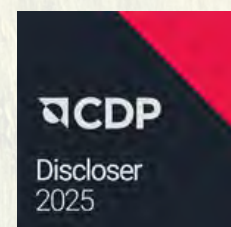
Sustainable products
+15 LATIECO
+1 LATIGEA



91%
Of scope1 emissions offset



Renewable electricity
100%



CERTIFIED ENVIRONMENTAL
MANAGEMENT SYSTEM



UNI EN ISO 14001:2015

CERTIFIED
MANAGEMENT SYSTEM



UNI CEI EN ISO 50001:2018



4.1.1 Energy and emissions

GRI 302-1 | GRI 302-3 | GRI 305-1 | GRI 305-2 | GRI 305-3 | GRI 305-4 | GRI 305-7

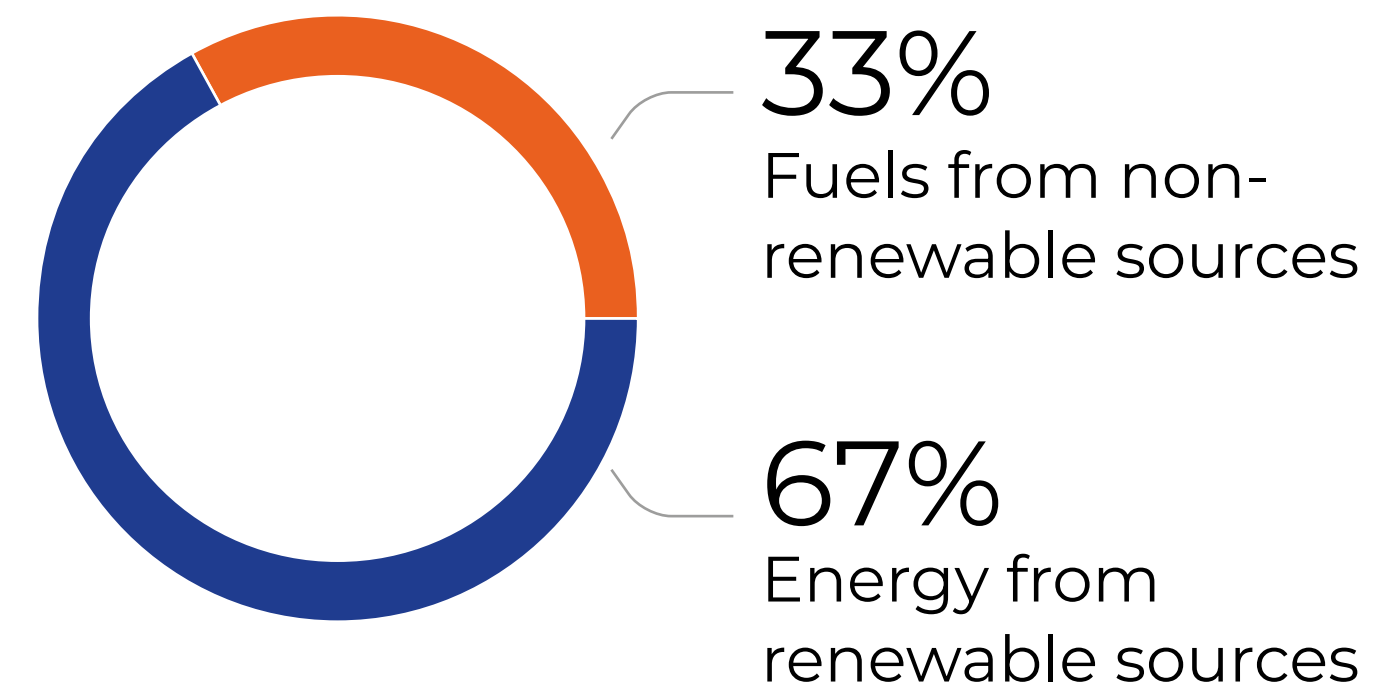
Energy

The complex geopolitical situation and the resulting energy crisis that has affected Europe in recent years have prompted LATI to adopt a **targeted strategy to contain its energy consumption**. In addition to constant monitoring of energy markets, LATI implements **several actions** to address this challenge:

- Accurate monitoring of energy consumption throughout the entire production process through **the Power Monitoring Expert (PME) energy control system**.
- **100%** sourcing of **electrical energy from certified renewable sources**.
- Installation of a **photovoltaic system** at the Gornate Olona production plant. In 2025 the installed power at full operation reached 484.02 kW.
- Revamping and **energy efficiency activities on production machinery**.
- At the end of 2025, the first two modules of the natural gas trigeneration system were **implemented at the Gornate Olona production site**, capable of producing electricity, heat and cooling energy.

The figures below detail energy consumption at the Vedano Olona and Gornate Olona production facilities, divided by energy source and over the three-year period 2023-2025.

Energy consumption 2025



ISO 50001:2018 Energy management systems certification

At the beginning of 2025, LATI obtained certification of its Energy Management System according to the international UNI CEI ISO 50001:2018 standard, achieving the certification objective for the Gornate Olona site. The Energy Management System is a strategic tool for optimizing the use of energy resources and ensuring continuous improvement in corporate energy performance.

ISO 50001:2018 certificate [here](#)



GRI 302 - 1 Energy consumption within the organization

Energetic source	Unit of measure	2023	2024	2025
a. Fuels from non-renewable sources ¹³	GJ	24,623.18	31,904.33	34,641.94
Natural gas	GJ	23,202.20	29,694.99	32,472.13
Petrol	GJ	0.00	0.00	0.00
LPG	GJ	0.00	0.00	0.00
Diesel	GJ	1,420.99	2,209.34 ¹⁴	2,169.81 ¹⁵
b. Self-produced electricity	GJ	547.11	1,626.87	1,658.10
b. Self-produced electricity	GJ	547.11	1,626.87	1,658.10
<i>of which from renewable sources</i>	%	100%	100%	100%
c. Purchased energy	GJ	67,901.97	70,168.44	70,191.87
Electric energy	GJ	67,901.97	70,168.44	70,191.87
<i>of which from renewable sources</i>	%	100%	100%	100%
d. Sold energy	GJ	6.13	8.43	16.22
Electric energy	GJ	6.13	8.43	16.22
<i>of which from renewable sources</i>	%	100%	100%	100%
Total	GJ	93,066.13	103,691.20	106,475.69

GRI 302 - 3 3 Energy intensity

	Unit of measure	2023	2024	2025
GJ energy consumed/Tonnes of product	GJ/ton	3.2	3.4	3.4
GJ energy consumed/Revenues	GJ/MLN €	628.1	691.7	694.8

13.It should be noted that Petrol, Diesel and LPG are used for Company vehicles. In particular, it is specified that from 2023 and for the reporting year the total of petrol is zero, as there are no petrol vehicles in the fleet. In addition, LATI has decommissioned LPG forklifts, introducing an electric fleet.

14. Since 2024, LATI has refined its data collection process to include Diesel fuel consumption data for the vehicle fleets of its European branches.

15. For the year 2025, the conversion factor for Diesel fuel has been updated in line with ISPRA's introduction of conversion factors that are more specific to the current European standard for diesel fuel.

In 2025, LATI recorded a 3% increase in total energy consumption compared with the previous year. The increase is related to the higher consumption of natural gas attributable to the start-up of the new trigeneration system. At the end of 2025, the installation of the first two modules of the natural gas trigeneration system was completed. In addition to producing electricity, this system makes it possible to recover the thermal energy generated by the thermodynamic process and use it to produce cooling energy, in the form of chilled water for air conditioning or industrial processes. The purchase of certified renewable electricity remained stable, with a slight increase proportional to the growth in production volumes. LATI also increased the share of self-produced renewable energy thanks to the installation of 70 kW of photovoltaic system at the Gornate Olona plant.

The carbon strategy roadmap for decarbonization

In line with its energy consumption reduction strategy, LATI continues its **decarbonization path**. Within the **Carbon Strategy Roadmap**, the Company has defined the objective of **limiting global warming to within 1.5°C by 2040, as established in the Paris Agreement**. LATI is currently updating its Carbon Strategy Roadmap in order to ensure alignment with the evolution of corporate activities and the constantly changing regulatory context.

LATI **monitors and reports its CO₂ emissions** by carrying out scenario analyses to best guide its strategic lines

in accordance with the international standard *The Greenhouse Gas Protocol Corporate Accounting and Reporting Standard*. The three types of greenhouse emissions that define the **Corporate carbon footprint** are:

SCOPE 1: direct emissions arising from sources controlled by the Company;

SCOPE 2: indirect emissions arising from the consumption of externally sourced electrical energy;

SCOPE 3: indirect emissions arising from upstream and downstream activities in the production process.

SCOPE 1

2,029.61 tCO₂eq

SCOPE 2 - Location based

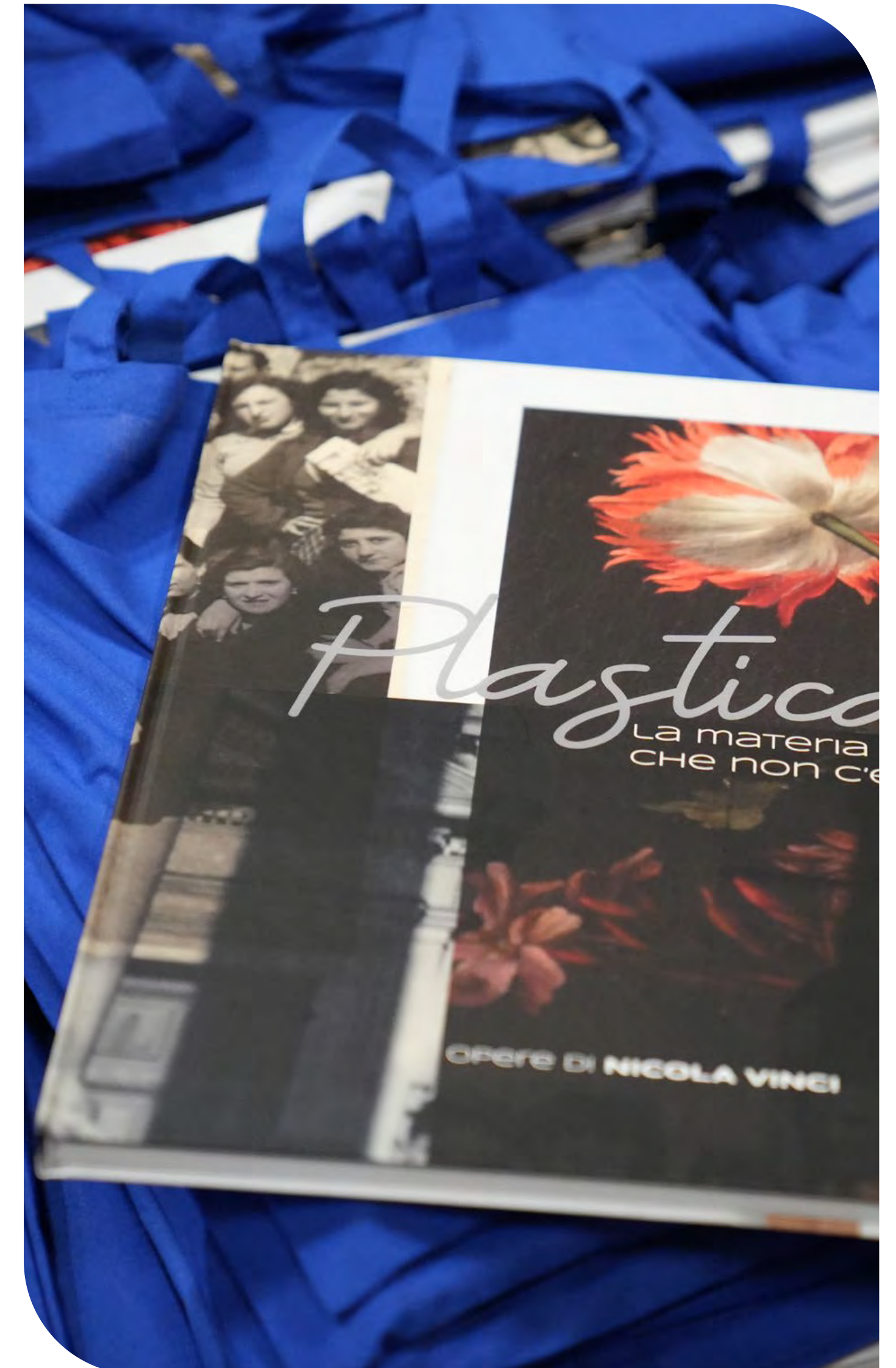
4,209.81 tCO₂eq

SCOPE 2 - Market based

0 tCO₂eq

SCOPE 3

219,056.40 tCO₂eq



GRI 305 - 1 | GRI 305-2 | GRI 305-3 | GHG emissions¹⁶

Type of emissions	Unit of measure	2023	2024	2025
SCOPE 1 ¹⁷	tCO ₂ eq	1,422.94	1,879.90	2,029.61
SCOPE 2 Location based approach ¹⁸	tCO ₂ eq	4,851.22	5,013.14	4,209.81
SCOPE 2 Market based approach ¹⁹	tCO ₂ eq	0.00	0.00	0.00
SCOPE 3 ²⁰	tCO ₂ eq	ND	229,091.81	219,056.40
TOTAL GHG EMISSIONS Location based approach	tCO₂eq	6,274.16	235,984.86	225,295.81
TOTAL GHG EMISSIONS Market based approach	tCO₂eq	1,422.94	230,971.71	221,086.01

Compared with 2024, Scope 1 and Scope 2 emissions calculated according to the Location-based approach decreased overall by 10% in 2025, from 6,893 tCO₂eq to 6,239 tCO₂eq. In line with its commitments to update the Carbon

Strategy Roadmap, in 2025 LATI completed the first calculation of Scope 3 emissions for the years 2024–2025. Further information on variations in Scope 1, Scope 2 and Scope 3 emissions is provided below.

Scope 1

The increase in Scope 1 emissions is consistent **with the increase in direct emissions from the stationary combustion** of methane gas used to power the trigeneration system at the Gornate Olona plant. In 2025 direct GHG emissions amounted to 2,029.61 tCO₂eq, equal to 33% of total Scope 1 and Scope 2 emissions.

Starting from 2024 reporting, LATI refined its calculation methodology by also including **emissions from the company fleet**, including those of the European Branches according to the operational control approach provided by the GHG Protocol, and **fugitive refrigerant emissions**.

Specifically, emissions from the company car fleet amount to 160.63 tCO₂eq, equivalent to 2.6% of total Scope 1 and Scope 2 emissions; of these, 63% derive from diesel used by the Italian fleet, while 37% derive from the European Branch fleet. In line with the requirements of the standard, during

16. It should be noted that, compared previous disclosures, Scope 3 data related to C7. Employee commuting have undergone a methodological refinement process and, for the years 2024 and 2025, can be consulted in table GRI 305-3 - Other indirect GHG emissions SCOPE 3.

17. The conversion factors used to calculate Scope 1 emissions relating to Natural gas and Diesel consumption are taken from the “Table of national standard parameters”, 2025 (ISPRA, Ministry of the Environment and Energy Security). For 2024 and 2023, the conversion factors from the “Table of national standard parameters for monitoring and reporting greenhouse gases”, 2023 (ISPRA, Ministry of Ecological Transition) were adopted. Since 2024, LATI has also included fugitive emissions in the calculation, applying, for both 2024 and 2025, the conversion factors of the “Refrigeration, Air Conditioning and Heat Pumps Technical Options Committee” (UNEP, 2023). For R 32 refrigerant gas, the conversion factor adopted refers to the values reported in “IPCC Global Warming Potential Values AR6” (GHG Protocol, 2024). For details of Scope 1 emissions, please see table GRI 305 - 1 Direct GHG emissions SCOPE 1.

18. Location Based Approach: for the calculation of Scope 2 emissions according to the “Location based” approach in 2023 and 2024, the emission factors provided by ISPRA were used (2023: 257,2 gCO₂/kWh), as the 2024 emission factors had not yet been published at the time the GHG emissions inventory was prepared. For 2025, the ISPRA 2024 conversion factor (2024: 215,9 gCO₂/kWh) from the document “Emission factors for electricity production and consumption in Italy - 2024” was used, as the 2025 emission factors had not yet been published at the time the GHG emissions inventory for the reporting year was prepared.

19. Market Based Approach: since 2021, LATI has purchased certified green energy through guarantees of origin for 100% of total electricity, which reduces the emissions calculated according to the Market Based method to zero.

20. Scope 3 data for 2023 are not available, as the first calculation exercise for all categories relevant to LATI was carried out starting from 2024. For details of Scope 3 emissions, please see table GRI 305-3 Other indirect GHG emissions SCOPE 3.

the reporting year the calculation was refined with regard to biogenic CO₂ emissions deriving from the combustion or biodegradation of biomass²¹ present in the diesel used by the company car fleet. In 2024 emissions amounted to 9.87 tCO₂eq, while in 2025 they amounted to 8.57 tCO₂e.

Fugitive emissions represent 0.4% of total emissions and stem from maintenance activities carried out on two units containing R 410A and one unit using R 32 at the Gornate Olona site.

Scope 1 emission offset projects and support for reforestation of the Campo dei Fiori National Park in Varese

As part of its commitment to decarbonization, in 2025 LATI again **decided to offset its direct emissions** deriving from natural gas used mainly for heating its Vedano Olona and Gornate Olona sites and used for the trigeneration system.

GRI 305 - 1 Direct GHG emissions SCOPE 1

Scope 1 emission category	Unit of measure	2023	2024	2025
Natural gas ²²	tCO ₂ eq	1,317.91	1.672.35	1,844.52
Petrol ²³	tCO ₂ eq	0.00	0.00	0.00
LPG ²⁴	tCO ₂ eq	0.00	0.00	0.00
Diesel ²⁵	tCO ₂ eq	105.03	163.31	160.63
Refrigerants ²⁶	tCO ₂ eq	ND	44.25	24.45
TOTAL SCOPE 1 EMISSIONS	tCO ₂ eq	1,422.94	1,879.90	2,029.61
TOTAL SCOPE 1 EMISSIONS net offsetting	tCO ₂ eq	105.03	207.56	185.08

21. The data relating to biogenic CO2 emissions from the combustion or biodegradation of biomass for 2023 are not available, as the calculation was refined starting from 2024. The conversion factor for 2024 refers to DEFRA 2024, while for 2025 it refers to DEFRA 2025.

22. The conversion factors used are taken from the “Table of national standard parameters”, 2025 (ISPRA, Ministry of the Environment and Energy Security).

23. The conversion factors used are taken from the “Table of national standard parameters”, 2025 (ISPRA, Ministry of the Environment and Energy Security).

24. The conversion factors used are taken from the “Table of national standard parameters”, 2025 (ISPRA, Ministry of the Environment and Energy Security).

25. The conversion factors used are taken from the “Table of national standard parameters”, 2025 (ISPRA, Ministry of the Environment and Energy Security). It should be noted that since 2024 LATI has refined the calculation of its Scope 1 and Scope 2 emissions by including Diesel emissions from the fleet of the branches in Europe, adopting the operational control approach of the GHG Protocol. For 2025, the conversion factor for Diesel was updated in line with ISPRA's inclusion of more specific conversion factors with the current European Diesel standard.

26. Since 2024, LATI has also included fugitive emissions from refrigerants in the emissions calculation. For the calculation, for both 2024 and 2025, the conversion factors of the “Refrigeration, Air Conditioning and Heat Pumps Technical Options Committee” (UNEP, 2023) were used. For R 32 refrigerant gas, the conversion factor is taken from “IPCC Global Warming Potential Values AR6” (GHG Protocol, 2024).

The selected initiatives, aimed at promoting sustainable development and limiting CO₂ emissions, are capable of generating carbon credits that comply with the highest international standards. Each carbon credit produced represents one ton of CO₂ avoided or absorbed and is used to offset one ton of CO₂ emissions that could not be directly reduced.

All climate protection projects of Climate Partner, a company that has helped companies on their decarbonization paths for approximately 20 years, are subject to validation and verification by third parties. Validation takes place at the beginning of the project life cycle and ensures that the initiative is aligned with current processes and requirements. This phase often also involves field visits, interviews and on-site analyses. The auditors are accredited and impartial evaluators that must be approved as validation and verification bodies (VVB) by the standard-setting body. Details of the **projects confirmed again in 2025 and supported by LATI to offset direct Scope 1 emissions are provided below.**



Projects	Project type	Location	Project link	Standard	% Credits
Climate Project + Nature conservation Campo dei Fiori Varese, Italy	The combined project finances climate protection and land conservation in Italy. For every ton of CO2 saved, a contribution is allocated to the redevelopment of Campo dei Fiori Park (Varese), restoring forest ecosystems devastated by a storm in 2020. Currently, the contribution to work in Campo dei Fiori Park is combined with a certified project in India, which enables local women to purchase clean energy products such as solar lamps and water filters. The combined climate projects include solar energy in Karnataka, Uttar Pradesh and Maharashtra, India.	https://projects.climatepartner.com/it/1423	India + Italy	VCS + Gold Standard + Regional Commitment	40%
Wind Energy Project	The project aims to replace high-emission electricity with clean wind energy by installing 136 wind turbines with a total capacity of 301,4 MW in the Kutch district of Gujarat, India. This project not only reduces CO2 emissions by approximately 978.390 tons per year, but also improves the local economy by creating jobs, attracting investment, improving infrastructure and stabilizing the regional electricity grid. In addition, the success of the project demonstrates the potential of wind energy, inspiring similar initiatives in the future.	https://projects.climatepartner.com/it/1645	India	Gold Standard	60%
					100%

In particular, through the **Nature conservation Campo dei Fiori Varese project**, LATI has the opportunity to contribute actively to its local area through an ambitious environmental redevelopment and protection project aimed at addressing the damage caused by catastrophic events and promoting biodiversity. In recent years, this protected area has been severely affected by natural disasters, including the 2017 fire that devastated more than 370 hectares of woodland and Storm Alex in 2020, with winds exceeding 110 km/h that uprooted many trees and compromised entire forest plots. These events highlighted the fragility of the area and the need for targeted actions to restore ecosystem balance.

