



SUSTAINABILITY REPORT  
**2024**



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# Letter to our stakeholders

Dear Reader,

Amidst the global volatility of 2024, LATI continued to promote growth and to create sustainable value for its customers, employees and stakeholders.

## **In 2024, a global economic downturn was offset by some signs of improvement in Europe.**

In 2024 the world economy slowed down, with global GDP growth of 2.7 % hampered by restrictive monetary policies and declining consumer and business confidence. Geopolitical events such as the war in Ukraine and tensions in the Middle East fostered uncertainty and volatility in global markets, increasing energy costs and negatively impacting supply chains.

By contrast, **the euro area showed a moderate recovery**, with real GDP growth of 0.8% driven by the services sector and domestic consumption. Inflation fell, with food and energy prices easing, while financing conditions remained favourable thanks to the relaxation of monetary policies. The labour market maintained low unemployment rates, supported by growing external demand that boosted exports.

## **LATI's financial performance reflects the moderate European recovery.**

A persistently weak demand for durable goods in Europe showed some slight signs of improvement compared to 2023. This was mainly due to the practice of re-stocking, especially in the household appliances sector. The electrical sector held up well, while the automotive sector, although still in crisis, offered LATI new approval opportunities in the EV motor sector. **Sales volumes increased by +4%**, while revenues decreased by 3% as deflation impacted raw materials, including thermoplastics.

Despite these challenging times, our ability to generate income exceeded expectations: **Group EBITDA rose from 10 million euro in 2023 to 18.8 million euro in 2024**. The improved result reflects enhanced added value and, above all, an increasingly effective management of factory and general fixed costs. Our financial situation remains sound: we closed the year with a **positive Net Financial Position of approximately 1.6 million euro**. In short, we have more cash than debt and this is an 'ace up the sleeve' in





our quest for growth, including through extraordinary operations.

### **The trump cards of repositioning and greater efficiency.**

Against a backdrop of limited growth, our repositioning towards special products proved a winning strategy. These materials have a higher added value than the average LATI product basket, because they are sold in market niches that are less vulnerable to competition.

Outstanding examples included our **thermally conductive compounds** for design and automotive lighting technology, and **self-lubricating materials** for logistics automation, such as for conveyor belts. Even the plumbing sector, which is increasingly focused on public health, offers LATI a golden opportunity: the replacement of copper and brass in pipes and fittings with **thermoplastic materials certified for contact with drinking water**.

Lastly, the achievement of **IATF certification**, alongside a broad portfolio of self-extinguishing products, is starting to generate interesting opportunities in the automotive field, not least in the EV sector.

In addition to improving added value through product repositioning, we also worked on fixed costs: our threefold focus on **automation, digitisation and lean manufacturing** will lead to ever greater efficiency and bolster our competitiveness. Forward-thinking investments in new, cutting-edge

“

*In the year of our 80th anniversary, we received an important award from the Ministry of Enterprises and Made in Italy, certifying our contribution to the history and development of our industry and our country*

”

equipment are proving successful because they allow us to increase **productivity** where it is most needed: with our most mature products.

### **Sustainability is not a fad; it is a key differentiator for LATI!**

On the process side, the energy crisis obliges an energy-hungry company like LATI to pursue a virtuous path of **electrification**, focusing on **renewable energies**.

On the product front, our research into ever-safer materials for people and the environment continues unabated. One such example is our participation in the **Desiderata** project, funded by **Horizon Europe**, where our researchers have been engaged in the innovation of PFAS-free materials and environmentally friendly flame retardants.

The growing demand for increasingly sustainable solutions is particularly evident in the European market, where most end-customers only obtain new approvals if they offer improvements in **Global Warming Potential (GWP)** or a certain percentage of **recycled** content. LATI has developed various grades to meet this demand, with **LATIECO**, technical materials (including self-extinguishing compounds) made with polymers obtained **from chemical or mechanical recycling**.

Our care for the environment continues to be rewarded. We were delighted to receive the prestigious ClimatePartner ‘**Campo dei Fiori Impact Award 2025**’ for our contribution



to the reforestation and redevelopment of the Campo dei Fiori Regional Park in Varese, a jewel in the crown of our local territory.

The indicator that best sums up our commitment to the highest standards of sustainability is the **Ecovadis Rating**, which awarded us the Platinum Medal, with a score of **83/100**. This result places us among the top 1% of the world's most responsible companies in the rubber and plastics industry, reaffirming our ongoing commitment to Corporate Social Responsibility.

### **Being a Benefit Company means putting people first.**

In an increasingly competitive world, it is vital to continue to attract and retain highly motivated, qualified people. We seek to do so by offering a friendly working environment, **fair remuneration, welfare** and by ensuring a healthy **work-life balance**. To this end, flexible working hours and hybrid working, with smart working arrangements up to 5 days out of 5, remain essential for us.