The **Campo dei Fiori Varese** project, supported by Climate Partner and regional funding, includes a series of actions such as the removal of dead and damaged trees, soil restoration and planting of new tree species. Interventions have been planned over an area of approximately 8,94 hectares, with the removal of more than 3,500 compromised trees. In parallel, 5,000 new tree and shrub specimens will be planted, divided into 10 circular modules designed to reduce visual impact and promote biodiversity. The selected species include silver fir, yew, downy oak, Turkey oak, beech and rowan, all chosen for their ability to adapt to local climate conditions.

Nature conservation project – Campo dei Fiori Regional Park

As part of the environmental protection and redevelopment **project for Campo dei Fiori Regional Park** in Varese, LATI **organized the “Sentieri d’ottobre” event**, a guided walk through the Campo dei Fiori woodland accompanied by Forest Guides. The initiative offered the opportunity to explore up close an area undergoing rebirth, deeply marked by events that compromised its forest heritage but now at the center of important restoration efforts.

During the route, the current state of the ecosystem, the critical issues still present and the future prospects for its regeneration were explained, with insights into natural plant growth processes, the role of biodiversity in the resilience of the area and the importance of protecting woodland habitats. During the event, the **biodiversity protection and reforestation** interventions supported by LATI within the **Nature Conservation project of Campo dei Fiori Regional Park were also presented**. The “Sentieri d’ottobre” initiative represented not only an awareness-raising moment for participants, but also an opportunity to strengthen LATI’s commitment to the local area and its community.



Scope 2

Scope 2 emissions according to the Location-based approach, considering the average CO₂eq emission factor based on the national energy mix, account for 67% of LATI's Scope 1 and Scope 2 emissions. Despite a slight increase in electricity consumption, Scope 2 emissions in 2025 were lower than in 2024, decreasing from 5,013.14 tCO₂eq to 4,209.81 tCO₂eq as a result of the update of emission factors published by ISPRA 2024. Using the market-based approach, LATI's emissions remain at 0 tCO₂eq because since 2021 the Company has purchased only renewable energy through guarantees of origin for its plants.

GRI 305 - 4 GHG emissions intensity

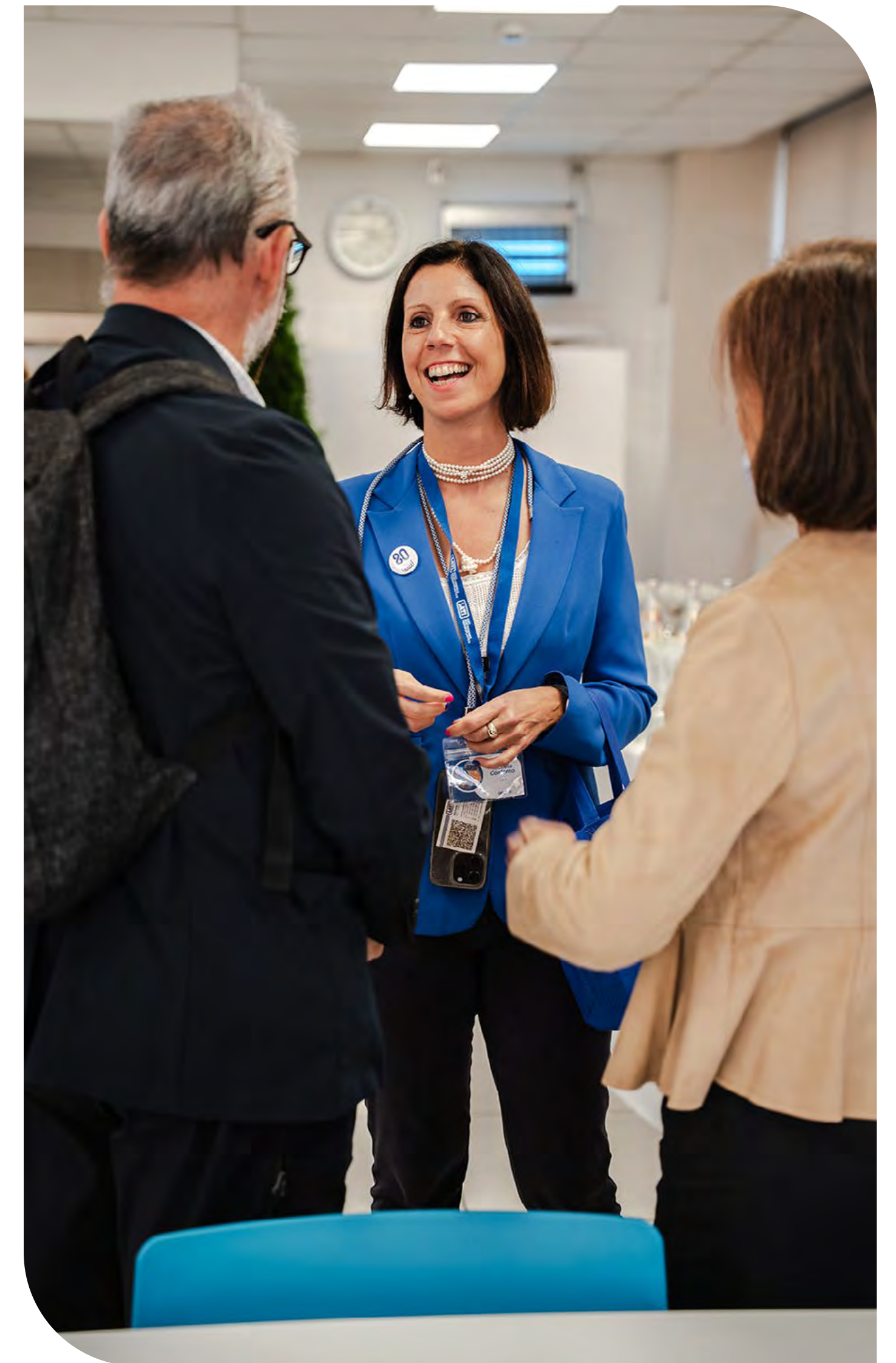
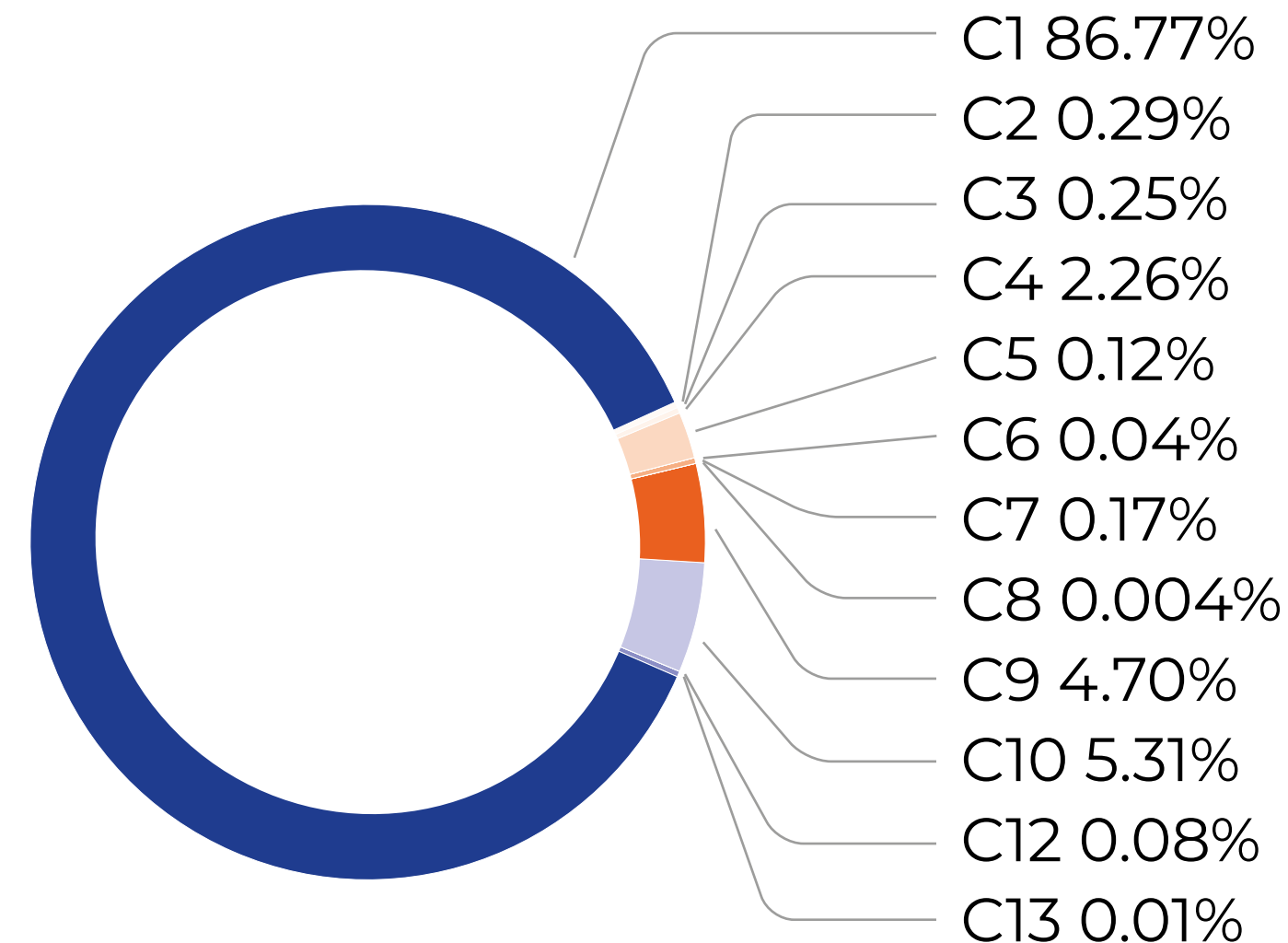
Type ²⁷	Unit of measure	2023	2024	2025
Total GHG Emissions Market based/Tonnes of product	tCO ₂ eq/t	0.05	0.06	0.06
Total GHG Emissions Market based/Revenues (MLN euro)	tCO ₂ eq/MLN euro	9.61	12.54	13.24

27. Total Market based GHG emissions include direct GHG Scope 1 emissions and indirect GHG Scope 2 Market based approach emissions.

Scope 3

In 2025 LATI expanded the reporting scope of its emissions along the entire value chain, completing for the first time the calculation of Scope 3 emissions for both 2024 and 2025. The integration of Scope 3 emissions calculation significantly deepens the understanding of the Company's emissions impact, adding a fundamental element for increasingly conscious and strategic emissions management.

Twelve Scope 3 categories were identified as relevant to the Company, while categories 11 - Use of sold products, 14 - Franchises and 15 - Investments were not included as they are not relevant to LATI's operations.



GRI 305 - 3 Other indirect GHG emissions SCOPE 3

Type	Unit of measure	2023 ²⁸	2024	2025
C1. Purchased goods and services ²⁹	tCO ₂ eq	ND	197,795.90	190,068.96
C2. Capital goods ³⁰	tCO ₂ eq	ND	2,202.22	628.48
C3. Fuel- and energy-related activities (not included in Scope 1 or Scope 2) ³¹	tCO ₂ eq	ND	533.01	558.31
C4. Upstream transportation and distribution ³²	tCO ₂ eq	ND	4,205.29	4,951.73
C5. Waste generated in operations ³³	tCO ₂ eq	ND	279.40	252.17
C6. Business travel ³⁴	tCO ₂ eq	ND	73.03	93.32
C7. Employee commuting ³⁵	tCO ₂ eq	ND	387.97	366.90
C8. Upstream leased assets ³⁶	tCO ₂ eq	ND	10.61	8.27
C9. Downstream transportation and distribution ³⁷	tCO ₂ eq	ND	8,811.15	10,291.80
C10. Processing of sold products ³⁸	tCO ₂ eq	ND	14,545.30	11,639.75
C12. End-of-life treatment of sold products ³⁹	tCO ₂ eq	ND	187.61	176.92
C13. Downstream leased assets ⁴⁰	tCO ₂ eq	ND	60.34	19.80
TOTAL OTHER INDIRECT GHG EMISSIONS SCOPE 3	tCO ₂ eq	ND	229,091.81	219,056.40

28. Scope 3 data for 2023 are not available, as the first calculation exercise for all categories relevant to LATI was carried out starting from 2024.

29. For C1. Purchased goods and services, the Hybrid method was applied. The conversion factors for 2024 refer to DEFRA 2024; EEIO 2022; Ecoinvent; literature studies and supplier-specific data. The conversion factors for 2025 refer to DEFRA 2025; EEIO 2022; Ecoinvent; literature studies and supplier-specific data.

30. For C2. Capital goods, the Spend-based method was applied. The conversion factors for 2024 and 2025 refer to EEIO 2022.

31. For C3. Fuel- and energy-related activities (not included in Scope 1 or Scope 2), the Fuel-based method was applied. The conversion factors for 2024 refer to DEFRA 2024; IEA 2024; IPCC 2014. The conversion factors for 2025 refer to DEFRA 2025; IEA 2025; IPCC 2014.

32. For C4. Upstream transportation and distribution, the Distance-based method was applied. The conversion factors for 2024 refer to DEFRA 2024; GLEC 2023. The conversion factors for 2025 refer to DEFRA 2025; GLEC V3.2.

33. For C5. Waste generated in operations, the Waste-type specific method was applied. The conversion factors for 2024 refer to DEFRA 2024; ADEME Base Carbone® v.23.2; US EPA EF Hub 2024. The conversion factors for 2025 refer to ADEME Base Carbone® v23.9; DEFRA 2025; US EPA EF Hub 2025.

34. For C6. Business travel, the Spend-based method was applied. The conversion factors for 2024 refer to DEFRA 2024; EEIO 2022. The conversion factors for 2025 refer to DEFRA 2025; EEIO 2022.

35. For C7. Employee commuting, the Distance-based method was applied. The conversion factors for 2024 refer to DEFRA 2024. The conversion factors for 2025 refer to DEFRA 2025. The data for C7. Employee commuting were subject to a methodological refinement process and are therefore not represented in financial years prior to 2024.

36. For C8. Upstream leased assets, the Average data method was applied. The conversion factors for 2024 refer to DEFRA 2024. The conversion factors for 2025 refer to DEFRA 2025.

37. For C9. Downstream transportation and distribution, the Distance-based method was applied. The conversion factors for 2024 refer to DEFRA 2024; CEDA 2024. The conversion factors for 2025 refer to DEFRA 2025; CEDA 2025.

38. For C10. Processing of sold products, the Average data method was applied. The conversion factors for 2024 refer to IEA 2024. The conversion factors for 2025 refer to IEA 2025.

39. For C12. End-of-life treatment of sold products, the Waste-type specific method was applied. The conversion factors for 2024 refer to ADEME Base Carbone® v.23.2; US EPA EF Hub 2024. The conversion factors for 2025 refer to ADEME Base Carbone® v23.9; US EPA EF Hub 2025.

40. For C13. Downstream leased assets, the Asset-specific method was applied. The conversion factors for 2024 refer to DEFRA 2024; IEA 2024. The conversion factors for 2025 refer to DEFRA 2025; IEA 2025.

Considering LATI's total GHG emissions calculated according to the Location-Based approach, Scope 3 emissions account for the majority, representing **97%** of the total.

The initial results of the analysis of other indirect GHG emissions show that for 2025 Category 1 – Purchased goods and services represents **87%** of Scope 3 emissions. This figure is consistent with the nature of LATI's activities and production processes.

This is followed by **Category 10** – Processing of sold products, which with 11,640 tCO₂eq contributes **5.3%** of total Scope 3 emissions. **Categories 9** – Downstream transportation and distribution and 4 – Upstream transportation and distribution account respectively for **4.7%** and **2.3%** of total Scope 3 emissions. The remaining categories instead make an overall contribution of less than 1% of total Scope 3 emissions.

In the comparison between 2025 and 2024, emissions in the Scope 3 categories show variations mainly linked to procurement trends, sales volumes, updates to emission factors and investments made.

Specifically, Category 1 records a decrease in line with the reduction in purchased volumes for certain raw material

categories that affect the amount of emissions in relation to the emission factors applied. Category 2 shows a 71% reduction compared with emissions in the previous year. In line with the progress of the investment plan, more capital goods were purchased in 2024 than in 2025, resulting, in the reporting year, in a reduction in emissions attributable to the category.

Considering Category 3, a slight increase is observed, consistent with the higher natural gas consumption recorded during the year. Category 4 also shows an 18% increase, directly linked to the growth in quantities sold and handled by LATI, with a consequent increase in emissions related to upstream transport activities.

In line with the total reduction in waste generated in 2025, Category 5 shows a decrease in emissions related to the management of operational waste. For Category 6, by contrast, a slight increase is observed due to the growth in international business travel.

The variation in Category 7 is mainly due to a refinement of the calculation methodology; the values remain aligned with employees' usual home-work commuting. For Category 8, a reduction is recorded, consistent with the lower energy consumption of leased activities compared with 2024. For Category 9, emission growth is linked to the

increase in distance traveled by downstream transport managed directly by suppliers.

Category 10 shows an improvement from an emissions perspective compared with the previous year. This variation is mainly linked to the annual update of the IEA 2025 emission factors used in the calculation process. For Category 12 there is a reduction associated with lower use of packaging materials during the reporting year. Finally, for Category 13 the halving of emissions is attributable to the transfer of ownership of the property contract, resulting in a change in the accounting of the related emissions.

Other air emissions

In compliance with the directives of the Single Environmental Authorization (AUA – Autorizzazione Unica Ambientale), LATI also conducts annual measurements of pollutants dispersed into the atmosphere, including nitrogen oxides (NOx) and volatile organic compounds (VOCs). The data collected show a **low concentration level of pollutants**, thanks to the use of advanced air extraction systems and environmental abatement devices, which are constantly monitored and controlled. The slight increase in NOx levels is linked to the authorization and subsequent activation of new emission points, which determined the increase.

GRI 305 - 7 Nitrogen oxides (NOx), sulfur oxides (SOx) and other significant air emissions

Type	Unit of measure	2023	2024	2025
NOx	t	0.487	0.666	1.472
N ₂ O	t	0	0	0
SO ₂	t	0	0	0
CH ₄	t	0	0	0
VOC	t	1.395	2.905	2.287
PM ₁₀	t	0	0	0
Altro	t	0	0	0
TOTAL	tCO ₂ eq	1.882	3.571	3.758

Lower dispersion of dust, fumes and vapors

To pursue this goal, LATI has also improved the configuration of pollutant abatement systems generated during the production process by separating dust, fume and vapor extraction systems. In 2023, the first part of the abatement system dedicated to extracting dust generated during the extrusion process was installed. This system makes it possible to reduce dust dispersion and improve the health and safety of working environments.

In 2024 the project to separate the pollutant abatement system was completed through the commissioning of the fume and vapor capture system. In 2025 the extraction system is fully integrated into the production process, ensuring more efficient management of dust, fumes and vapors.



4.1.2 Water

GRI 303-1 | GRI 303-2 | GRI 303-3 | GRI 303-4 | GRI 303-5

Water use is an important aspect for LATI’s activities, although the Company does not use it in the manufacturing process but solely for:

- the cooling of plant via a closed-circuit system;
- the cleaning of machinery after which the water is treated and disposed of in the sewage system.

Water is supplied via a well at the Gornate Olona site, while at the Vedano Olona site it comes directly from the network. The discharge phase of the used water takes place in the sewerage system for both production sites, and always after chemical-physical treatments in compliance with general and specific regulatory stipulations, with dedicated authorisations. In fact, the management of water discharge impacts

is carried out in compliance with the sewer discharge limits indicated by the Single Environmental Authorization (Legislative Decree 152/2006).

Water consumption trends generally appear to be constant. Analyzing 2025 water withdrawal and discharge data, the following observations emerge:

- the increase in water withdrawal from third-party water is related to the increase in production and the installation of the water flow meter at the Vedano Olona production site, which is enabling more precise consumption measurement;
- the increase in water discharges takes into account, for surface water, the increase in first-rainwater recorded in the 2024-2025 two-year period at the Gornate Olona production site. The figure for third-party water is consistent with the Company’s discharge trends and reflects the accuracy of data collection ensured, since 2024, by the installation of the new water flow meter dedicated to water measurement.

It should also be noted that, in 2025, LATI is continuing the process of studying and analyzing the measurement of its water footprint with the aim of identifying the best solutions to make water consumption more efficient throughout the entire production process.

LATI’s commitment to protecting water resources is also reflected in monitoring the level of water stress in the areas from which the withdrawn resource comes. To this end, the Company uses the World Resources Institute’s Water Risk Atlas tool, which is recognized by the GRI standard as an authoritative and reliable tool for assessing water risk in different geographical areas.

The analysis carried out through the Water Risk Atlas confirms that, also for 2025, the area in which LATI operates has a water stress risk classified as medium-low, indicating a territorial context not subject to significant water criticalities in the short term.

GRI 303 - 3 Water withdrawal				
Source	Unit of measure	2023	2024	2025
Groundwater	ML	4.77	4.70	5.79
Third-party waters	ML	22.72	35.91	37.88
Total water withdrawal	ML	27.49	40.61	43.66

GRI 303 - 4 Water discharge ⁴¹				
Discharge	Unit of measure	2023	2024	2025
Surface water	ML	37.06	35.82	38.82
Third-party water	ML	18.49	26.49	26.08
Total water discharge	ML	55.55	62.31	64.90

GRI 303 - 5 Water consumption				
Source	Unit of measure	2023	2024	2025
Total water withdrawal	ML	27.49	40.61	43.66
Total water discharge	ML	55.55	62.31	64.90
Total water consumption	ML	-28.06	-21.70	-21.23 ⁴²

41. It should be noted that the Company does not use steam in its production process.
42. Total water consumption also considers discharges from surface water, including first-flush runoff collected and discharged by LATI.

4.1.3 Waste

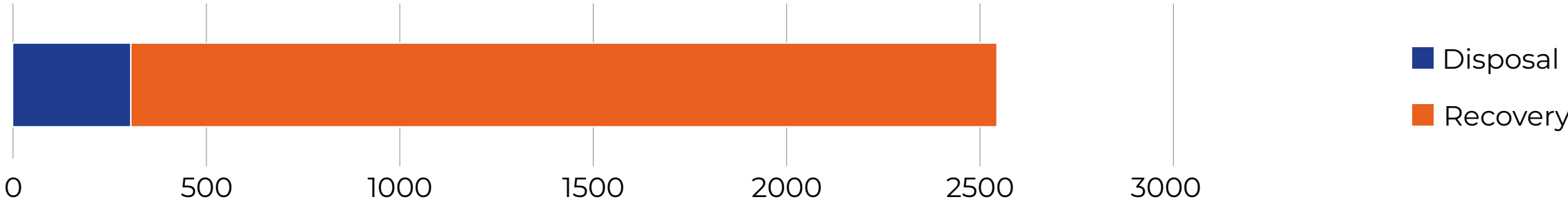
GRI 306-1 | GRI 306-2 | GRI 306-3 | GRI 306-4 | GRI 306-5

Responsible management of waste and production waste

LATI pays special attention to the responsible management of waste and production waste generated through its production processes. The table below indicates significant impacts related to the waste generated by the company.

Value chain	Process	Phase	Activity	Impact
Upstream	Purchase	Preparation	Receipt of materials	Production of packaging waste
Own activities	Production	Extrusion	Scrap management and sorting	Production of non-recoverable scraps
Own activities	Production	Drying	Treatment	Production of dehydrated dry sludge
Own activities	Production	Drying	Degassing	Production of liquid sludge
Own activities	Production	Maintenance	Machinery maintenance	Production of metal waste, bins, etc.
Downstream	Sale	Post-consumer	Placing on the market	End of life of sold products

Classification by type of waste destination 2025



In 2025, **total waste generation decreased by 6%** compared to the previous year, consistent with the improvements implemented in the plant’s pollutant abatement system. These interventions changed the management methods for the residues generated, contributing to an overall reduction in the quantity of waste produced. **79% of total waste consists of plastic waste, mixed packaging and wooden packaging, which the Company sends entirely for recovery.**

GRI 306 - 3 Waste generated				
	Unit of measure	2023	2024	2025
Total waste produced	tonnes	2,478.05	2,698.07	2,543.49
of which plastic waste	%	38%	44%	48%
of which mixed packaging	%	8%	8%	6%
of which wooden packaging	%	25%	24%	24%



Circularity in resource management is indeed one of LATI’s most important challenges, both in the design phase of its products and in **waste management**. The objective is not only to reduce waste generation, but also to **maximize its recovery in order to limit its environmental impact**. From this point of view, LATI adopts a virtuous approach. As shown in the chart, in 2025 LATI sent **88% of the waste produced for recovery, while 12% was sent for disposal**⁴³, increasing by 7% the total quantity of waste sent for recovery compared with 2024.

The circularity of production waste

Through the process of identifying and separating product waste, LATI **recovers and mechanically recycles certain percentages of production by-products** for specific product families. These recovered materials are then reintroduced into the formula in predetermined proportions within the same production process, without compromising quality. In addition, since 2022, LATI has carried out **additional market analyses** to evaluate **new circularity solutions for the regeneration of industrial process waste**.

43. The classification of the destination of waste is based on Italian Legislative Decree 152/06, which distinguishes waste destination into disposal (identified by the letter D) and recovery (identified by the letter R).

The tables below illustrate types of waste treatment with specific reference to hazardous and non-hazardous waste.

GRI 306 - 4 Waste diverted from disposal				
	Unit of measure	2023	2024	2025
Total non-hazardous waste	tonnes	1.881	2.125	2.152
Preparation for reuse	tonnes	0	0	0
Recovery	tonnes	1.881	2.125	2.152
Other	tonnes	0	0	0
Total hazardous waste	tonnes	76	59	86
Preparation for reuse	tonnes	0	0	0
Recovery	tonnes	76	59	86
Other	tonnes	0	0	0
Total waste diverted from disposal	tonnes	1.957	2.183	2.238

GRI 306 - 5 Waste directed to disposal				
	Unit of measure	2023	2024	2025
Total non-hazardous waste	tonnes	365	270	80
Incineration with energy recovery	tonnes	0	0	0
Incineration without energy recovery	tonnes	0	0	0
Landfill	tonnes	365	270	80
Other	tonnes	0	0	0
Total hazardous waste	tonnes	156	245	226
Incineration with energy recovery	tonnes	0	0	0
Incineration without energy recovery	tonnes	0	0	0
Landfill	tonnes	156	245	226
Other	tonnes	0	0	0
Total waste directed to disposal	tonnes	521	515	305

4.1.4 The Operation Clean Sweep® program

In 2019 LATI joined the international **Operation Clean Sweep® (OCS) program**, launched by the European Plastics Converters (EuPC) and Plastics Europe associations to encourage and harmonize measures to prevent plastic pellet losses into the environment. The OCS® program aims to achieve **“zero” pellet loss, protecting the environment and surrounding ecosystems**. Achieving this objective involves the pursuit of a safe, clean and efficient workplace through the management and removal of resources and materials that may disperse into the work environment, especially in areas in direct contact with water networks.

As indicated by the OCS® Procedure, the program’s fundamental principles are:

1. Environmental protection and removal of obsolete materials
2. Safety and hygiene
3. Responsible recycling and disposal
4. Individual responsibility
5. Regular monitoring and updating

In pursuit of this goal of the programme, LATI has organized internal training meetings over time to share and disseminate guiding principles and good practices. It has also developed a **specific operating internal procedure** that provides simple and effective solutions **to reduce granule dispersion along**

the production process, as well as methods to manage any accidental spillage of granules. Among the measures implemented, in addition to **intensifying ordinary cleaning operations** in the internal and external areas of the production plants to further reduce the risk of granule dispersion, the Company installed a **filtration system within the stormwater drains** in the area dedicated to waste and production waste storage, preventing granules from entering the sewer system.



In 2025 LATI also obtained **Operation Clean Sweep® (OCS) certification** for the implementation of preventive measures against the loss and release of plastics into the environment, for both the Vedano Olona and Gornate Olona production sites, consolidating the effectiveness of the actions taken and confirming its commitment to protecting against the dispersion of plastic granules into the environment.

[See the OCS® Policy HERE](#)



4.1.5 Materials

GRI 301-1 | GRI 301-2

LATI is committed to **the careful selection of materials for its manufacturing process.**

The constant search for **high-quality and innovative raw materials underpins the development of LATI’s engineering compounds.**

In 2025, the Company used 32,417 tonnes of raw materials, including granules, flakes, fibers, powders, reinforcements, mineral fillers and additives. The figure is increasing compa-

red with the last three-year period, LATI continuing to invest in **materials from mechanical or chemical recycling. The percentage of recycled material remains stable at 5% of total materials used.**

Specifically, **6 tonnes of process materials and 835 tonnes of packaging materials** were used, 78% of which came from renewable sources. LATI employs a **circular appro-**

ach in reducing **packaging for incoming raw materials**, for example through projects **to expand Company silos** to allow storage of larger quantities of bulk raw materials and the prioritizing of large containers to reduce packaging use. With regard to **shipping packaging**, the Company **reduced basis weight** to obtain a lower thickness and **produces customized bags** directly in-house to reduce waste.

GRI 301-1 Materials used by weight or volume

Materials used by weight or type				
	Unit of measure	2023	2024	2025
Raw materials	tonnes	28,922	30,437	31,577
Process materials	tonnes	6	4	6
Packing materials	tonnes	791	789	835
Total	tonnes	29,719	31,230	32,417

Non-renewable materials				
	Unit of measure	2023	2024	2025
Raw materials	tonnes	28,871	30,345	31,480
Process materials	tonnes	4	2	4
Packing materials	tonnes	177	180	186
Total	tonnes	29,053	30,527	31,670

Renewable materials				
	Unit of measure	2023	2024	2025
Raw materials	tonnes	51	92	97
Process materials	tonnes	2	2	2
Packing materials	tonnes	614	609	649
Total	tonnes	666	703	748

GRI 301-2 Recycled input materials used⁴⁴

	Unit of measure	2023	2024	2025
Total recycled input materials used	tonnes	1,498.31	1,467.48	1,687.51
Total input materials used	tonnes	29,718.99	31,230.11	32,417.32
Percentage of input materials recycled used	%	5%	5%	5%

Conflict Minerals Policy

Through its policy, LATI undertakes to voluntarily adopt the principles of the U.S. federal “**Dodd-Frank Wall Street Act - Section 1502**” and to support the Responsible Minerals Initiative (RMI), carrying out a series of preventive and communication actions along the supply chain. LATI requires suppliers of the key raw materials used in the manufacture of its products to provide a declaration confirming the absence of metals and minerals from high-risk areas by completing the Conflict Minerals Reporting Template (CMRT) and the Extended Minerals Reporting Template (EMRT).



44. With regard to recycled and renewable raw materials, it should be noted that LATI requests Product Declarations from its suppliers, which allow for an accurate assessment of the quantity and nature of the materials used in the production process.

4.1.6 Research and innovation

The development and production of innovative products with positive impact is central to LATI's sustainability strategy. The Company's mission is to create **engineered technical thermoplastic compounds that ensure both durability and maximum safety.**

In particular, in 2025 LATI's Research and Development department focused on the following three areas of work:

1. Sustainability and product innovation

R&D activities for the **development of new solutions and the acquisition of new technical-scientific know-how** for the formulation and testing of innovative thermoplastic compounds;

2. Life cycle analysis of LATI compounds

Measurement of the impact of LATI compound production through Life Cycle Assessment (LCA);

3. EU DESIDERATA Project

The project is funded by the European Union through the HORIZON-CL4-2024-RESILIENCE-01-24 call and aims to develop safer and more sustainable alternatives to critical substances used in flame retardants, plasticizers and surfactants.

ProPla - Proteins from Plastics - ADVISORY BOARD

LATI sits on the Advisory Board of the ProPla (Proteins from Plastics) project, dedicated to research into solutions for the transformation of PET-based microplastics into amino acids. The project is funded by the Fondazione Cariplo, Italy's leading bank-sponsored foundation for scientific research and philanthropy, coordinated by Professor Loredano Pollegioni of the University of Insubria in Varese.



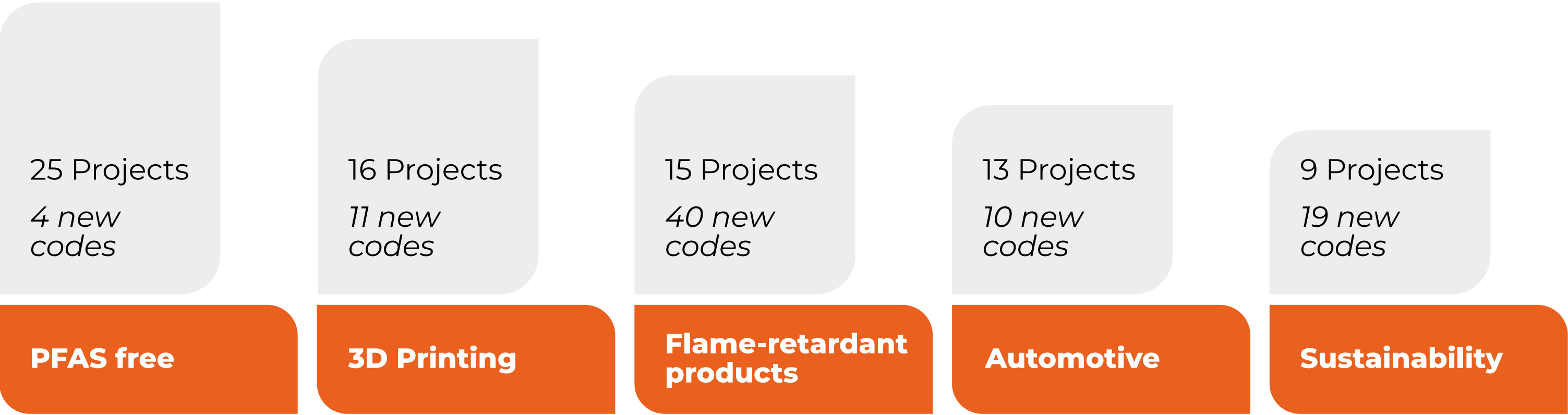
Sustainability and product innovation

During 2025, the Research and Development team launched a total of **91 new projects**. These projects are divided between those responding to specific customer requests and those designed to improve existing activities or develop materials capable of meeting new needs, regulations or emerging market trends. Over the last three years, particular attention has been paid to research and **development projects for sustainable compounds**. Among the

projects launched, **93 were coded as products**. The main topics addressed by the Research and Development department during the year were: sustainability, development of new solutions for the Automotive sector in line with IATF certification, PFAS-free products and all innovations in the field of 3D printing products and other specialty products. Details of the main categories and number of 2025 projects followed by LATI's R&D department are provided below.

Development of sustainable solutions:
LATIECO and LATIGEA

In 2025, as part of projects dedicated to developing sustainable solutions with reduced environmental impact and based on recycled or renewable raw materials, LATI **introduced 19 new LATIECO product codes**, together with other materials with recycled fibers and the **LATIGEA** range, for a total of **93 new codes**.



The **LATIECO** product family includes products **containing raw materials wholly or partially obtained from mechanical recycling or chemical recycling**, with a total of **87 product codes**.

LATIGEA products are a range of **51 low-environmental-impact compound codes based on polymers** from renewable sources, ranging from biobased and biodegradable materials, such as PLA, to biobased non-biodegradable polymers such as PE and specific PAs. The **reliability of the quality and sustainability of LATIGEA products** was also confirmed by the renowned international laboratory TÜV Austria, which awarded “Ok Biobased” certification to the LATIGEA B01 L/07 GRIGIO:2865 formulation, achieving the maximum four-star rating. The analyses confirmed that **LATIGEA B01 L/07 GRIGIO:2865 has a composition entirely originating from renewable sources**, also thanks to the addition of wood flour filler of natural origin from sustainable forests.

LATIECO: recycled materials for high-performance electrical applications

LATI collaborates with leading companies in the electrical and electronics sector to develop technical materials capable of combining high performance with reduced environmental impact. Compounds in the **LATIECO family**, produced from recycled polymers and other circular raw materials, represent a sustainable alternative to traditional materials while maintaining the technical characteristics required by the most demanding applications.

A first example is the collaboration with **Hager Group**, which chose the **LATIECO 66 MR H2 G/25-V0HF1** compound for the **Arc Fault Detection Device (AFDD)** series of protection devices. The material, obtained from mechanically recycled PA66 and reinforced with glass fiber, ensures self-extinguishing properties, electrical resistance and mechanical stability, while also helping to reduce the

carbon footprint of the plastic component compared with fossil-based solutions.

A second case concerns **Schneider Electric**, which adopted the **LATIECO 62 CR H2 G/20-V2HF** compound in the **RESi9 DPN XE** range of circuit breakers. The material, developed with a significant share of regenerated ECONYL® nylon, meets the strict technical requirements of the application, including mechanical strength, thermal stability and flame behavior, while enabling an **approximately 25% reduction in the carbon footprint of the plastic casing**.

These examples demonstrate how materials innovation can support customers in developing more sustainable products, without compromising safety, reliability or technical performance.

For more information:

For more information:

- [Hager case](#)
- [Schneider Electric case](#)

Development of materials for the Automotive sector

In 2025, LATI focused further on developing new products for the automotive sector, with particular attention to sustainable materials, **self-lubricating PTFE-free materials and self-extinguishing materials for use in the electrification systems of electric or hybrid cars**. Indeed, the recent IATF 16949 certification, the reference quality standard for the automotive sector, is often a fundamental requirement in the development of new products. This certification involves a highly structured design and control scheme, designed to ensure an adequate level of performance. During the year, the **R&D** team conducted specific studies to assess the performance of materials over time, with the aim of ensuring durability and safety under real conditions of use. In this context, the Company developed solutions based on reinforced and hydrolysis-resistant **PBT (polybutylene terephthalate)**, as well as **self-extinguishing materials with high thermal resistance**, intended for electrical systems and connections installed in the under-hood area.

Development of PFAS-free materials: LATILUB

In 2025 LATI also continued its commitment to researching innovative and PFAS-free self-lubricating solutions for the **LATILUB range**, designed to reduce friction and wear between moving components. During the year, **25 projects** were launched to develop alternatives to PTFE, involving

numerous tests on a wide spectrum of additives and materials with tribological properties of interest. This intensive experimental work led to the identification of formulations with performance in terms of wear, friction and thermal and mechanical properties comparable to reference **compounds containing PTFE**. This result represents a significant **starting point for further studies and developments**, including on more complex compounds. To date, the Company is able to offer **LATILUB** versions alternative to those containing PTFE for applications where there are no continuous unidirectional movements at high speed and pressure, and where extreme heat resistance requirements are not required.

Materials for 3D printing

The product range for 3D printing of the LATI3Dlab division has been enriched with new self-extinguishing products, with specific functionalities or reinforced with special fibers. In 2025, 16 projects were launched to meet the needs of both filament printing and the deposition process that starts directly from granules.

During the year, LATI3Dlab continued **research into safe and sustainable alternatives to lead**, traditionally used for radiological shielding in the medical and industrial fields. This research led to the development of an innovative technology that combines the advantages of shielding thermoplastic materials with granule-based 3D printing. This

technology makes it possible to create customized, precise components in the quantities required, without waste and without the use of lead, in a safe and sustainable way.

Self-extinguishing products

In 2025 the Company devoted significant effort to developing **halogenated self-extinguishing formulations with no or reduced antimony trioxide (ATO)** content, placing at the center of the research the need to adopt raw materials with a more sustainable toxicological profile. The classification of antimony trioxide as possibly carcinogenic to humans places it among substances under strict health scrutiny, making the identification of safer alternatives for health and the environment a priority.

Alongside this aspect, the topic also has a strategic dimension linked to raw material availability and recent export restrictions that significantly influence supply. During the year, the R&D team also studied other categories of self-extinguishing materials characterized by high glow-wire resistance values and suitable for replacing traditional halogenated solutions used in appliance applications. In parallel, the Company developed formulations not only based on the use of recycled or lower-impact raw materials, but also designed to completely avoid components with critical toxicological profiles, thus contributing to a safer, more responsible product portfolio aligned with sustainability principles.

Culture of sustainable use of plastics: LATI's 2025 technical webinars

In 2025 LATI organized **two technical webinars** aimed at design engineers, engineers and R&D professionals to explore the role of advanced plastic materials in the development of new industrial applications. In particular, the webinar dedicated to **metal replacement** illustrated when and how high-performance thermoplastic compounds can replace metals such as aluminum or steel in structural or thermal applications.

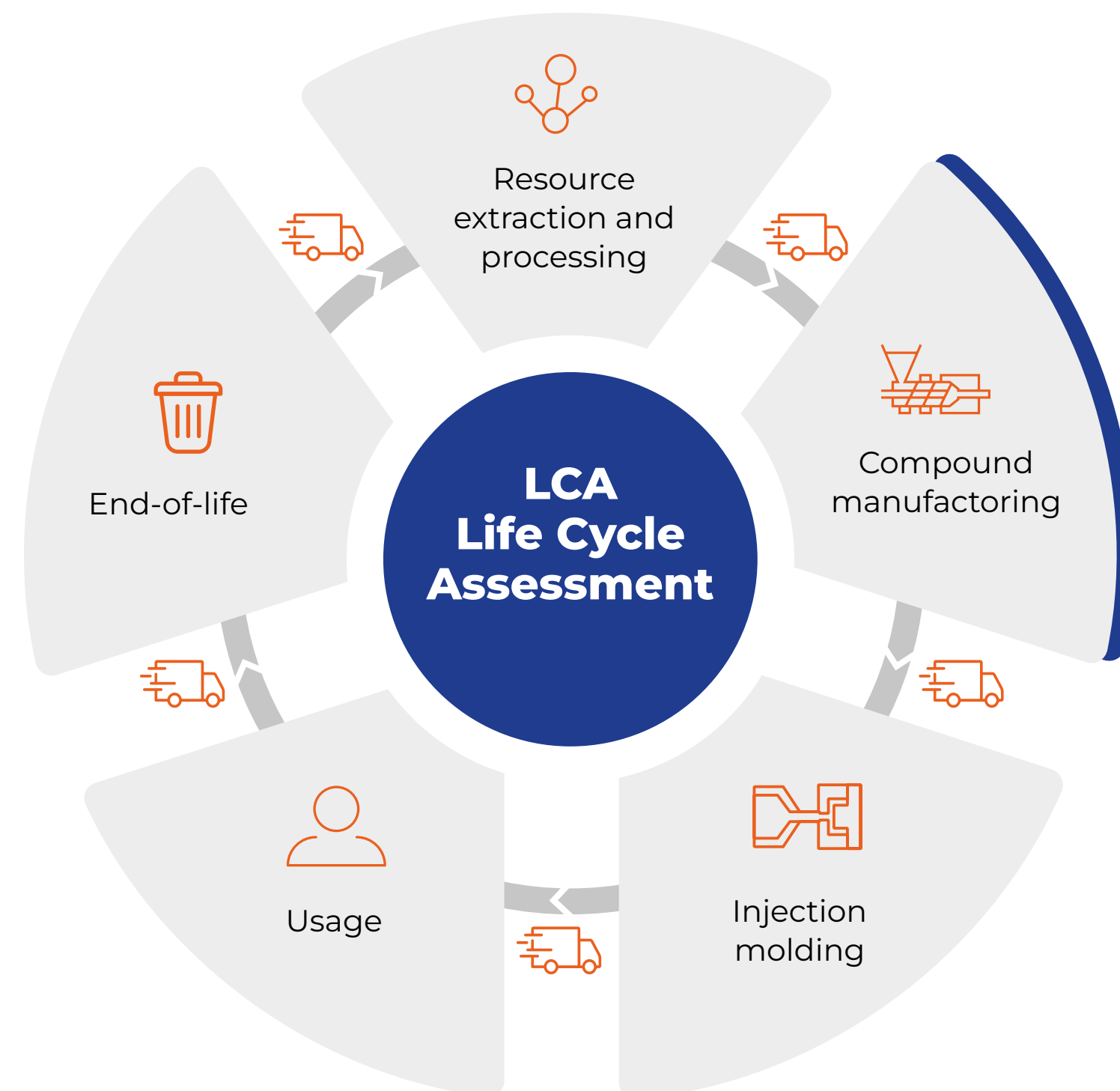
A second meeting addressed the topic of advanced **plastic materials for E-Mobility**, analyzing challenges related to safety, thermal management, electrical insulation and weight reduction in components for energy management systems, battery packs and structural parts of electric vehicles.