Our best practices led to our confirmation as a '**Great Place to Work**' and we improved our score for **Gender Equality** certification.

But we didn't stop there! Because it is always possible to take a further step towards a fairer and more inclusive world of work. In addition to our longstanding close ties with the **Forum of Meritocracy** association, who seek to disseminate the culture of merit in Italy, we decided to 'measure

ourselves' through the Meritorg. This tool, developed by the Forum, is designed to objectively measure the level of meritocracy within companies, using parameters such as equal opportunities, human capital development, attractiveness for talent, professional performance and transparency in company processes.

Our willingness to put ourselves on the line was rewarded on the 8th Official Merit Day, when we received the **FORUM OF MERIT AWARD** in witness of our commitment to promoting a corporate culture based on fairness and professional growth. And now we can't wait to get started on the ideas for further improvement generated by the Meritorg!

### **Ready to face the challenges of the future, strengthened by our past.**

In the year of our 80th anniversary, we received an important award from the Ministry of Enterprises and Made in Italy, certifying our contribution to the history and development of our industry and our country: the **Marchio Storico di Interesse Nazionale (Historical Trademark of National Interest)**.

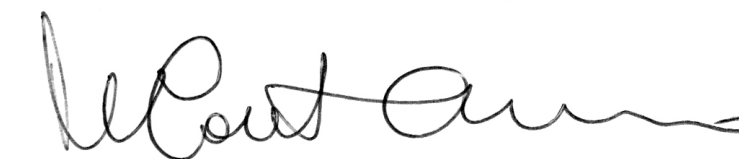
We take pride in this certification, which rewards the manufacturing continuity and the historical value of companies that embody the essence of Made in Italy. With a deep sense of responsibility, we look to the future with confidence, determined to serve our international customers by offering reliability, innovation and sustainability.

In 2025, a year that promises to be turbulent, the model of the man (or woman) alone at the helm is outdated.

To meet the challenges that the market will bring, our ownership draws strength from an organisational structure bolstered by **two General Management functions**, one for the Business area and the other for the Staff area, and by a **Board of Directors** that is increasingly strategic, diverse and - for the first time - open to Independent Directors.

In conclusion, notwithstanding the many uncertainties we faced in 2024, we believe that our annual results confirm our robustness and our continued ability to promote sustainable growth for our customers, employees and stakeholders.

**Michela Conterno**





# Guide to reading the report

This four-part report is divided into **four main chapters** and an appendix.

## 1.

The **first chapter** summarizes the organization, its identity, history, and ownership structure.

## 2.

The **second chapter** outlines the corporate bodies, principles and procedures that LATI has adopted to ensure its proper management.

## 3.

The **third chapter** details how the organization uses financial and non-financial “capital” (see glossary) to generate value. It analyses the impacts, risks and opportunities related to this process and outlines the company’s strategies for sustained and shared value creation.

## 4.

The **fourth chapter** explores the company’s achievements, activities and goals as set out in its Environmental, Social and Governance (ESG) policies.

## 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.



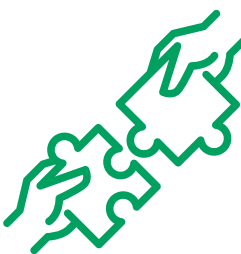
## Environment, Sustainability, and Development

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.



## 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.



## 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.



## 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.

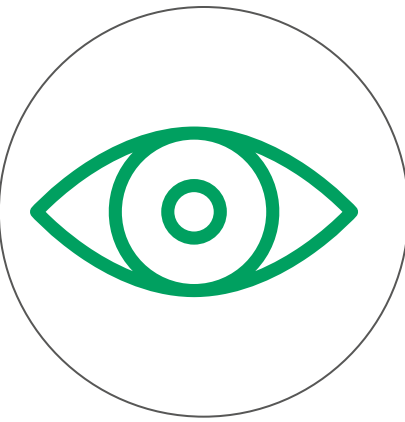


## Wellbeing

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

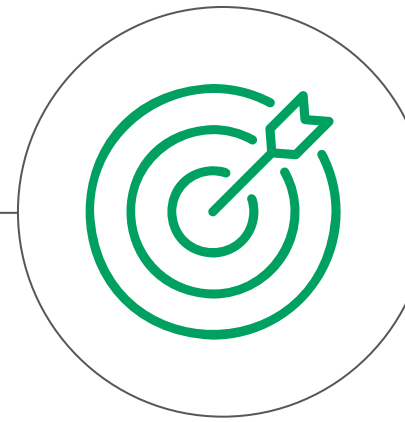


# Vision, mission e purpose



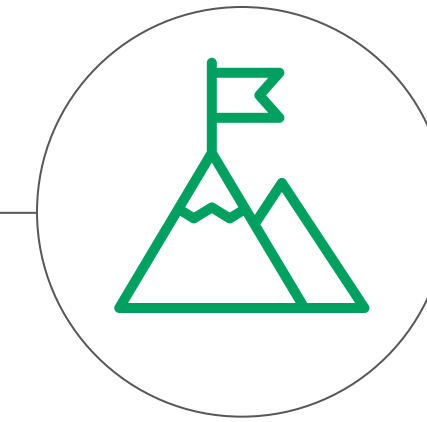
## VISION

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.