To learn more:

- [Webinar – Metal replacement: polymer solutions for structural and thermal applications](#)
- [Webinar – Advanced plastic materials for E-Mobility](#)



Life cycle analysis of LATI compounds



In 2022, LATI launched a three-year Ph.D. programme with the University of Insubria to analyse the whole production cycle (Life Cycle Assessment) of key families of finished products.

The goal of the *Life Cycle Analysis of Industrial Processes for High-Performance Plastic Products* research project is to **measure and calculate the environmental impact of LATI products** through the **cradle-to-gate** approach, i.e. from raw material extraction through to compound production.

The focus of the research is the evaluation of products that **use bio-based secondary raw materials (MPS) and plastics**, thus providing a **comparative study of the potential environmental benefits for traditional products**.

An additional focus is the **analysis of processes** to ensure the offsetting of environmental impacts, including the **identification of innovative and state-of-the-art materials** that can be used in the production of high-performance goods with applications in aeronautics, in the production of self-extinguishing materials, and in 3D printing.

In 2024, the research results were presented at the international conference International Symposium of Environmental Engineering (SIDISA 2024, Palermo), at the International Scientific Conference of Environmental and Climate Technologies (CONNECT 2024, Riga) and at the European Congress on Eco-Plasturgy and Sustainable, Intelligent and Safe Plastics Materials (S3 Congress, Alessandria).

The results were included in the scientific article “**Environmental impact of three different engineering thermoplastics: How much does it change when using recycled polyamide?**” published in 2025 in the international Journal of Cleaner Production. The results show that raw materials account for more than 95% of the environmental impact of the three compounds analyzed, while production processes and transport contribute less than 5%. The analysis also shows that replacing even only **10% of fossil-based polyamide 6.6 (PA 6.6) with mechanically recycled polyamide (MRPA)** enables an environmental improvement of between 6% and 9%, with the best performance observed for the compound containing **red phosphorus (RPm)**, thanks to the higher initial percentage of PA 6.6 in the formulation.

DESIDERATA PROJECT - Horizon Europe Innovation Action

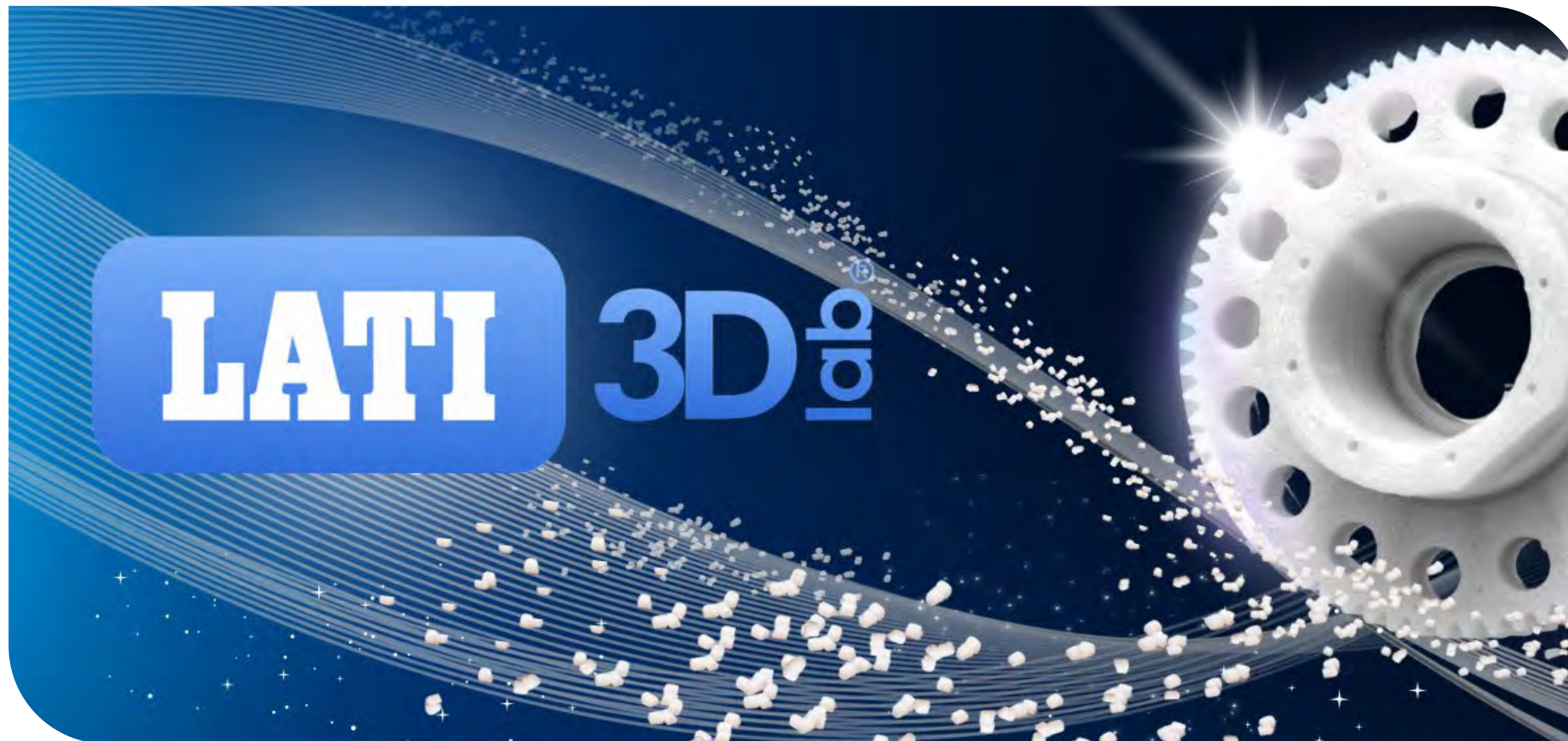
In 2025 LATI launched the **DESIDERATA** project, funded by the European Union under the **Horizon Europe – Innovation Action** programme (Grant Agreement ID:

101178011). The four-year project (2025–2029) involves **16 partners from 13 European countries** and aims to transform chemical innovation by integrating the **Safe and Sustainable by Design (SSbD) framework** promoted by the European Commission. The project aims to develop

advanced and sustainable solutions for the materials sector, structured into several research lines:

- the formulation of **safer and more sustainable flame retardants** for injection molding and 3D printing applications;
- the development of **PFAS-free thermoplastics** for additive manufacturing;
- the creation of **lightweight, fire-resistant geopolymer materials**, graphene-based non-stick coatings and **environmentally friendly lubricants**.

LATI is a key partner in the project thanks to the expertise of its technical team and the experience gained in LAT-I3Dlab. The Company's contribution is central to the **development of safer, PFAS-free flame-retardant materials combined with high performance**, particularly for 3D printing, in continuity with its long-standing commitment to developing halogen-free retardant systems. Participation in DESIDERATA represents a concrete investment by LATI in the materials of the future and further confirms its commitment to safer, sustainable solutions aligned with regulatory and ecological challenges linked to chemical safety and circularity. The project consolidates LATI's role as a proactive player in the transition toward innovative and responsible materials along the entire value chain.



4.2 Social impact

Material topics

- Wellbeing, equal opportunity and inclusion
- People development
- Workplace health and safety
- Corporate Citizenship
- Culture of sustainable use of plastics materials

SDG



Highlights 2025

 321 People

 22% Women managers

 21 Training hours per employee



LATI recognizes the importance of its civic and ethical role within society and is committed **to generating a positive social impact** for its people and the surrounding area.

As stated in the objectives set down in its Statute, LATI places a central focus on:

- **People's wellbeing within and outside the organization:** actively taking care of people's psycho-physical wellbeing, ensuring health and safety within the workplace, fostering personal development and growth, and promoting corporate welfare initiatives to improve people's private lives.
- **Development of the local territory and ecosystem:** promoting projects to disseminate the culture of sustainability and the common good and activating collaborations and synergies with all local stakeholders.



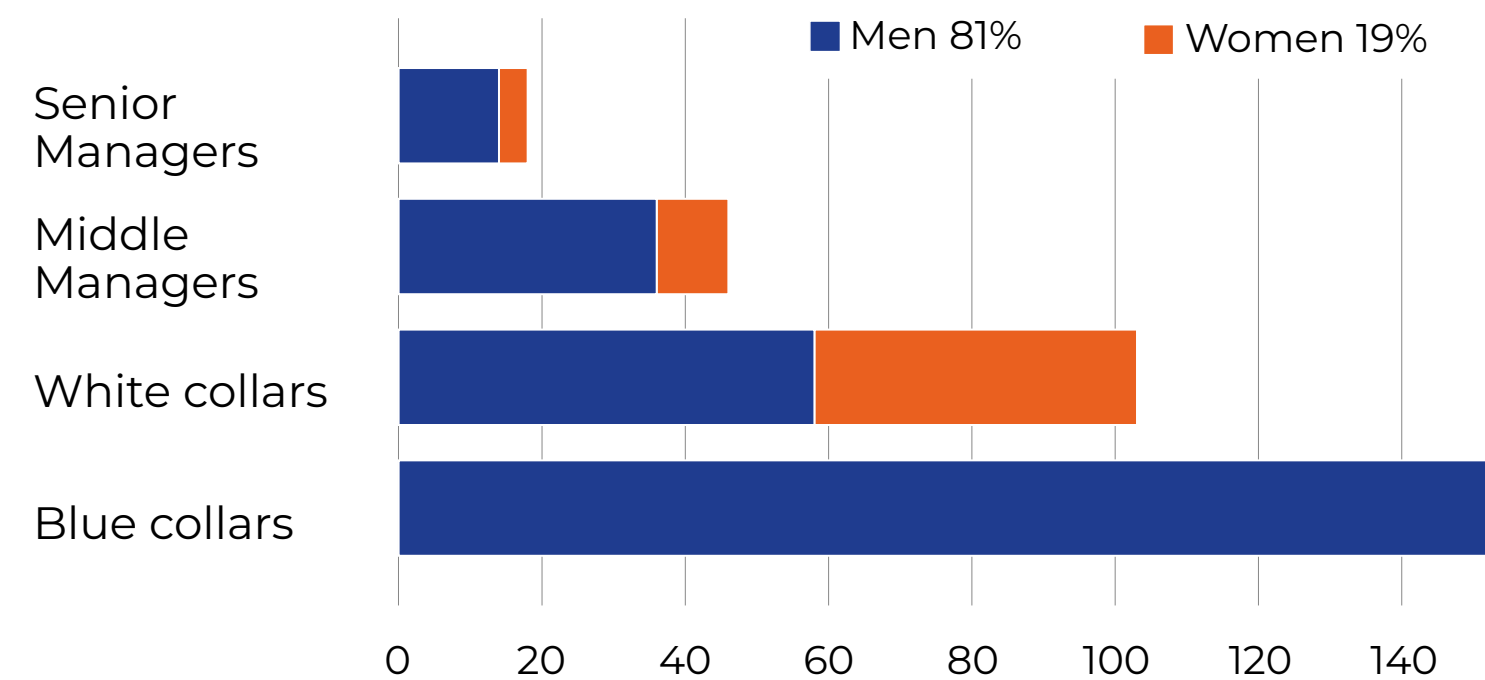
4.2.1 LATI People

GRI 2-7 | GRI 2-8 | GRI 2-30 | GRI 405-1

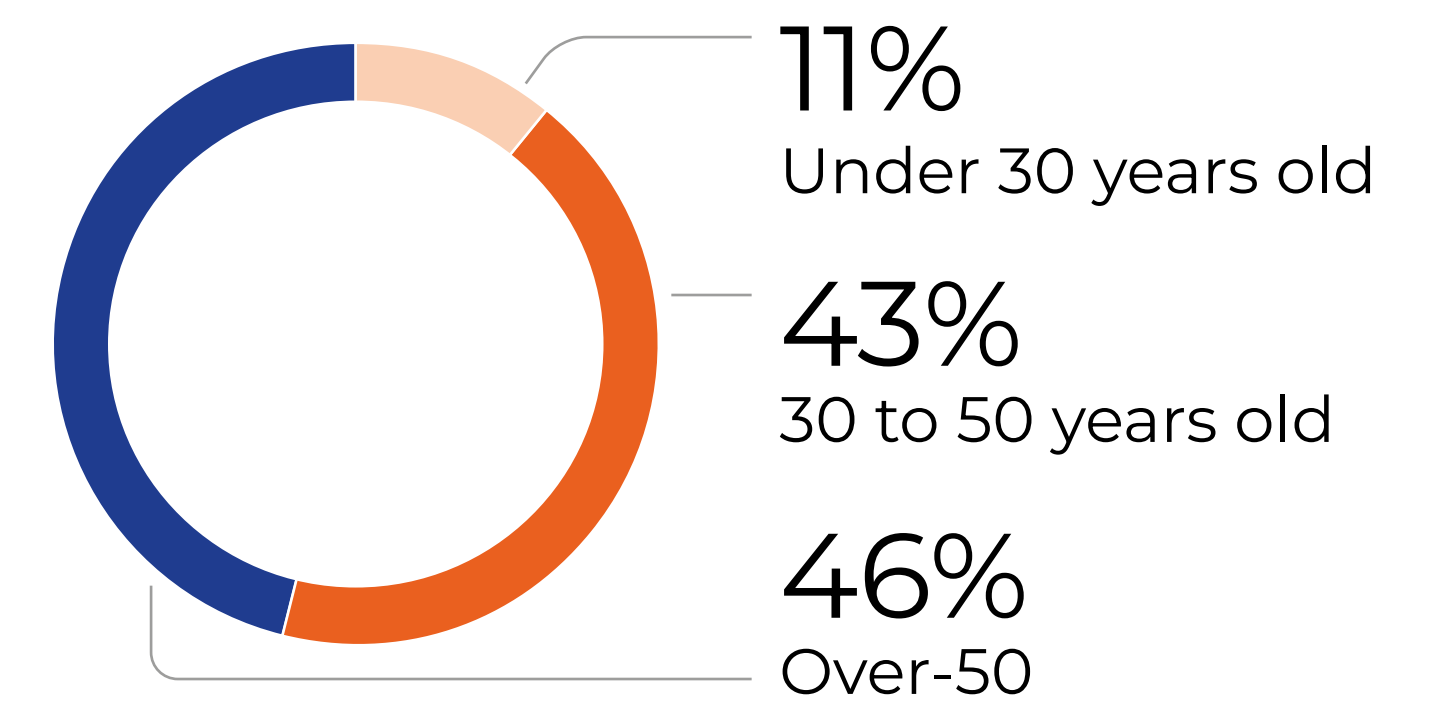
In line with its corporate culture, LATI maintains the **centrality of the wellbeing of its people and organizational evolution**, despite the constant challenges of the socioeconomic context.

As of **December 31st, 2025**, the total number of LATI Group employees was **321 people⁴⁵**, of whom **19% women** and **81% men**.

Breakdown of LATI People 2025



People by age group in 2025



45. The reporting boundary includes employee workers at the Italian sites of Vedano Olona and Gornate Olona, the Branches in Europe (France, Germany, Spain, Slovakia, Sweden) and the subsidiaries located in China, the UK and the USA. It is specified that there are no employees in the USA subsidiary. It is specified that the reporting boundary does not include information relating to the subsidiary LATI-LOXIM Thermoplastics Private Limited.

Although the thermoplastic materials sector traditionally attracts predominantly male profiles, especially in production, LATI is firmly committed to promoting **equal opportunity** and **enhancing inclusion** at all levels. As demonstrated by the achievement and maintaining of UNI/PdR 125:2022 Gender Certification, the Company recognizes

the importance and value of **balanced gender representation in leadership positions** and actively works to foster this balance.

Several generations interact and collaborate within LATI's organizational context: **46% of LATI employees are over**

50 years old, while **43% are between 30 and 50 years old**. Considering both the departure of several employees due to retirement and organizational growth, LATI has enrolled several **under-30s**. Since 2022, **the share of employees aged under 30 has grown from 7% to 11%**.

The following tables provide details of workforce composition by employees category, gender and age in the 2023-2025 three-year period.

GRI 405-1 Diversity of governance bodies and employees - employee category and gender																									
2023														2024						2025					
Employees category	Unit of measure	Men		Women		Total		Men		Women		Total		Men		Women		Total							
Senior managers	number	12	75%	4	25%	16	5%	13	76%	4	24%	17	5%	14	78%	4	22%	18	6%						
Middle managers	number	34	74%	12	26%	46	15%	36	77%	11	23%	47	14%	36	78%	10	22%	46	14%						
White collars	number	54	56%	42	44%	96	32%	55	54%	46	46%	101	31%	58	56%	45	44%	103	32%						
Blue collars	number	145	99%	1	1%	146	48%	159	98%	3	2%	162	50%	152	99%	2	1%	154	48%						
Total	number	245	81%	59	19%	304	100%	263	80%	64	20%	327	100%	260	81%	61	19%	321	100%						
of which belonging protected categories ⁴⁶	number	15	5%	2	1%	17	6%	15	5%	2	1%	17	5%	18	6%	2	1%	20	6%						

46. It should be noted that the number of employees belonging to protected categories for the three-year period 2023-2025 was corrected due to a transcription error. It is also specified that the definition set out in Law 68/1999 applies to protected social groups.

GRI 405-1 Diversity of governance bodies and employees - employee category, age and gender

		2023			2024			2025		
Employees category	Unit of measure	Men	Women	Total	Men	Women	Total	Men	Women	Total
Senior managers	%	75%	25%	5%	76%	24%	5%	78%	22%	6%
under 30 years old	%	0%	0%	0%	0%	0%	0%	0%	0%	0%
30 - 50 years old	%	25%	0%	1%	24%	0%	1%	28%	0%	2%
over 50 years old	%	50%	25%	4%	53%	24%	4%	50%	22%	4%
Middle managers	%	74%	26%	15%	77%	23%	14%	78%	22%	14%
under 30 years old	%	0%	0%	0%	0%	0%	0%	0%	0%	0%
30 - 50 years old	%	41%	17%	9%	43%	17%	9%	35%	13%	7%
over 50 years old	%	33%	9%	6%	34%	6%	6%	43%	9%	7%
White collars	%	56%	44%	32%	54%	46%	31%	56%	44%	32%
under 30 years old	%	5%	6%	4%	2%	8%	3%	5%	6%	3%
30 - 50 years old	%	28%	21%	15%	28%	21%	15%	25%	21%	15%
over 50 years old	%	23%	17%	13%	25%	17%	13%	26%	17%	14%
Blue collars	%	99%	1%	48%	98%	2%	50%	99%	1%	48%
under 30 years old	%	14%	0%	7%	15%	1%	8%	16%	1%	8%
30 - 50 years old	%	42%	1%	20%	41%	1%	21%	40%	1%	19%
over 50 years old	%	43%	0%	21%	42%	0%	21%	44%	0%	21%
Total	%	81%	19%		80%	20%		81%	19%	

Following its values-based approach, in 2025 LATI also **maintained full employment** and at the same time strengthened its workforce by stabilizing non-employee personnel and bringing in new professionals to support key business development and technical competencies areas.

Festa sull’Aia: celebrating LATI people

In June 2025 LATI celebrated its **80th anniversary** with the **Festa sull’Aia** (Festival in the farmyard), a day dedicated to the Company’s people. At the Gornate Olona site, **employees, families and friends** gathered to share a community moment marked by simplicity and conviviality. During the event, awards

were presented to “**LATI veterans**”, “**masters of labor**” and those who represent the Company’s values. The celebration also had a solidarity dimension, thanks to support for the **Cuori Eroi** association and the participation of local organizations such as **Io do una mano (let me lend a hand)**, the **Busto Arsizio Red Cross** and **Cooperativa Sociale San Carlo**, strengthening the bond among LATI, people and the community.

GRI 2-7 Employees - region and gender⁴⁷

		2023						2024						2025					
Region	Unit of measure	Men		Women		Total		Men		Women		Total		Men		Women		Total	
Italy	number	227	83%	48	17%	275	90%	244	82%	54	18%	298	91%	241	83%	51	17%	292	91%
Europe	number	13	76%	4	24%	17	6%	13	81%	3	19%	16	5%	13	81%	3	19%	16	5%
Extra Europe	number	5	42%	7	58%	12	4%	6	46%	7	54%	13	4%	6	46%	7	54%	13	4%
Total	number	245	81%	59	19%	304	100%	263	80%	64	20%	327	100%	260	81%	61	19%	321	100%

47. It should be noted that 100% of employee workers in Italy are covered by the National Collective Bargaining Agreement for Rubber and Plastics. The employees of the branches and subsidiaries Extra Europe have entered into contractual agreements directly with the Company.

In witness of the company’s care for its people, LATI favors **stable and lasting employment relationships**. Indeed, **97% of employees are hired on permanent contracts**.

In addition, although the majority of personnel in Italy and abroad are hired on full-time contracts, LATI also guarantees the possibility of activating **part-time employment**

contracts also with a view to achieving a better work-life balance⁴⁸.

The following tables provide details of workforce composition broken down by gender, contract type and employment type in the 2023-2025 three-year period.

GRI 2-7 Employees - region, gender and employment contract										
		2023			2024			2025		
	Unit of measure	Men	Women	Total	Men	Women	Total	Men	Women	Total
Permanent	number	243	54	297	259	57	316	256	55	311
Italy	number	226	48	274	243	52	295	240	50	290
Europe	number	13	4	17	13	3	16	13	3	16
Extra Europe	number	4	2	6	3	2	5	3	2	5
Temporary	number	2	5	7	4	7	11	4	6	10
Italy	number	1	0	1	1	2	3	1	1	2
Europe	number	0	0	0	0	0	0	0	0	0
Extra Europe	number	1	5	6	3	5	8	3	5	8
Total	number	245	59	304	263	64	327	260	61	321

48. It should be noted that there are no workers with employment contracts featuring non-guaranteed hours.

GRI 2-7 Employees - region, gender and type of employment

		2023			2024			2025		
	Unit of measure	Men	Women	Total	Men	Women	Total	Men	Women	Total
Full time	number	244	54	298	262	61	323	259	58	317
Italy	number	226	43	269	243	51	294	240	48	288
Europe	number	13	4	17	13	3	16	13	3	16
Extra Europe	number	5	7	12	6	7	13	6	7	13
Part time	number	1	5	6	1	3	4	1	3	4
Italy	number	1	5	6	1	3	4	1	3	4
Europe	number	0	0	0	0	0	0	0	0	0
Extra Europe	number	0	0	0	0	0	0	0	0	0
Total	number	245	59	304	263	64	327	260	61	321

In addition, with regard to other contract types, LATI currently has **56 personnel** with **non-employee contracts** exclusively at the Group’s Italian sites. Of these, 73% consist of production workers hired through agencies. In response to market needs, the Company makes use of agency staff and, when possible, incorporates them directly into its workforce.

During 2025, LATI further strengthened its commitment to **talent development and collaboration with academia**, consolidating what had already been started in previous years. The Company continues to host a significant number of internship students each year, coming not only from top Italian universities and ITS-Higher Technical Institutes in the sector, but also from foreign institutions, offering them

a dynamic training environment oriented toward innovation. Stage increasingly represent a **strategic employer branding lever**, fostering engagement with **new generations and bringing digital competencies into the Company**.

In 2025, LATI further strengthened its structured partner-

ships with several sector **ITS institutes**, with the aim of creating a robust talent pipeline of qualified technical professionals capable of supporting the evolving skills requirements of the industrial landscape⁴⁹. In the field of advanced research, in addition to the ongoing

collaboration with a PhD candidate from the University of Insubria in Varese, engaged in the development of their research project in partnership with LATI⁵⁰, in 2025 the Company launched a new collaboration with a **second PhD programme** in **sustainability reporting** in partnership

with LIUC Carlo Cattaneo University of Castellanza. This expansion confirms the Company’s desire to actively contribute to the growth of specialist skills and the generation of scientific knowledge on priority topics for the sustainability strategy.

GRI 2-8 Workers who are not employees																		
		2023						2024						2025				
Region	Unit of measure	Men		Women		Total		Men		Women		Total		Men		Women		Total
Italy	number	50	93%	4	9%	54		46	96%	2	4%	48		51	91%	5	9%	56
Administered	number	42	100%	0	0%	42	78%	40	100%	0	0%	40	83%	40	98%	1	2%	41 73%
Stage	number	5	56%	4	44%	9	17%	3	60%	2	40%	5	10%	8	67%	4	33%	12 21%
Other collaboration	number	3	100%	0	0%	3	6%	3	100%	0	0%	3	6%	3	100%	0	0%	3 5%
Europe	number	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0 0%
Extra Europe	number	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0 0%
Total	number	50	93%	4	7%	54		46	96%	2	4%	48		51	91%	5	9%	56

49. For more information regarding partnerships with Higher Technical Institutes (ITS) in the sector, please refer to [paragraph 4.2.6 Community and local territory](#)
50. For more information regarding the PhD with the University of Insubria, please refer to [paragraph 4.1.6 Research and Innovation](#)

New hires and turnover

GRI 401-1

LATI is committed to attracting and hiring people with different backgrounds and skills. As provided by the organizational procedure for the selection process, in pursuing gender equality during selection and hiring processes, **the Company is committed to ensuring a fairly gender-representative candidate pool**. To this end, for every position LATI not only assesses candidates' experience, skills and competencies, but also the conditions under which their work will be performed. To ensure the effective and transparent management of recruitment processes, LATI has adopted specific **Recruitment Guidelines** defining the selection stages, the methods for preparing and conducting interviews, and the processes for evaluation, feedback, and record-keeping.

Since 2024, LATI has also introduced **the internal job posting process** to promote the **growth of its people** and foster a **fair and inclusive work environment** that reflects the diversity of outlooks and talents present in the Company. LATI publishes new hiring needs on the Company intranet, so that each person has the opportunity to access new professional opportunities, compatibly with the organization. Through job posting, LATI seeks to promote inclusion and internal growth, fostering the spirit of collaboration and combatting a silo-oriented approach to work opportunities.

In 2025, **20 new people** joined the Company, while 20 employees left, mainly due to retirement. New hires and ter-

minations involved LATI's Italian sites. In particular, **among new hires, 22% were aged under 30 and 16% belonged to the 30 - 50 age group**.

The Welcome Manual Scopri Casa LATI

The document "Scopri Casa LATI" (Discover Casa LATI) is the welcome guide dedicated to new employees and is a key tool for supporting full integration within the organization. The guide clearly presents the corporate culture, values and principles that guide the Group's activities, together with its strategic vision and ethical, social and environmental commitments. The manual also provides operational information on internal processes, QHSE policies, welfare and wellbeing initiatives, training and professional development opportunities, and the digital tools made available to people. Through this document, LATI promotes an inclusive, safe and responsible work environment, strengthening the sense of belonging and supporting an effective and transparent onboarding experience for new hires.



GRI 401-1 New employee hires and employee turnover										
		2023			2024			2025		
Specific	Unit of measure	Men	Women	Total	Men	Women	Total	Men	Women	Total
under 30 years old	number	14	1	15	8	5	13	7	1	8
30 - 50 years old	number	19	3	22	18	2	20	8	0	8
over 50 years old	number	1	0	1	2	0	2	4	0	4
Total new hires	number	34	4	38	28	7	35	19	1	20
Hiring rate by gender	number	14%	7%	13%	11%	11%	11%	7%	2%	6%
Hiring rate by age	%									
under 30 years old	%	54%	17%	47%	30%	56%	36%	24%	14%	22%
30 - 50 years old	%	17%	10%	16%	15%	6%	13%	7%	0%	6%
over 50 years old	%	1%	0%	1%	2%	0%	1%	3%	0%	3%

GRI 401-1 Termination and employee turnover										
		2023			2024			2025		
Specific	Unit of measure	Men	Women	Total	Men	Women	Total	Men	Women	Total
under 30 years old	number	0	0	0	1	1	2	1	0	1
30 - 50 years old	number	1	1	2	4	0	4	7	2	9
over 50 years old	number	9	1	10	6	1	7	9	1	10
Total terminations	number	10	2	12	11	2	13	17	3	20
Termination rate by gender	%	4%	3%	4%	4%	3%	4%	7%	5%	6%
Termination rate by age	%									
under 30 years old	%	0%	0%	0%	4%	11%	6%	3%	0%	3%
30 - 50 years old	%	1%	3%	1%	3%	0%	3%	6%	7%	7%
over 50 years old	%	8%	4%	8%	5%	4%	5%	7%	4%	7%

4.2.2 Inclusion and equal opportunities

The value of inclusion at LATI is reflected in the Company's constant commitment to **fostering a fair work environment that rejects all forms of stereotyping, discrimination and abuse.**

LATI fulfils this commitment through the **systematic dissemination and formalization of these values as integral parts of all organizational initiatives and processes.** The following are the Company's **main milestones** achieved in 2025.

As evidence of this direction, in 2023 LATI obtained **Gender Equality Certification under the UNI/PdR 125:2022 practice**, recognizing the level of maturity achieved by the Company in inclusion and in promoting equal opportunities. The Certification is based on a structured system of quantitative and qualitative indicators that measure, among other aspects, the presence of dedicated policies and procedures, equity in growth opportunities and pay, the dissemination of training activities on inclusion and respect, and support for parenthood, work-life balance and people's psychological and physical wellbeing.

In line with its strategic plan and the commitments undertaken as part of the Certification, LATI develops an annual

Round Table: Gender equality and meritocracy

In 2025, LATI organized a Round Table dedicated to gender equality, with the aim of fostering a concrete discussion on the daily challenges related to equity, talent development and the creation of inclusive work environments. Participants included Miriam Olivi (President of Women in Plastics Italy), Marco Guazzoni (Independent Board Member of LATI and Sustainability Director at Vibram), Michela Limido (General Manager Service, LATI Group), and Vittorio Gerola (General Manager Business, LATI Group), providing complementary perspectives on the role of inclusive practices in driving organizational growth and fostering an equitable and aware corporate culture.

The initiative represented a meaningful opportunity for dialogue and awareness-raising, contributing to LATI's journey towards a more responsible, inclusive value chain and work environment that prioritizes people.

programme of initiatives aimed at promoting awareness, dialogue and shared responsibility on gender equality, equity and inclusion. The most significant activities carried out in 2025 are presented below.

Webinars with Fondazione Libellula

In line with its commitment to disseminating inclusion and gender equality topics, which have always been part of the Company's DNA, LATI organizes annual opportunities for reflection and sharing with Fondazione Libellula, an Italian non-profit organization committed to preventing gender-based violence and promoting inclusion in the workplace. In 2025, the webinars organized were:

- **Care work, care at work - The power of making the invisible visible:** organized on the occasion of International Women's Day (8 March), the webinar offered a reflection on the value of care work, highlighting how this dimension, often taken for granted or made invisible, represents a fundamental element in building equitable professional environments and more conscious relationships. The webinar also helped foster discussion on the stereotypes that continue to influence role distribution and equity dynamics, promoting a more shared approach to responsibilities and a corporate culture attentive to mutual care in everyday working life.

- **Men who change: from privilege to responsibility:** a meeting designed to foster open dialogue on the role of men in preventing gender-based violence. Starting from an analysis of privileges and cultural dynamics that often shape

behaviours and relationships, the webinar encouraged a conscious reflection on how responsibility, active listening, and change can contribute to building more equitable, safe, and inclusive workplaces. The initiative provided a constructive space for dialogue to explore new role models and promote men's active involvement in combating violence and fostering respectful relationships.

LATI also shared the **L.E.I. - Work Equity Inclusion - survey** by Fondazione Libellula with all its people, contributing to the mapping of women workers' experiences and perceptions regarding discrimination, motivation, career paths, use of time and relationship with money.

Women in Plastics Italy

To support women's professional growth in the plastics industry, LATI supports **Women in Plastics Italy**, an association founded in 2024 that brings together professionals, companies and supporters committed to promoting an inclusive culture and valuing female talent in the sector. The Association - of which **Michela Conterno**, CEO of LATI, is a **founding member** - works to foster the development of skills, professional networks and growth opportunities in the sector, enhancing the role of companies that promote gender equality.

In addition to taking part in the Association's activities, LATI **makes the training programmes** proposed by Women in

Plastics Italy available to its people, broadening the impact of the initiatives and promoting the spread of skills related to empowerment, inclusive leadership and professional development. In 2025, the Company took part in the courses "**Personal Empowerment & Self-Leadership**" and "Marketing Skill Up", the latter hosted directly at the Company headquarters and open to all professionals of the Association. The initiative represented an important opportunity for exchange and growth, helping to strengthen a professional community oriented toward equity, collaboration and inclusion.



Support for UN Women Italy and the "Orange the World" campaign

In 2025, LATI continued its commitment to promoting gender equality, equity and inclusion by supporting UN Women Italy, the national section of the United Nations entity dedicated to advancing women's rights and gender equality. The initiatives supported include Orange the World, the global campaign promoted by UN Women to end violence against women and girls.

The campaign, active every year from 25 November to 10 December as part of the 16 Days of Activism, aims to draw international attention to the need to prevent and combat gender-based violence, mobilizing governments, companies and civil society worldwide. During this period, buildings, monuments and symbolic landmarks in over 100 countries are lit up in orange, the color chosen by the United Nations as a universal sign of hope and commitment to a future free from violence.

LATI's support contributes to the implementation of projects and initiatives aimed at protecting women in vulnerable situations, supporting programme coordinated by the UN Trust Fund to End Violence against Women, the leading global fund dedicated to preventing and eliminating gender-based violence. This initiative strengthens LATI's path toward building more inclusive, equitable and aware workplaces and communities, promoting a culture based on respect, dignity and appreciation of differences.

4.2.3 People's wellbeing

GRI 401-2 | GRI 401-3 | GRI 403-6

The #LATI4u welfare programme

As part of its Corporate Social Responsibility activities, LATI offers all its people access to a range of benefits and initiatives designed to improve their work-life balance. In line with LATI's values, these initiatives aim to guarantee respect, inclusion, wellbeing, and to support our efforts to attract and retain talent.

In particular, the Company supports and promotes workers' wellbeing inside and outside the organization through its #LATI4u welfare programme. In addition to promoting a flexible and hybrid work environment, including the possibility of unlimited remote working, initiatives supporting employee well-being cover various areas: a focus on nutrition through awareness campaigns, the organization of on-site fitness classes, psychological support, cultural visits, scholarships, partnerships for summer camp enrolment for children, and discounts with various retail outlets and gyms .

In 2025, LATI's welfare programme focused on initiatives aimed at supporting the psychological and physical wellbeing of its employees, with particular attention to parenthood and caregiving.

#LATI4U



Health

- Medical exams
- Healthcare
- FasG&P Assistance Fund
- Check-up for executives
- Flu vaccine
- Anti-smoking therapist*
- Psychologist
- Webinars



Agreement

- Transportation: Trenord, E-VAI
- Gym
- GIUNCA Network
- Tailoring
- Pharmacy
- Buytec
- Car tire change



Family

- Summer camp
- Scholarship
- Welcome baby kit
- Parenthood and care giver counsellor
- Webinars



Nutrition

- Canteen
- Water dispensers
- Fruit in the company
- Nutritionist*
- Webinars



Discount and finances

- Assistance 730
- Agreements
- Insurances
- Timeswap Platform



Sport culture and volunteering

- Corporate gym
- Cultural trips
- Social volunteering
- Sport Coach*



Work life Balance

- Remote working
- Time flexibility
- Guidelines for Meeting Management
- Guidelines for Hybrid Working

51. The Company offers all its employees the same benefits, except for life insurance offered to management.

*Services available in the Welfood platform

Initiatives for Parenting and Caregiving

LATI supports its employees who are parents or new parents through various initiatives and benefits that go well beyond the requirements of the law.

In accordance with the Parenting Procedure, all new parents are entitled to the full benefits of the welfare plan and have the right to keep company IT tools in their possession as optional tools to stay in touch with company life (e.g. to consult the intranet, to receive the CEO's end-of-month update, to use MY LATI SPACE or other initiatives offered by the company to its people). In addition, during periods of compulsory leave, **LATI pays maternity allowances at 100% of salary, rather than the 80% set down by Italian law.**

Since 2024, to provide greater support to LATI families, the **Company has introduced 10 days of paternity leave paid by the Company, in addition to the 10 days of mandatory leave** provided by INPS (Istituto Nazionale della Previdenza Sociale) as required by Italian law. Demonstrating the effectiveness of the initiative, in 2024 the number of employees who used paternity leave increased.

Overall, during the year, **26 LATI Italy employees used parental leave**, with a return-to-work rate of 100% and a retention rate of 144%. The number of people using paren-

tal leave and the hours used increased compared to the previous two-year period, also reflecting the generational change the Company is experiencing. The tables below, covering the three-year period 2023-2025, show the number of people who used parental leave in Italy and the related breakdown of hours by type of leave.

Workplace Health Promotion: walking leaders

In 2025, a group of **LATIPeople** took part in the Walking Leaders course promoted by ATS Insubria, actively contributing to the spread of healthy lifestyles and to the creation of a work environment more attentive to wellbeing. LATI confirms its commitment to the **Workplace Health Promotion (WHP)** program, recognized by the Lombardy Region since 2014, continuing to promote concrete initiatives aimed at people's psychological and physical health.



Summer camp

In 2025, LATI strengthened its welfare policies by introducing a **financial contribution dedicated to summer centers for employees' children**, with the aim of providing concrete support to families during the summer period and promoting a better work-life balance. The initiative, aimed at children aged between 3 and 14, represents tangible support for caregiving and family organizational needs, reaffirming the Company's commitment to enhancing people's well-being and fostering an inclusive work environment that is attentive to the different stages of family life.



GRI 401-3 Parental leave ⁵²										
		2023			2024			2025		
	Unit of measure	Men	Women	Total	Men	Women	Total	Men	Women	Total
Italian employees that were entitled to parental leave ⁵³	number	227	48	275	244	54	298	241	51	292
Employees that took parental leave	number	7	1	8	15	4	19	22	4	26
Employees that returned to work in the reporting period after took parental leave ⁵⁴	number	7	1	8	15	3	18	22	4	26
Employees that returned to work after took parental leave that were still employed 12 months after their return to work	number	7	1	8	15	3	18	22	4	26
Return to work rates ⁵⁵	%	100%	100%	100%	100%	75%	95%	100%	100%	100%
Retention rates ⁵⁶	%	233%	100%	200%	214%	300%	225%	147%	133%	144%

52. The data included in the GRI 401-3 Parental leave indicator include data relating only to employees operating in Italy.

53. The number of employees entitled to parental leave coincides with the total number of employees in Italy.

54. The number of employees who returned to work after taking parental leave corresponds to the employees who took mandatory and voluntary paternity and maternity leave, as well as continuous parental leave.

55. The return to work rate is calculated as follows: (Employees who returned to work during the reporting period after taking parental leave / Employees who took parental leave) *100.

56. The retention rate is calculated as follows: (Employees who returned to work after taking parental leave and were still employed 12 months after returning / Employees who returned to work during the reporting period after taking parental leave in the previous year) *100.

Parental leave hour details

	Unit of measure	2023			2024			2025		
		Men	Women	Total	Men	Women	Total	Men	Women	Total
Total parental leave in Italy	hours	536	96	632	1.779	2.875	4.654	3.613	1.566	5.178
Parental leave	hours	16	96	112	592	728	1.320	1.777	744	2.521
Mandatory maternity leave	hours	0	0	0	0	1.976	1.976	0	592	592
INPS New Fathers' leave	hours	520	0	520	608	0	608	856	0	856
Additional New Fathers' leave from the Company	hours	0	0	0	357	0	357	960	0	960
Breastfeeding leave	hours	0	0	0	222	171	393	20	230	250

In addition to leave, LATI supports its employees who are parents through various initiatives:

- **Welcome baby**: the Company offers its employees a **welcome kit for newborns** and a **voucher** to be used on the **Company welfare platform**;
- **When a parent is born**: LATI’s initiative in collaboration with Il Melograno - Maternity and Birth Information Center - and Confindustria Varese, through which all new

parents had the opportunity to **use 3 post-natal home visits**. These visits take the form of activities to support the parental relationship and bonding processes such as practical and educational care, help with organizing the home to welcome the newborn infant, and support in breastfeeding or feeding with infant formula. The family environment allows new parents to feel at ease and therefore more inclined to accept support. Home visits last approximately 1 hour and 30 minutes each and take place in the first 12 months of the child’s life.

- **Lunch with Artificial Intelligence**: the event provided participants with an opportunity to discuss the opportunities and challenges related to the development of AI. Guided by Matteo Zanon and Riccardo Schoen from L’Aquilone, LATI People had the chance to explore approaches, implications, and future perspectives, while keeping the value of human interaction and relationships at the core. The initiative helped promote a more conscious reflection on the responsible adoption of Artificial Intelligence within the corporate community.

People Caring programme and wellbeing support with LianeCare

In 2025, LATI expanded its corporate wellbeing services through a collaboration with **LianeCare**, the first Italian platform dedicated to **people caring** and **support for family caregivers**. Thanks to an integrated ecosystem that combines a digital platform, a qualified network of professionals and proprietary matching technology, LianeCare offers employees and their families access to verified caregivers, psychologists and resources for personal and family wellbeing. As part of this collaboration, LATI also activated a **specific coaching programme for returning to work after a period of absence**, consisting of three individual sessions with a senior coach specialized in leave and reintegration paths. The initiative supports a gradual and peaceful return, promoting people's psychological wellbeing and strengthening the Company's commitment to an inclusive work environment attentive to health and work life balance.

Welfood: 360° wellbeing

The partnership activated in 2023 by LATI with Welfood aims to offer our people collective or individual opportunities to discuss **all-round mental and physical wellbeing**. **Welfood's mission** is to support people in improving their daily habits, generating awareness and lasting positive changes for individuals and companies.

Through its wellbeing platform, in 2025 LATI expanded the support options available to people, increasing the number of **individual consultations** available from **4 to 10 meetings**. The service, intended for employees, their family members and friends, allows access to a professional selected **from a wide range of wellbeing services**.

In addition to the services already available on the platform for psychologist, caregiver, parenthood, nutritionist, sports coach and anti-smoking counsellors, in 2024 LATI also introduced access to consultation services in eco-counselling, financial education, and mindfulness. During the year, with the help of experts from Welfood, LATI also organized a series of three virtual meetings, the **Wellbeing Webinars**, to explore issues related to wellbeing and work-life balance, including: The power of sleep; Things to know when talking about money; Anti-stress nutrition; Emotions between freedom and power.



4.2.4 Training and development

GRI 401-1 | GRI 404-2 | GRI 205-2

New mindsets through training

LATI considers training a key factor for the growth of its people. Every year, LATI offers a wide-ranging training plan of initiatives designed to consolidate existing skills and to develop new mindsets, particularly in the areas of cross-functional collaboration, awareness of cognitive biases, inclusion, sustainability, social responsibility and digital innovation. Through the growth of both collective and individual skills, LATI supports the **company's development strategies**.

In this regard, in **2025 LATI maintained stable levels of mandatory training hours** compared to the previous year, delivering a total of **6,945.75 hours** and **reaching** an average of **21.64 hours per employee**.

As indicated in the organizational Procedure dedicated to training, the Human Resource department uses various tools and methods to define training needs. Among these,

continuous consultation with the CEO, Function Managers and the RSU (Joint Trades Unions Committee) is crucial. In addition, LATI also draws on **Professional Competency Frameworks**, defined for each professional role within the organization. This tool is essential for monitoring and ensuring that every employee has the necessary skills to per-

form their duties safely and effectively. The Competency Frameworks identify the skills required for each role within the organization and assess, where applicable, the current level of autonomy with which they are performed; any skills gaps identified give rise to training proposals or other individual or collective actions.



GRI 404-1 Average hours of training per year per employee – 404-2 Programs for upgrading employee skills and transition assistance programs

		2023			2024			2025		
Employment contract	Unit of measure	Men	Women	Total	Men	Women	Total	Men	Women	Total
Senior managers	hours	126.70	109.80	236.50	145.00	71.50	216.50	308.50	170.50	479.00
Middle managers	hours	721.00	386.50	1,107.50	749.00	266.00	1,015.00	788.05	309.50	1,097.55
White collars ⁵⁷	hours	1,866.75	1,251.75	3,118.50	1,739.00	1,487.50	3,226.50	1,470.55	1,056.25	2,526.80
Blue collars	hours	2,426.25	8.00	2,434.25	3,050.00	73.50	3,123.50	2,783.40	59.00	2,842.40
Total training hours	hours	5,140.70	1,756.05	6,896.75	5,683.00	1,898.50	7,581.50	5,350.50	1,595.25	6,945.75
Average hours of training per year by employee	hours	20.98	29.76	22.69	21.61	29.66	23.19	20.58	26.15	21.64

57. Training hours for apprentices were included in the training hours for the white collars employee qualification category.

From a content perspective, the training initiatives offered can be divided into the following **thematic areas**:

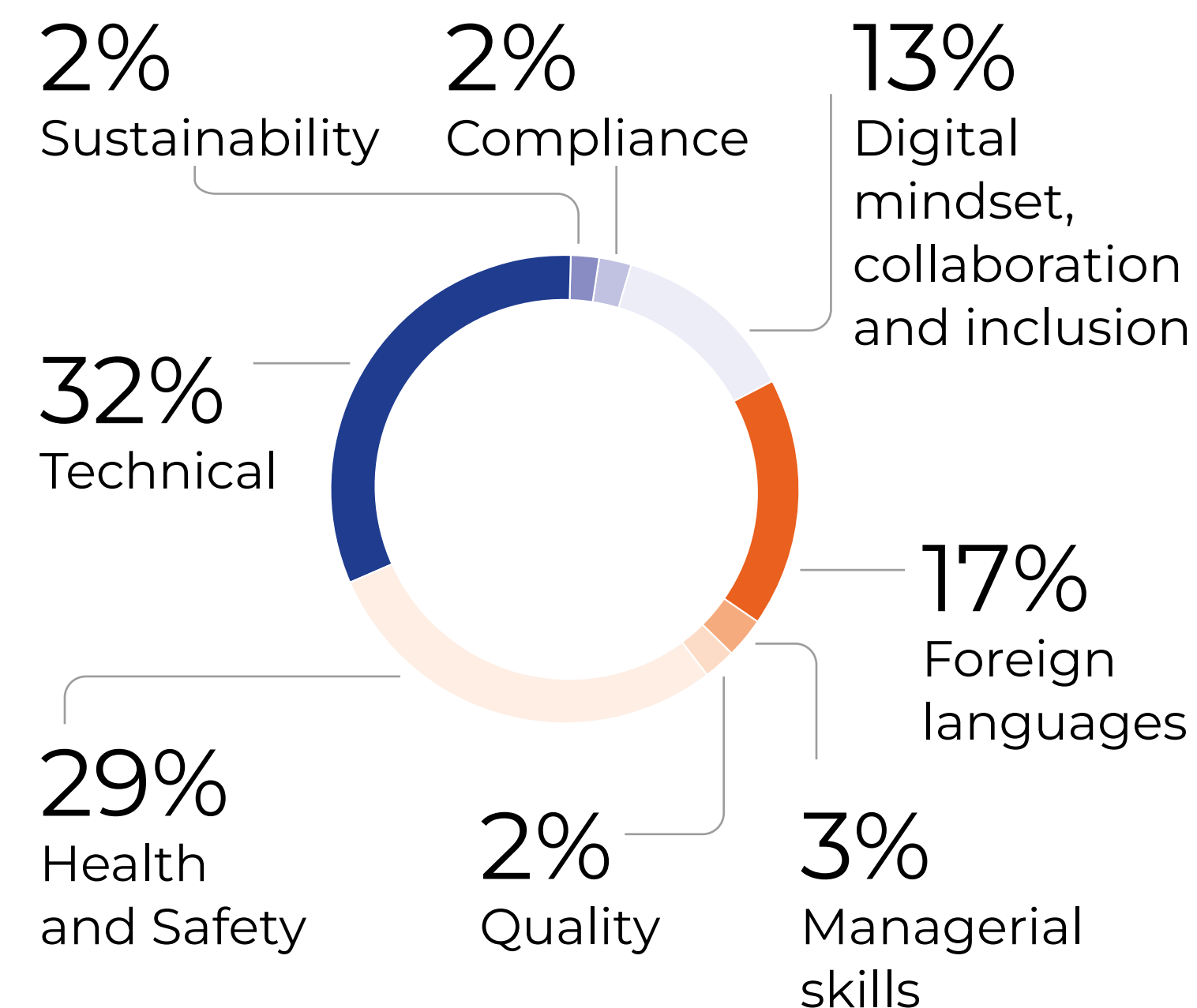
- **Sustainability**: courses dedicated to training on environmental, social and governance sustainability topics.
- **Compliance**: courses on Company regulations and legal obligations (e.g. cybersecurity, 231, privacy).
- **Digital mindset, collaboration and inclusion** with a specific focus on:
 - **DE&I**: courses designed to stimulate an inclusive, equal and fair culture and the dissemination of kind communication.
 - **Soft skills**: courses to foster collaboration across functions and among colleagues in the same team, to promote proactivity and curiosity in the face of change, digital skills (e.g., digital mindset, collaboration, cross-relationships, negotiation etc.).
- **Foreign languages**: courses to boost employees' language skills.
- **Managerial**: refresher courses relating to work-team management and useful People management tools and behaviors.
- **Quality**: refresher and/or training courses on topics connected with product and process quality, quality monitoring

tools and voluntary certification systems in place within the Company.

- **Health and safety**: courses provided in accordance with current regulations and to promote a widespread safety culture.
- **Technical**: refresher and training courses on topics closely connected to LATI materials, processes and products or to role-specific skills.

In addition to delivering mandatory training, LATI promotes **self-learning** through the **My LATI Space platform**, which provides a broad library of courses and training pills useful for developing both professional and personal skills. The platform also makes all technical webinars delivered during the year by the internal faculty, together with webinars dedicated to health and wellbeing, always accessible, fostering continuous updating and flexible use of training content. The HR team also periodically reports training opportunities offered by **the associations of which LATI is a member**, such as the **ELITE** network of **Borsa Italiana, Associazione Italiana Commercio Estero and Confindustria**, the association representing manufacturing and service companies in Italy, and annually schedules optional webinars to explore topics related to wellbeing and inclusion⁵⁸.

2025 training hours by topic area



58. For further details regarding optional webinars on wellbeing and inclusion topics, please refer to [paragraph 4.2.4 Training and development](#)

Onboarding and on-the-job training

LATI attaches great importance to training people joining the Company, people under job rotation and employees who are switching roles through dedicated programmes:

- **Onboarding Path:** 6.5 hours of self-learning training courses for new hires on the My LATI Space platform, with the aim of providing, from the outset, the fundamental skills needed to operate safely, compliantly and in an integrated manner within company processes. The package includes content dedicated to **cybersecurity, personal data protection, corporate quality principles and processes, and sustainability topics.**

- **“LATI-In” training course for new hires:** 12 hours of technical and cross-functional training to learn about the LATI world, the Company’s values, strategies, policies and guiding principles, materials and products, and process innovations. The course is offered once a year and involves all resources who joined the company in the last 12 months, including those on temporary agency contracts.

- **“LATI Tech Starter Pack” course:** an onboarding programme in English designed specifically for coworkers in branches and subsidiaries. LATI Tech is divided in:

- An e-learning course accessible via the My LATI Space platform with content created by the Technical Assistance team, lasting approximately 40 hours.
- Three days of classroom training at one of the two production sites to explore the concepts learned previously through case studies, to ask questions, to view products

and visit production plant, as well as meeting company representatives from different functions.

- Side-by-side training/training on the job: training provided by qualified internal staff to master the activities that will be the responsibility of the newly hired or newly assigned employee.

LATI Posto Sicuro (LATI Safe Workplace)

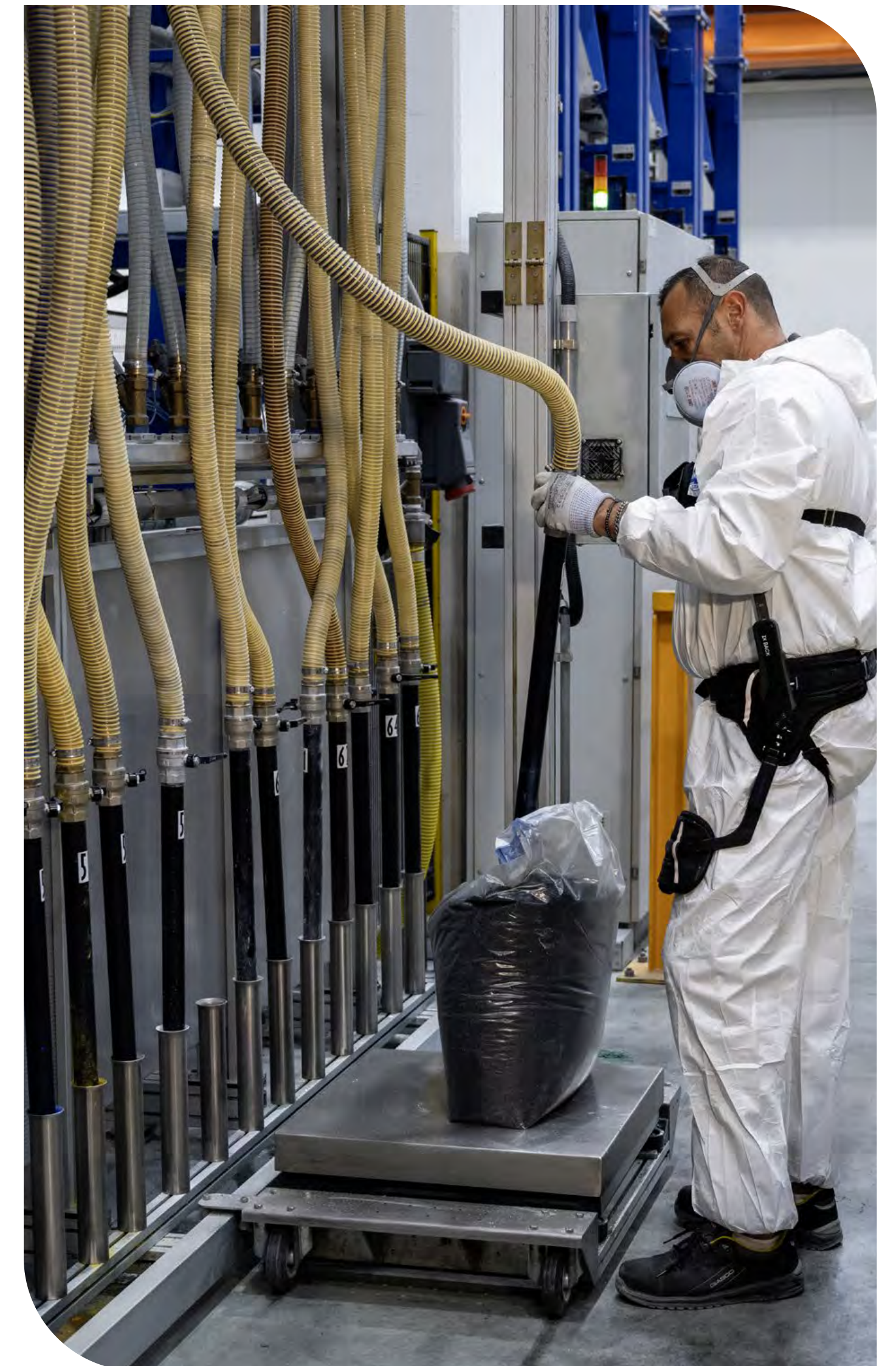
As part of LATI’s commitment to promoting a safe, inclusive work environment based on wellbeing and mutual respect, in 2025 the entire company population was involved in the course **“LATI Posto Sicuro: being collectively. A journey toward inclusion and shared responsibility”**.

Through participatory activities and the use of theatrical techniques, the course represented an important opportunity for discussion and reflection on the concept of a “safe place”, with particular attention to active listening, empathy, relational awareness and psychological safety.

The initiative aimed to strengthen an organizational culture based on shared responsibility and zero tolerance toward any form of discrimination or disrespectful behavior, promoting a work environment where every person can feel valued and free to express themselves.

Sustainability@LATI

In line with its strategic priorities, LATI organizes annual training sessions dedicated to sustainability topics, with the



aim of developing up-to-date competencies aligned with an evolving regulatory and market environment.

During the year, as part of its preparation for the requirements introduced by the **CSRD** regulation, LATI delivered **two technical workshops** aimed at sharing the key contents of the **ESRS standards**, the regulatory implications arising from the **Omnibus Decree**, and the results of the gap analysis conducted.

Technical webinars

LATI organizes **training paths and webinars** for its employees and customers with the aim of sharing technical knowledge and raising stakeholder awareness of the **sustainable use of plastics**. In particular, in 2025 the internal faculty held the webinar “**Metal Replacement & Automotive**” to explore the replacement of metals with high-performance reinforced plastic materials, presenting real application cases in which components traditionally made of steel or aluminum were redesigned using LATI solutions capable of ensuring superior performance.

The webinar also illustrated advanced design approaches based on simulations and co-design, highlighting the main advantages in terms of strength, sustainability and processability. Particular attention was given to materials containing chemically recycled content and to the traceability systems applied, demonstrating LATI’s commitment to promoting innovative and circular solutions. Through these initiatives, LATI continues to foster technical expertise and sustainable innovation within its sector, offering opportunities for knowledge-sharing and open dialogue to all interested stakeholders.

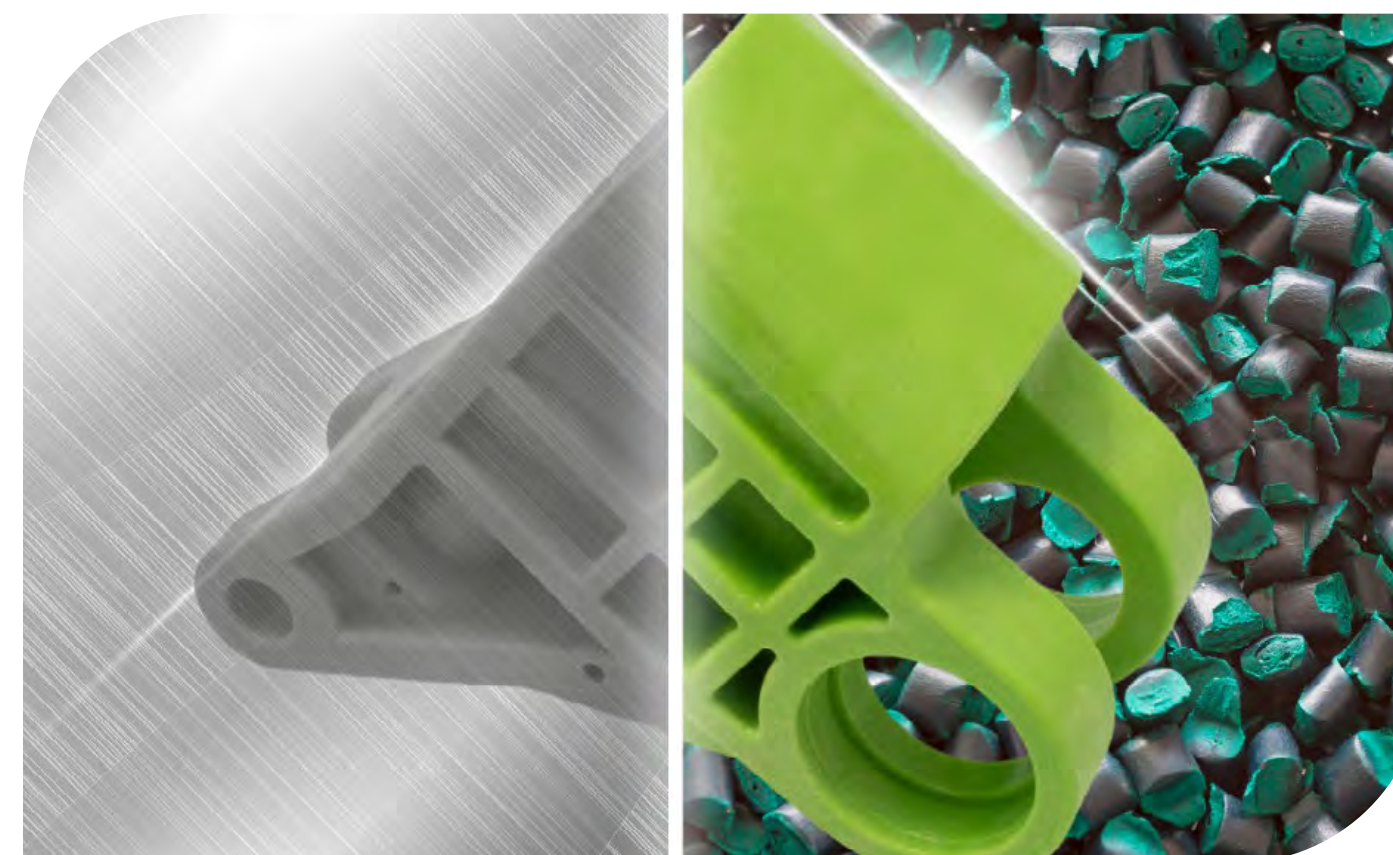
Technical training

Within its training programme, LATI places particular emphasis on the development and enhancement of sector-specific technical competencies. In 2025, the Company involved production department teams in a structured training pathway focused on plastics knowledge, nomenclature fundamentals, and the general characteristics of the main material families.

The programme also included an in-depth focus on recent developments in LATI compounds, specialty materials, and applications related to 3D printing. Training activities also addressed topics related to plant design

and development, introducing the principles of Operation Clean Sweep (OCS) and ISO 50001 certification, with particular attention to energy analysis activities and the responsible management of material flows.

To complete the program, a session dedicated to Quality Control was held, focusing on verification activities for raw materials, finished products and process control, and on non-conformity management, with the aim of consolidating operational skills and ensuring increasingly high standards in terms of quality, safety and sustainability.



4.2.5 Competencies and performance

GRI 2-19 | GRI 2-20 | GRI 404-3

The renewed model of competencies

LATI's model of competencies is in lockstep with the company's strategy, its dynamic vision of the organization, and the focus on the growth of its people. The model describes the **behaviors expected** of people in the organization, guides change and stimulates collaboration between functions. A distinctive and consistent feature of the model is the focus placed on the **value of inclusion**, which **LATI** considers an integral part of how work is carried out and a **key factor in achieving its strategic objectives**.

The behaviours are organised as **5 key competencies**:



VALUES AND STRATEGY: acting consistently with the respective values and strategic references and with an internal/external customer orientation.



ACTIVITIES AND GOALS: ensuring performance that is effective, ethical and problem-solving oriented.



COLLABORATION: practicing cross-functional collaboration and sharing at every organizational level.



EMPATHY AND INCLUSION: fostering an inclusive work environment geared to mutual respect and wellbeing.



LEARNING AND GROWTH: experiencing change positively and seeking opportunities for individual and collective growth.

As provided for by the organizational Procedure for competence assessment, all employees and non-employee collaborators carry out an **annual self-assessment** of their competencies through the My LATI Space platform. Following the **evaluation performed by the direct supervisor, a feedback meeting** takes place between the employee and the manager.



Performance appraisal

In addition to competencies, **performance appraisal** is a fundamental aspect of people-management policies and procedures for LATI, in line with the rationale of continuous improvement and the valorization of professionalism.

The procedure of appraisal by objectives includes the **MBO Management by Objectives** system geared to managers

and **the individual performance appraisal system employees** who report to directors and people managers. Performance management is carried out according to processes designed to ensure non-discrimination and equal opportunities, based exclusively on skills and professionalism and using objective and **meritocratic metrics and criteria**. Performance appraisal is designed as a tool to incentivize and enhance the **system of working by objectives by empow-**

ering even non-leadership roles, provided they are subject to specific project-based and non-routine activities. Furthermore, in line with its mission to generate positive impacts for the environment and for people, in 2025 LATI also assigned to top **management at least one sustainability related objective**. The table below gives a detailed breakdown of the percentage of employees who received a performance appraisal in the three-year period 2023-2025.

GRI 404-3 Percentage of employees receiving regular performance and career development reviews ⁵⁹										
		2023			2024			2025		
Employment contract	Unit of measure	Men	Women	Total	Men	Women	Total	Men	Women	Total
Senior managers	Number	100%	100%	100%	100%	100%	100%	100%	100%	100%
Middle managers	Number	94%	94%	93%	94%	100%	96%	94%	80%	96%
White collars	Number	16%	13%	20%	20%	41%	30%	24%	31%	30%
Total	Number	22%	22%	36%	22%	53%	28%	24%	43%	28%

59. Performance management systems are based on the number of employees in the year preceding the reporting period. The final assessment and payment of bonuses takes place in the following year. It is specified that data is reported on the categories of employees included in the performance management process.

The data demonstrate **LATI's objective-based working approach aligned with the strategic pillars of corporate growth**. Over the years, the Company has expanded the percentage of managers and employees who receive a performance assessment. The goal-setting system developed over time by the Company is not based on hierarchy, but rather to place **meritocracy at the center and encourage autonomy in working on project activities outside the ordinary role**.

Lastly, in addition to its performance management system, **LATI awards all employees an annual Performance Bonus** based on a set of KPIs specified in a Trades Union Agreement. The aim is to raise awareness of the impact that individuals have on business processes and to increase every employee's involvement in achieving the company's objectives.

Guidelines for employee development and salary policies

Thanks to a number of benchmark studies and analyses conducted in 2024 and 2025, also with the support of external professionals, LATI has revised its “**Guidelines for employee development and salary policies**”. This document is the reference point for all departments when defining professional growth and remuneration paths, as well as for the recruitment of new talent. The guidelines are a robust tool for promoting and safeguarding a meritocratic, equal and inclusive approach within the organization.



Meritorg assessment by Forum della Meritocrazia

In 2025, LATI subjected its organizational practices to a **single assessment** covering the three-year period **2022-2024**, using **Meritorg**, the first Italian tool for mapping, monitoring and measuring merit in organizations, developed by **Forum della Meritocrazia** to objectively assess pillars such as equal opportunities, human capital development, talent attractiveness, performance and transparency of corporate processes. The assessment awarded LATI the “Gold” certification, recognizing the robustness and consistency of the merit-based policies adopted. In continuity with this result, LATI also received the **Forum del Merito Award** during the VIII Giornata del Merito, a recognition granted to organizations that demonstrate concrete and measurable commitment to applying principles of equity, transparency and talent enhancement.

4.2.6 Community and local territory

Social initiatives and commitment to the community

LATI actively supports the local territory through social initiatives that include donations, sponsorships, corporate volunteering and participation in community projects. These activities strengthen the bond with the local community and promote the values of solidarity, inclusion and social responsibility, generating a concrete impact.

Foundation Renato Piatti Onlus

Since 2018, LATI has supported the initiatives of Fondazione Renato Piatti, a non-profit organization in the Varese area whose mission is to design, implement and manage services for people with intellectual and/or relational disabilities and their families. In 2025, this collaboration was further strengthened through two initiatives that actively involved employees and the local community.

- **Charity walk along the Via Francisca del Lucomagno:** a charity walk organized on the occasion of **LATI's 80th anniversary and the 25th anniversary of Fondazione Renato Piatti**, along a 5 km route on the Via Francisca del

Lucomagno. The initiative brought together colleagues and friends of the Foundation in a shared experience of local area, inclusion and solidarity, ending at the social restaurant La Dislocanda.

- **Varese City Run:** participation by a group of LATI employees in the Varese half marathon in support of Fondazione Renato Piatti's educational and rehabilitation projects, contributing to the provision of programme dedicated to children, young people and adults with autism and disabilities.

“Lavora con il cuore” corporate volunteering programme

In 2025, LATI carried out **four corporate volunteering initiatives** under the **Lavora con il Cuore** (Working with Heart) programme, each lasting six hours and held during working hours, in collaboration with C.R.E. L'Arca del Seprio and Cooperativa Sociale Il Millepiedi. The activities involved employees in educational and inclusive projects supporting people with disabilities, strengthening the connection with the local area. The initiatives carried out were:

- **Lavori nell'Orto - C.R.E. L'Arca del Seprio:** related to the care and maintenance of the vegetable garden and greenhouses, carried out together with the young participants of the SFA Arcobaleno group, promoting autonomy, collaboration and inclusion.
- **Verde Restauro - C.R.E. L'Arca del Seprio:** Maintenance and restoration activities of the old kiln, contributing to the enhancement of a community space.
- **In Cucina! - Cooperativa Sociale Il Millepiedi:** a shared cooking workshop involving the preparation of a meal, fos-

tering creativity, social interaction, and participation within an inclusive environment.

- **BaskIn - Cooperativa Sociale Il Millepiedi:** sports session dedicated to BaskIn, the inclusive discipline that brings people with and without disabilities together in the same game activity.

Corporate Golden Donor FAI (Italian Environmental Fund)

Since 2020, LATI has been a **Corporate Golden Donor of FAI - Fondo per l'Ambiente Italiano** (Italian Environmental Fund). Membership means committing to the culture and environment of the local area and seeks to preserve identity heritage as a key factor in individual and economic well-being. As part of the collaboration with FAI, every year LATI organizes guided visits for its employees and their families to one of the Foundation's cultural sites. In 2025, it organized a guided visit for its people, family members and friends to the Castel Seprio Archaeological Site, a UNESCO World Heritage Site located near the Gornate Olona production site.

IO DO UNA MANO

Since 2020, IO DO UNA MANO has been the Italian chapter of the global digital volunteer organization **e-Nable**, which pursues the goal of **producing, 3D printing and delivering free customized aids to provide concrete help to children and young people without hands or arms due to congenital malformations, illness or accidents**.

Since 2021, LATI has supported IO DO UNA MANO through its **plastics know-how** for the research of materials suitable

LATI at Varese Pride 2025: choosing to be present, to value uniqueness

In 2025, LATI was an official sponsor of Varese Pride for the first time, an event that celebrates the freedom, dignity and uniqueness of every person. This participation stems from the desire to promote a corporate culture in which everyone feels welcomed and respected in their authenticity.

The presence was structured around three key moments: participation in Pride Fest on 5 and 6 June, a training webinar with Cooperativa l'Aquilone on 10 July dedicated to workplace inclusion, and the march on 19 July during the final parade. This path strengthened awareness, listening and closeness to the values that LATI promotes every day.



for 3D printing and the design of aids, with the aim of creating unique pieces that allow children to carry out daily life activities, play sports or play a musical instrument independently.

Schools initiatives for a sustainable plastics culture

As part of its **collaboration with schools**, in addition to the regular presence of high school students in school-work alternation programme and internships⁶⁰, in 2025 LATI also contributed to several **training initiatives by sharing and disseminating the sustainable culture of plastics**. The most significant are presented below.

Generazione d'industria with Confindustria Varese

The Generazione d'industria project was launched in 2011 by Confindustria Varese. The aim is to connect local businesses with students and teachers from local technical institutes and business schools. The initiative goes beyond mere student work placements and seeks to disseminate an entrepreneurial culture among young people. LATI participates annually in the project by hosting high school students on internships, offering scholarships to the most deserving students.

ITS Nuove Tecnologie della Vita Academy Foundation

LATI actively collaborates with the ITS Nuove Tecnologie della Vita Academy (New Technologies for Life), a school

for high level post-diploma technical specialization, and Italy's sole Higher Technological Institute in the chemical field. The Foundation trains professional technicians in strategic technological areas to foster the economic development and competitiveness of the local territory. Its specializations include chemicals, biotechnology, pharmaceuticals, nutraceuticals, environment, health, polymers and elastomers. LATI provides its technical and scientific expertise, training new specialized technicians in the chemical field. During 2025, the Company contributed **60 hours of training** focused on **the technical characteristics of thermoplastic materials and on both product and process sustainability**.

Green school

Since 2024, LATI has joined Green School Italia, **the support and certification programme for schools committed to education for sustainable development**, offering its training contribution on the sustainable culture of plastics. A Green School places sustainability at the center of its educational action, creating the skills, knowledge, values and attitudes needed to actively address the challenges of the ecological transition and climate change. Green School Italia certification is aligned with UNESCO's Green School Quality Standard and contributes to the goal of UNESCO's Greening Education Partnership (GEP), which aims for at least 50% of schools in every country to become Green Schools by 2030. As part of the project, in 2025 LATI also took part in the **Festival del Futuro Sostenibile** (Sustainable Future

Festival), bringing its experience and the initiatives developed in the world of sustainable plastics before companies, schools, institutions and citizens, helping to spread an increasingly shared and participatory culture of sustainability.

“Plastica. La materia che non c'era”: a book to tell the story of the material

On the occasion of **its 80th anniversary**, LATI promoted the creation of the book *“Plastica. La materia che non c'era”* (Plastic: The Material That Once Did Not Exist), written by journalist and essayist **Cesare Alemanni**. The editorial project presents plastics from a broad, non-self-referential perspective, exploring their role in society through **technical, anthropological, cultural, and artistic lenses**. The volume is enriched by works by artist **Nicola Vinci**, with the creative contribution of **Studio Chiesa**, and was created as an outreach tool for **LATIpeople, customers, partners and stakeholders**.

60. For further details, please refer to [paragraph 4.2.1 LATI People](#)

4.2.7 Occupational health and safety management system

GRI 403-1 | GRI 403-2 | GRI 403-3 | GRI 403-4 | GRI 403-7 | GRI 403-8 | GRI 403-9 | GRI 403-10

Considering health and safety protection a central element of its business activities, since 2020 LATI has voluntarily implemented and certified its **Occupational Health and Safety Management System (OHS)** according to the **ISO 45001:2018 International Standard**.

The Management System covers all employee and non-employee workers at both production sites, Vedano Olona and Gornate Olona, and all activities carried out within the work cycle: research, development, production, sale and technical assistance of thermoplastic compounds.

The Employer is responsible for implementing all stages of the risk assessment process and appoints the Special Attorney delegated for Safety, Environment and Energy for health and safety aspects. The Employer works with the Prevention and Protection Service Manager, the Occupational Physician, managers, supervisors and Workers' Safety Representatives.

As stipulated in the specific Procedure, through the **Prevention and Protection Service**, the Company identifies hazards within the Company's work cycle by analyzing and mapping all phases of the work cycle, all equipment, machinery and facilities present in each workplace, and assesses the risks to which workers are exposed in order to implement all measures necessary for their elimination or mitigation and to identify improvement objectives to progressively increase the Company's safety levels.

The **Risk Assessment Document (RAD)**, prepared and updated in compliance with Italian Legislative Decree 81/2008, establishes the methods for identifying hazards and assessing all risks to workers' health and safety. In line with UNI PdR 125:2022 certification, LATI has **incorporated a section dedicated to gender-related risks in its Risk Assessment Document**. This activity represents a concrete step toward comprehensive attention to the well-being and safety of its people in the Company.

For the purpose of continuous improvement, **LATI encourages its workers to report the presence of hazards** to



Exoskeletons

As part of initiatives aimed at technological innovation and continuous improvement of operating conditions, since 2024 LATI has **introduced two industrial exoskeletons** in the preparation and mixing department of Gornate Olona. Designed to physically support operators while lifting and carrying loads, these devices reduce the risk of musculoskeletal injuries and the feeling of fatigue at the end of the working activity.

In 2025, the equipment was also extended to the Vedano Olona plant, in the preparation and mixing department, thereby expanding the use of this technology to a larger number of operators.

To ensure maximum benefit and safety, both training sessions on correct methods of use and practical training for the safe and efficient use of the devices were carried out by the HSE Manager. Exoskeletons help ensure a healthy work environment by reducing

Supervisors, Workers' Safety Representatives and the Prevention and Protection Service Manager through specific procedures.

The occupational **medicine service** is active within the Organization, and the Company Occupational Physician has been appointed. As required by Italian Legislative Decree 81/2008, the latter takes part in risk assessment by periodically visiting workplaces and monitors the health of all workers through medical examinations during working hours as provided for by the **health monitoring plan**.



With regard to quantitative injury data⁶¹, in 2025 a total of **13 occupational injuries were recorded among employee workers**, none of which resulted in serious consequences or fatalities. The injury rate for this category stood at 5.23%⁶². Among non-employee workers, 2 injuries occurred, corresponding to a rate of 6.98%, down compared with the last three years.

The number of events recorded for employee workers in 2025 represents an increase compared with previous years and required a detailed analysis. Based on the assessments performed, the following elements have been identified:

- **10 injuries** had a prognosis of **less than 40 days** and were attributable to dynamics linked to operational distractions (for example, finger crushing).
- The remaining **3 injuries** had a prognosis of **more than 40 days**; among these, the **only 2 injuries** that exceeded **60 days** were caused by slipping while descending stairs or stools. The equipment involved (stairs and stools) was found to be **intact** following checks, excluding malfunction hypotheses and confirming the absence of correlations with machine or equipment failures.

Finally, it should be noted that in the three-year **period 2023-2025** no cases of **occupational disease** occurred.

The detailed breakdown for dependent and non-dependent workers is illustrated below.

GRI 403-9-a Work-related injuries - employees ⁶³				
Description	Unit of measure	2023	2024	2025
Number of hours worked	hours	438.778	496.086	497.514
Fatal injuries	number	0	0	0
Accidents with serious consequences	number	0	0	0
Recordable injuries	number	4	4	13
Description	text	accidents without serious consequences	accidents without serious consequences	accidents without serious consequences
Rate of deaths resulting from occupational accidents	%	0	0	0
Rate of occupational accidents with serious consequences	%	0	0	0
Recordable work injury rate	%	1,82	1,61	5,23

61. The methodology for calculating the rate of recordable workplace injuries is based on 200,000 hours worked, as per the following formula: (total recorded injuries/total hours worked) * 200,000.

62. The target value of 4% is related to UNI 7249:2007, traditionally used by LATI to communicate the accident frequency index. The frequency index according to UNI 7249 is based on 1,000,000 hours worked, while the accident rate according to GRI 403-9 is based on 200,000 hours worked, defining the correlation between the two indices as 1/5.

63. The data and information reported refer only to the Italian sites of Vedano Olona and Gornate Olona.

GRI 403-9-b Work-related injuries - not employees

Description	Unit of measure	2023	2024	2025
Number of hours worked	hours	69,017 ⁶⁴	54,579 ⁶⁵	57,294
Fatal injuries	number	0	0	0
Accidents with serious consequences	number	0	0	0
Recordable injuries	number	5	2	2
Description	text	injuries without serious consequences	injuries without serious consequences	injuries without serious consequences
Rate of deaths resulting from occupational accidents	%	0	0	0
Rate of occupational accidents with serious consequences	%	0	0	0
Recordable work injury rate	%	14.49%	7.33%	6.98%

FasG&P Healthcare Assistance Fund

All workers can join the FasG&P Fund, which provides **supplementary healthcare benefits** in addition to the National Health Service.

All subscribers pay the same fee. In addition to covering 50% of the contribution, LATI also covers an additional 87% of the running costs.

64. The significant reduction in working hours is attributable to Company shutdowns due to the decline in production.

65. The reduction in hours worked recorded in 2024 compared with 2023 is attributable to the hiring of non-employee workers as employee. For further details, please refer to [paragraph 4.2.1 LATI People](#).

Every year, the company organizes **ongoing health and safety training courses during working hours for all workers** to raise awareness of risks, and to provide the necessary tools for adopting proper behaviours for the protection of self and of others. During 2025, the **training programme** continued, with particular attention to describing the dynamics of injuries that occurred, with the aim of increasing risk awareness and illustrating, also through practical examples, the correct behaviors to adopt to protect individual and collective safety.

The training plan features a wide range of courses, delivered by external experts, and related to workers' particular jobs and workplace. The training also provides full explanations of how to use Personal Protective Equipment (PPE). As per the stipulations of Law Decree 81/2008, the Employer, the Prevention and Protection Service, the Company Physician and the Workers' Safety Representatives attend **regular prevention and protection meetings** to share and provide all relevant information to be communicated to workers.

In addition, all workers attend the company's twice-yearly General Assembly, where updates on the company's performance and on the prevention and safety service are shared. Workers are also involved in all activities, initiatives and projects that may have impacts on Health and Safe-

ty. LATI pays close attention to **ensuring adherence with health and safety measures also throughout its value chain.**

LATI extends the principles of its value chain to external partners, promoting consistent standards across the entire production ecosystem. In this context, the Company shares its QHSE Policy and its Gender Equality Policy, in line with UNI/PdR 125:2022, with suppliers and contractors, fostering the adoption of responsible practices aligned with its corporate commitments.

In compliance with the Contractor Management Procedure and the cooperation and coordination measures provided for by Italian Legislative Decree 81/2008, LATI regularly verifies the technical and professional suitability of contractors, with the aim of ensuring compliance with regulatory requirements and promoting best practices in health and safety. Any non-conformities are communicated prior to access to the Company's site, and entry is authorized only after their resolution.

Through these activities, LATI ensures that QHSE principles and Gender Equality guidelines are effectively communicated, adopted, and integrated by its partners, thus contributing to the continuity and resilience of its value chain.



4.3 Impacts of economic-productive activities

Material topics

- *Business Ethics*
- *Responsible and transparent management of the value chain*
- *The creation of sustainable economic value Risk-based thinking*

SDG



Highlights 2025

 Sales
152.2 ML €

 EBITDA
14.7 ML €

 ESG-linked financing on total
67%

Despite modest European economic growth in 2025, LATI was able to **meet its budget targets**, with a further increase in volumes sold compared with the previous year, thanks to the numerous projects successfully completed during the year and to its strategic positioning. The second part of the year recorded the largest positive deviation from the previous year and therefore contributed significantly to the overall result.

LATI continued to pursue its strategic objectives in 2025: in particular, the year was marked by significant growth in its range of sustainable LATIECO-branded products and by application development activities for special products.

At international level, in 2025 LATI completed the acquisition of 51% of LATI-LOXIM PRIVATE LIMITED in India, as part of its strategy to expand its global presence. The new LATI Group company, created through the acquisition of a majority and controlling stake in a local player already well rooted in the territory, will expand LATI's ability to serve its customers in India and participate in the rapid development of the local Indian market.

In 2025, industrial investments continued for the expansion and modernization of the production capacity of the Gornate Olona (VA) site, with the commissioning of the lines installed in 2024, which exceeded the initial assumptions in terms of efficiency and productivity.



4.3.1 Economic value generated and distributed

GRI 201-1 | GRI 201-4

The presentation of the economic and distributed value is complementary to that of the profit and loss account insofar, as the reclassification of economic data, highlights **LATI’s ability to create and distribute economic value for itself and its stakeholders**. From this perspective, the economic value generated by the Company in 2025 amounted to approximately 153.2 million euros, compared with 141.4 million euros distributed.

The table below details the direct economic value generated and distributed over the three-year period 2023-2025.

GRI 201-1 Economic value directly generated and distributed				
	Unit of measure	2023	2024	2025
ECONOMIC VALUE GENERATED	€	148,168,683	149,941,279	153,240,688
Revenues from sales	€	152,500,346	147,954,495	151,835,180
Changes in inventories	€	-6,639,705	552,388	150,471
Other income	€	2,308,042	1,434,396	1,255,037
ECONOMIC VALUE DISTRIBUTED	€	132,700,331	144,803,446	141,468,661
Personnel costs	€	20,205,030	22,400,572	22,834,387
Supplier cost	€	110,307,676	115,867,267	114,595,202
Lenders' remuneration	€	969,998	1,024,150	1,268,287
Public Administration	€	317,757	2,453,012	2,282,781
Shareholder remuneration	€	851,000	3,004,400	407,000
Investments in the community	€	48,870	54,045	81,004
ECONOMIC VALUE RETAINED	€	15,468,352 ⁶⁶	5,137,833 ⁶⁷	11,772,027 ⁶⁸

66. The economic value retained in 2023 does not include the change in raw material inventories at a cost of € 8,7 million.
67. The economic value retained in 2024 does not consider the change in raw material inventories for a revenue of € 4,6 million.
68. The economic value retained in 2024 does not consider the change in raw material inventories for a revenue of € 0,9 million.

The table highlights how suppliers and employees are the stakeholder categories to which the majority of the economic value distributed is allocated. These are followed by financial institutions, the Public Administration and shareholders. In addition, as established in **LATI's third common benefit objective**, the company also annu-

ally distributes a share of its value to the community and local territory through donations and sponsorships.

To complete the previous table, the contributions received are reported below.

GRI 201-4 Financial assistance received from government

Provider	Contribution received	Causal
MEF - Revenue Agency	300,791.00	Credito R&S&I – L. 160/2019
MEF - Revenue Agency	1,161,969.00	Investment tax credit
CSEA - Energy and Environmental Services Fund	718,777.00	Energy-intensive companies 2024
CSEA - Energy and Environmental Services Fund	348,835.00	Energy-intensive companies 2023
INPS	3,131.00	Incentive for job placement of unemployed persons and beneficiaries of social employment insurance (ASpl, later NASpl) (art. 7, paragraph 5, D.L. 76/2013)
INPS	19,855.00	Exemption from payment of social security contributions for employers for new hires/conversions to permanent employment in the two-year period 2021 - 2022 (art. 1, paragraphs 10 - 15 L. 178/2020)
INPS	17,965.00	Contribution exemption for hiring young workers carried out from 1 January 2021 to 30 June 2022 (art. 1, paragraphs 10 - 15, L. 178/2020)
FONDIMPRESA	36,000.00	AI and 4.0 for the optimization of logistics and production processes.



4.3.2 Investments

During the year, the multi-year industrial project “Torbissima” therefore continued, aimed at industrial and logistics development with a view to expansion and rationalization of resources.

With respect to operations projects in the context of Industry 4.0, in 2025 LATI continued the following projects:

- **Outbound Logistics:** LATI completed the transfer of outbound logistics, improving customer service and the safety of storage of its materials. The innovative warehouse is in fact equipped with a high level of digitalisation and all aspects related to fire prevention.
- **Smart Factory:** a path of structural and technological 4.0 evolution with process review and factory digitalisation through the use of the IoT (Internet of Things) Platform for all production areas.
- **Lean Manufacturing:** a production management methodology to reduce waste and improve process efficiency.



Cybersecurity

In recent years, the Company has continued to strengthen its cybersecurity strategy through a series of targeted actions. In addition to training all new hires, LATI periodically carries out training courses for all users in order to increase awareness of the main IT risks and protective behaviors. The Company has strengthened all its control systems and extended vulnerability monitoring to the entire machine fleet. Finally, periodic **Vulnerability Assessments** are performed to ensure constant evaluation of the level of IT security.

In 2025, LATI launched its plan to comply with the **NIS2 regulation of the National Cybersecurity Agency**, which transposes European Directive 2022/2555 and strengthens risk management, cybersecurity and incident notification obligations for a broader number of sectors and organizations. NIS2 expands the scope of application and introduces more stringent requirements to ensure a high level of cybersecurity at national and European level.

Added to these are the investment projects in the Technology and Innovation area, aimed at renewing and expanding the production plants:

1. Expansion of production capacity: through the installation of a new mixing area, two new latest-generation extrusion lines equipped with an innovative raw-material feeding system and a completely redesigned end-of-line system. In addition, the new production area is completed by an in-line homogenization system for the finished product and an automated packaging system that will enable the generation of complete pallets in bags and octabins.

2. Transfer of production from the historical Vedano Olona site to the Gornate Olona site: to achieve the objective of creating a single innovative and efficient production site, in 2025 LATI developed the final layout for the new production area intended for medium-small batches and high-performance materials, designed to increase flexibility, quality and ability to respond to market needs. During the year, LATI also developed the project for the installation of a new high-efficiency line to replace an existing plant, with the aim of increasing production capacity, improving material quality and ensuring greater adaptability to the various formulations required by the market.

3. Start-up of the new optical sorter to ensure the high quality of the products manufactured: aimed at enabling more rigorous quality control of extruded materials, with particular focus on the removal of any deposits generated on dies during the production process. The plant makes it possible to obtain an extremely high degree of purity, ensuring that the selected materials can be used by the end user without the risk of colorimetric defects in molded products.

ESG Linked Loan

Thanks to its excellent sustainability performance, LATI obtained **six ESG-Linked loans** from its financial partners. These funds are intended to support the Company's multi-year investment plan, aimed at **renewing plants and production processes**. The financing criteria are closely aligned with the Company's investment strategies focused on the following topics:

- **Circular economy:** to optimize the treatment of production waste.
- **Decarbonization:** to reduce CO₂ emissions generated by production processes.



5. Drafting principles



Note on methodology

GRI 2-2 | GRI2-3 | GRI 2-4 | GRI 2-5

Reporting principles

The 2025 Sustainability Report of LATI Industria Termoplastici S.p.A. (hereinafter also “LATI”) marks the completion of the fifth year of reporting, in line with the approach established by the Company regarding the constant updating and development of the integration of sustainability principles into its business model.

This year LATI has introduced some new stylistic and graphic features to make the document more easily readable. These include the explicit inclusion of the relevant GRI indicator at the head of each paragraph title, and a series of hyperlinks to improve the report’s navigability.

This document provides detailed information on LATI’s management model, its operational policies and the main risks, opportunities and effects linked to ESG (Environmental, Social, Governance) issues identified as material. The ultimate purpose is to provide evidence of the actions undertaken with respect to sustainability objectives, in response to the legitimate expectations of all LATI stakeholders. Hence the particular emphasis on stakeholder involvement in the drafting of the report.

LATI’s Sustainability Report is prepared in **accordance** with the **GRI Sustainability Reporting Standards** of the Global Reporting Initiative (“GRI Standards”), taking into account the latest updates set out in the “GRI Universal Standards 2021”.

Reporting scope

The reporting scope for the information contained in LATI’s 2025 Sustainability Report is the same as that of the 2024 Sustainability Report and includes, unless otherwise specified in a footnote, the Company’s headquarters, located in Vedano Olona and Gornate Olona, the European branches and the subsidiaries in China, the United Kingdom and United States of America. The 51%-owned subsidiary LATI-LOXIM PRIVATE LIMITED in India, part of the strategy to expand the Company’s global presence, is excluded from the reporting scope. It should be noted that the new LATI Group company was established in June 2025 through the acquisition of a majority and controlling stake in a local player.

With regard to non-employee workers, the reporting scope refers exclusively to personnel present at the Company’s Italian sites.

Reporting process and methods

The document, prepared by the Quality, Environment, Health and Safety Organizational Unit in collaboration with all Company functions, was approved by the LATI Board of Directors on 30 March 2026. The data and information reported refer to the reporting year ended December 31st 2025 (January 1st, 2025 to December 31st, 2025) and, in order to provide a comparison of changes over the three-year period 2023-

2025, data and information relating to the 2023 and 2024 financial years are also reported.

Some of the figures published in previous years have been restated in this edition due to refinements in estimation and calculation methods, or where newly updated, significant information became available and also as a result of the broadening of the reporting scope described above.

It is also specified that, compared with previous reports, LATI introduced the first calculation of scope 3 emissions for the years 2024 and 2025, completing the reporting of GHG emissions in accordance with the GHG Protocol methodology identified by the GRI 305 Emissions standard. Where a re-statement is required, the related reasons are appropriately disclosed in the text or as footnotes to the document. It should be noted that, to ensure data reliability, the use of estimates has been limited to cases duly indicated in the relevant disclosures.

It should also be noted that the materiality analysis conducted in 2023 in compliance with GRI 3: Material Topics was analyzed and confirmed by LATI also for 2025, as no changes were identified compared with the previous year. For a more detailed understanding of the process, please refer to paragraph 3.5 “Materiality analysis”.

LATI’s 2025 Sustainability Report is subject to a voluntary “limited assurance engagement” review by KPMG S.p.A., in accordance with the ‘ISAE 3000 revised’ standard.

For any further information on this Sustainability Report, please contact: sustainability@it.lati.com

Declaration of use	LATI Industria Termoplastici S.p.A. prepared a report in accordance with the GRI Standards for the period from 1st January 2025 to 31st December 2025.
Use of GRI 1	GRI 1- Foundation 2021
Relevant GRI industry standards	There are no relevant GRI industry standards yet

STANDARD GRI/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION		NOTE
			requirement(s) omitted	reason	explanation
General Disclosures					
GRI 2: General Disclosures 2021	2-1 Organizational details	13			
	2-2 Entities included in the organization’s sustainability reporting	13, 138			
	2-3 Reporting period, frequency and contact point	138			
	2-4 Restatements of information	138			Revisions of information are given within the text or as a footnote
	2-5 External assurance	138			
	2-6 Activities, value chain and other business relationships	37, 38, 39, 40, 41, 42, 43			
	2-7 Employees	14, 15, 95, 97, 100, 101, 102			There are no workers with employment contracts featuring non-guaranteed hours
	2-8 Workers who are not employees	103			
	2-9 Governance structure and composition	17, 18, 19, 20, 21, 22, 23			

STANDARD GRI/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION		NOTE
			requirement(s) omitted	reason	explanation
General Disclosures					
GRI 2: General Disclosures 2021	2-10 Nomination and selection of the highest governance body	18			
	2-11 Chair of the highest governance body	19			
	2-12 Role of the highest governance body in overseeing the management of impacts	24			
	2-13 Delegation of responsibility for managing impacts	24			
	2-14 Role of the highest governance body in sustainability reporting	24			
	2-15 Conflicts of interest	21, 26, 27			The Company has a Management and Organisational Model pursuant to Legislative Decree 231/2001 containing the “Regulations on the administrative liability of legal persons, companies and associations, including those without legal personality”.
	2-16 Communication of critical concerns	20			
	2-17 Collective knowledge of the highest governance body	20, 24			

STANDARD GRI/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION			NOTE
			requirement(s) omitted	reason	explanation	
GRI 2: General Disclosures 2021	2-18 Evaluation of the performance of the highest governance body	20				
	2-19 Remuneration policies	21				
	2-20 Process to determine remuneration	122				The remuneration policy for LATI's employees is defined by the Human Resources Department in accordance with the CCNL Gomma Plastica and the "Human Resources Development and Salary Policy" guidelines drawn up by the Human Resources Department and updated as a result of the salary analysis study.
	2-21 Annual total compensation ratio		All indicator	Confidentiality obligations	Disclosure 2-21 was not reported for confidentiality reasons. In 2024 and 2025, the company conducted a salary analysis study with the support of external consultants, aiming to verify internal equity, market positioning, and the methods and content to be disseminated internally, in line with the standards' requirements.	
	2-22 Statement on sustainable development strategy	3, 4, 5				

STANDARD GRI/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION		NOTE
			requirement(s) omitted	reason	explanation
General Disclosures					
GRI 2: General Disclosures 2021	2-23 Policy commitments	25, 26, 29			
	2-24 Embedding policy commitments	25, 26, 29	Part of the indicator	Information unavaible	The Company has not established structured processes for integrating policy commitments
	2-25 Processes to remediate negative impacts	25, 26, 29, 30			
	2-26 Mechanisms for seeking advice and raising concerns	26, 27			
	2-27 Compliance with laws and regulations	26, 27			No incidents of non-compliance with laws and regulations were reported during the reporting period.
	2-28 Membership associations	33, 34, 35			
	2-29 Approach to stakeholder engagement	49, 50, 51, 52			
	2-30 Collective bargaining agreements	27, 28, 100			It should be noted that 100% of the employees in Italy are covered by the National Collective Bargaining Agreement for Plastic Rubber. The employees of the branches have contractual agreements directly with the company.

STANDARD GRI/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION	NOTE	
			requirement(s) omitted	reason	explanation
Material topics					
GRI 3: Material Topics 2021	3-1 Process to determine material topics	53, 54, 55			
	3-2 List of material topics	56, 57, 58, 59, 60			
THE CREATION OF SUSTAINABLE ECONOMIC VALUE					
GRI 3: Material Topics 2021	3-3 Management of material topics	53 - 60, 133 - 136			
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	133			
	201-4 Financial assistance received from government	134			
RESPONSIBLE AND TRASPARENT MANAGEMENT OF VALUE CHAIN					
GRI 3: Material Topics 2021	3-3 Management of material topics	44 - 46, 53 - 60			
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	46			

STANDARD GRI/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION		NOTE
			requirement(s) omitted	reason	explanation
Material topics					
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	44			
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	44			
BUSINESS ETHICS					
GRI 3: Material Topics 2021	3-3 Management of material topics	26 - 28, 53 - 60, 131 - 136			
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	28			
	205-2 Communication and training about anti-corruption policies and procedures	117			
	205-3 Confirmed incidents of corruption and actions taken	28			
RISK BASED THINKING					
GRI 3: Material Topics 2021	3-3 Management of material topics	26 - 30, 53 - 60, 133 - 136			

STANDARD GRI/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION		NOTE
			requirement(s) omitted	reason	explanation
Material topics					
GRI 2: General Disclosures 2021	2-25 Processes to remediate negative impacts	26, 27, 28, 29, 30			
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data				In 2025, no reports were recorded regarding customer privacy violations and loss of their data by third parties and regulatory entities.
ENVIRONMENTAL FOOTPRINT					
GRI 3: Material Topics 2021	3-3 Management of material topics	53 - 60, 81			
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	81			
	303-2 Management of water discharge-related impacts	81			
	303-3 Water withdrawal	81			
	303-4 Water discharge	81			
	303-5 Water consumption	81			

STANDARD GRI/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION		NOTE
			requirement(s) omitted	reason	explanation
Material topics					
COMBATTING CLIMATE CHANGE					
GRI 3: Material Topics 2021	3-3 Management of material topics	53 - 60, 69 - 80			
GRI 302: Energy 2016	302-1 Energy consumption within the organization	70			
	302-3 Energy intensity	70			
GRI 305: Emission 2016	305-1 Direct (Scope 1) GHG emissions	72, 73			
	305-2 Energy indirect (Scope 2) GHG emissions	72			
	305-3 Other indirect (Scope 3) GHG emissions	72, 78			
	305-4 GHG emissions intensity	77			
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	80			

STANDARD GRI/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION		NOTE
			requirement(s) omitted	reason	explanation
Material topics					
CIRCULAR ECONOMY					
GRI 3: Material Topics 2021	3-3 Management of material topics	53 - 60, 82 - 84, 86 - 87			
GRI 301: Materials 2016	301-1 Materials used by weight or volume	86			
	301-2 Recycled input materials used	87			
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	82			
	306-2 Management of significant wasterelated impacts	82			
	306-3 Waste generated	83			
	306-4 Waste diverted from disposal	84			
	306-5 Waste directed to disposal	84			

STANDARD GRI/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION		NOTE
			requirement(s) omitted	reason	explanation
Material topics					
SAFEGUARDING BIODIVERSITY					
GRI 3: Material Topics 2021	3-3 Management of material topics	53 - 60, 85			The company has not identified a specific GRI indicator related to biodiversity conservation. However, information is reported in accordance with GRI 3-3 Material Topics, which includes the management of material issues.
INNOVATIVE PRODUCTS WITH A POSITIVE IMPACT					
GRI 3: Material Topics 2021	3-3 Management of material topics	38 - 39, 53 - 60, 88 - 94			
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	39			The company assesses the health and safety impacts for 100% of product categories.
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	39			In 2025, no non-compliance with regulations and/or voluntary codes regarding health and safety impacts of its products.
GRI 417: Marketing and Labeling 2016	417-1 Requirements for product and service information and labeling	39			
	417-2 Incidents of non-compliance concerning product and service information and labeling	39			It is noted that no incidents of non-compliance with regulations and/or voluntary codes on information and labelling of products and services were identified during the reporting period.
	417-3 Incidents of non-compliance concerning marketing communications	39			It should be noted that there were no unconfirmed marketing communication incidents in 2025.

STANDARD GRI/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION		NOTE
			requirement(s) omitted	reason	explanation
Material topics					
WELLBEING, EQUAL OPPORTUNITIES AND INCLUSION					
GRI 3: Material Topics 2021	3-3 Management of material topics	53 - 60, 97 - 106, 107 - 108, 109 - 114			
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	105 - 106			
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	109			LATI offers the same benefits to all its employees, with the exception of the life assurance cover offered to management.
	401-3 Parental leave	112			
GRI 402: Labor/ Management Relations 2016	402-1 Minimum notice periods regarding operational changes				The Company refers to the applied CCNL Gomma Plastica for the minimum notice period for operational changes.
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	17, 98 - 100			
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken				In 2025, no incidents of discrimination were reported.

STANDARD GRI/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION		NOTE
			requirement(s) omitted	reason	explanation
Material topics					
PEOPLE DEVELOPMENT					
GRI 3: Material Topics 2021	3-3 Management of material topics	53 - 60, 115 - 119, 120 - 122			
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	115 - 116			
	404-2 Programs for upgrading employee skills and transition assistance programme	117			
	404-3 Percentage of employees receiving regular performance and career development reviews	121			
WORKPLACE HEALTH AND SAFETY					
GRI 3: Material Topics 2021	3-3 Management of material topics	53 - 60, 126 - 130			
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	126			
	403-2 Hazard identification, risk assessment, and incident investigation	126 - 127			

STANDARD GRI/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION		NOTE
			requirement(s) omitted	reason	explanation
Material topics					
GRI 403: Occupational Health and Safety 2018	403-3 Occupational health services	127			
	403-4 Worker participation, consultation, and communication on occupational health and safety	128			
	403-5 Worker training on occupational health and safety	130			
	403-6 Promotion of worker health	130			
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	130			100% of employees are covered by the occupational health and safety management system.
	403-8 Workers covered by an occupational health and safety management system	126			
	403-9 Work-related injuries	128			
	403-10 Work-related ill health	129			

STANDARD GRI/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION		NOTE
			requirement(s) omitted	reason	explanation
Material topics					
CORPORATE CITIZENSHIP					
GRI 3: Material Topics 2021	3-3 Management of material topics	53 - 60, 123 - 125			The company has not identified a specific GRI indicator related to corporate citizenship. However, information is reported in accordance with GRI 3-3 Material Topics, which includes the management of material issues.
CULTURE OF SUSTAINABLE USE OF PLASTIC MATERIALS					
GRI 3: Material Topics 2021	3-3 Management of material topics	53 - 60, 92, 123 - 125			The company has not identified a specific GRI indicator related to culture of sustainable use of plastic materials. However, information is reported in accordance with GRI 3-3 Material Topics, which includes the management of material issues.



KPMG S.p.A.
Revisione e organizzazione contabile
Corso Matteotti, 1
21100 VARESE VA
Telefono +39 0332 282356
Email it-fmaudit@kpmg.it
PEC kpmgspa@pec.kpmg.it

Relazione della società di revisione indipendente sul Report di Sostenibilità

*Al Consiglio di Amministrazione della
LATI Industria Termoplastici S.p.A.*

Siamo stati incaricati di effettuare l'esame limitato ("*limited assurance engagement*") del Report di Sostenibilità del Gruppo LATI Industria Termoplastici (di seguito anche "il Gruppo") relativo all'esercizio chiuso al 31 dicembre 2025.

Responsabilità degli Amministratori per il Report di Sostenibilità

Gli Amministratori della LATI Industria Termoplastici S.p.A. sono responsabili per la redazione del Report di Sostenibilità in conformità ai "*Global Reporting Initiative Sustainability Reporting Standards*" definiti dal GRI - *Global Reporting Initiative* ("GRI Standards").

Gli Amministratori sono altresì responsabili per quella parte del controllo interno da essi ritenuta necessaria al fine di consentire la redazione di un Report di Sostenibilità che non contenga errori significativi dovuti a frodi o a comportamenti o eventi non intenzionali.

Gli Amministratori sono inoltre responsabili per la definizione degli obiettivi del Gruppo LATI Industria Termoplastici in relazione alla *performance* di sostenibilità, nonché per l'identificazione degli *stakeholder* e degli aspetti significativi da rendicontare.

Indipendenza della società di revisione e gestione della qualità

Siamo indipendenti in conformità ai principi in materia di etica e di indipendenza dell'*International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA Code) emesso dall'*International Ethics Standards Board for Accountants*, basato su principi fondamentali di integrità, obiettività, competenza e diligenza professionale, riservatezza e comportamento professionale.

La nostra società di revisione applica l'*International Standard on Quality Management 1* (ISQM Italia 1) in base al quale è tenuta a configurare, mettere in atto e rendere operativo un sistema di gestione della qualità che includa direttive o procedure sulla conformità ai principi etici, ai principi professionali e alle disposizioni di legge e regolamentari applicabili.

Responsabilità della società di revisione

E' nostra la responsabilità di esprimere, sulla base delle procedure svolte, una conclusione circa la conformità del Report di Sostenibilità rispetto a quanto richiesto dai GRI Standards. Il nostro lavoro è stato svolto secondo quanto previsto dal principio "*International Standard on Assurance Engagements ISAE 3000 (Revised) – Assurance Engagements Other than Audits or Reviews of Historical Financial*



Gruppo LATI Industria Termoplastici
Relazione della società di revisione
31 dicembre 2025

Information" (di seguito anche "ISAE 3000 Revised"), emanato dall'*International Auditing and Assurance Standards Board* (IAASB) per gli incarichi di *limited assurance*. Tale principio richiede la pianificazione e lo svolgimento di procedure al fine di acquisire un livello di sicurezza limitato che il Report di Sostenibilità non contenga errori significativi.

Pertanto, il nostro esame ha comportato un'estensione di lavoro inferiore a quella necessaria per lo svolgimento di un esame completo secondo l'ISAE 3000 Revised ("*reasonable assurance engagement*") e, conseguentemente, non ci consente di avere la sicurezza di essere venuti a conoscenza di tutti i fatti e le circostanze significativi che potrebbero essere identificati con lo svolgimento di tale esame.

Le procedure svolte sul Report di Sostenibilità si sono basate sul nostro giudizio professionale e hanno compreso colloqui, prevalentemente con il personale della Società responsabile per la predisposizione delle informazioni presentate nel Report di Sostenibilità, nonché analisi di documenti, ricalcoli e altre procedure volte all'acquisizione di evidenze ritenute utili.

In particolare, abbiamo svolto le seguenti procedure:

- 1 analisi del processo di definizione dei temi rilevanti rendicontati nel Report di Sostenibilità, con riferimento alle modalità di analisi e comprensione del contesto di riferimento, identificazione, valutazione e prioritizzazione degli impatti effettivi e potenziali e alla validazione interna delle risultanze del processo;
- 2 comparazione tra i dati e le informazioni di carattere economico-finanziario riportati nei paragrafi "Dati di sintesi" e "Valore economico generato e distribuito" del Report di Sostenibilità e i dati e le informazioni incluse nel bilancio d'esercizio della LATI Industria Termoplastici S.p.A.;
- 3 comprensione dei processi che sottendono alla generazione, rilevazione e gestione delle informazioni qualitative e quantitative significative incluse nel Report di Sostenibilità.

In particolare, abbiamo svolto interviste e discussioni con il personale della Direzione di LATI Industria Termoplastici S.p.A. e abbiamo svolto limitate verifiche documentali, al fine di raccogliere informazioni circa i processi e le procedure che supportano la raccolta, l'aggregazione, l'elaborazione e la trasmissione dei dati e delle informazioni di carattere non finanziario alla funzione responsabile della predisposizione del Report di Sostenibilità.

Inoltre, per le informazioni significative, tenuto conto delle attività e delle caratteristiche del Gruppo:

- a livello di capogruppo e società controllate:
 - a) con riferimento alle informazioni qualitative, abbiamo effettuato interviste e acquisito documentazione di supporto per verificarne la coerenza con le evidenze disponibili;
 - b) con riferimento alle informazioni quantitative, abbiamo svolto sia procedure analitiche che limitate verifiche per accertare su base campionaria la corretta aggregazione dei dati;
- per i siti di Vedano Olona e Gornate Olona, che abbiamo selezionato sulla base delle loro attività, del loro contributo agli indicatori di prestazione e della loro ubicazione, abbiamo effettuato visite in loco nel corso delle quali ci siamo confrontati con i responsabili e abbiamo acquisito riscontri documentali su base campionaria circa la corretta applicazione delle procedure e dei metodi di calcolo utilizzati per gli indicatori.



Gruppo LATI Industria Termoplastici
Relazione della società di revisione
31 dicembre 2025

Conclusioni

Sulla base del lavoro svolto, non sono pervenuti alla nostra attenzione elementi che ci facciano ritenere che il Report di Sostenibilità del Gruppo LATI Industria Termoplastici relativo all'esercizio chiuso al 31 dicembre 2025 non sia stato redatto, in tutti gli aspetti significativi, in conformità a quanto richiesto dai GRI Standards.

Varese, 29 maggio 2026

KPMG S.p.A.



Paolo Rota
Socio



**HIGH
PERFORMANCE
THERMOPLASTICS**

HEADQUARTER

Via F. Baracca 7, 21040
Vedano Olona (VA) - Italy

 +39 0332.409111
 +39 0332.409307

 www.lati.com
 info@lati.com

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