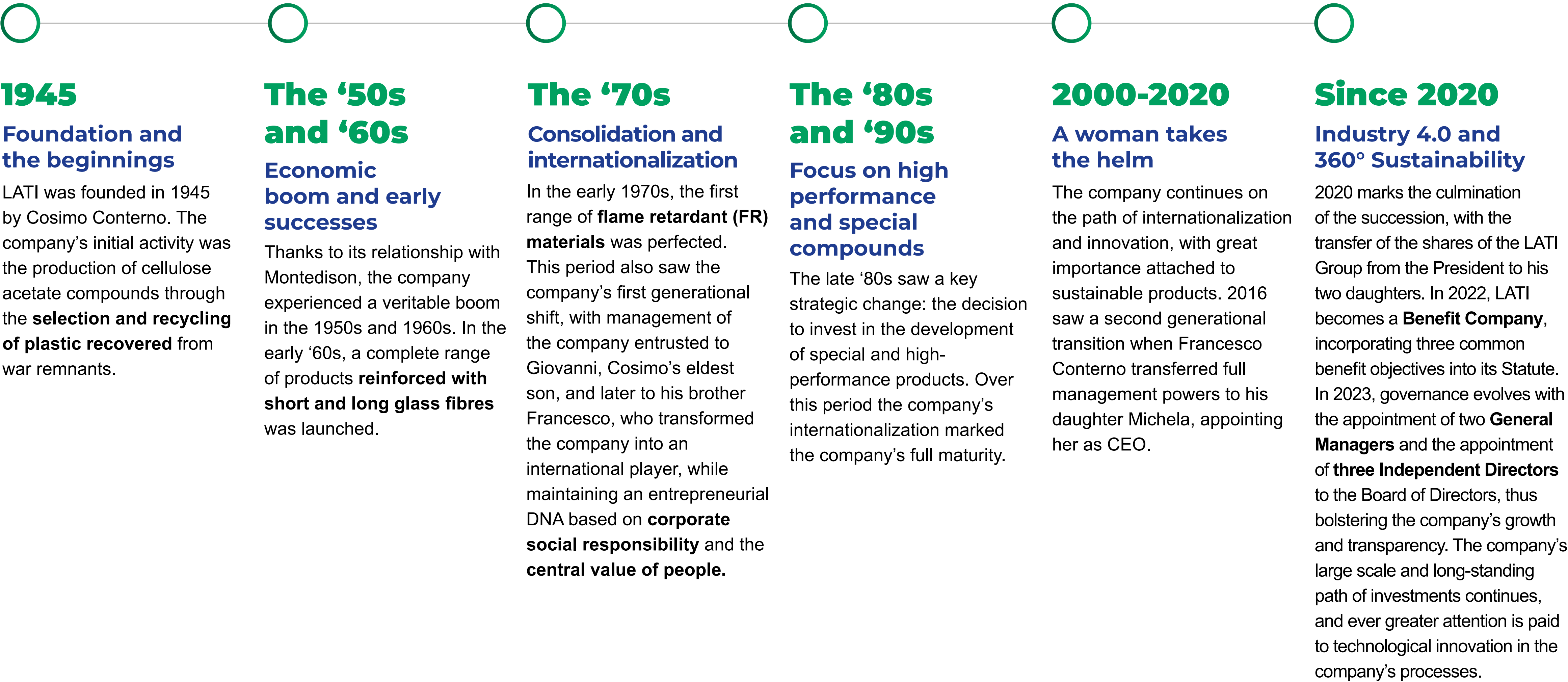


## PURPOSE

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





## LATI as a Benefit Company

In July 2022, LATI became a Benefit Company, formally incorporating common benefit objectives into its Statute, alongside the goal of profitability. This natural evolution into the legal status of Benefit Corporation represents a concrete opportunity for the Company to generate value and positive impacts through its business model.

The three common benefit goals 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 referred to as “LATI”) has its **legal and operational headquarters** in Vedano Olona (VA), Italy, and is 98% owned by the **holding company SVI S.p.A.**, which coordinates services across various companies with the aim of improving overall efficiency. The remaining 2% of shares are owned by Carla Conterno, the granddaughter of the founder, Prof. Cosimo Conterno.

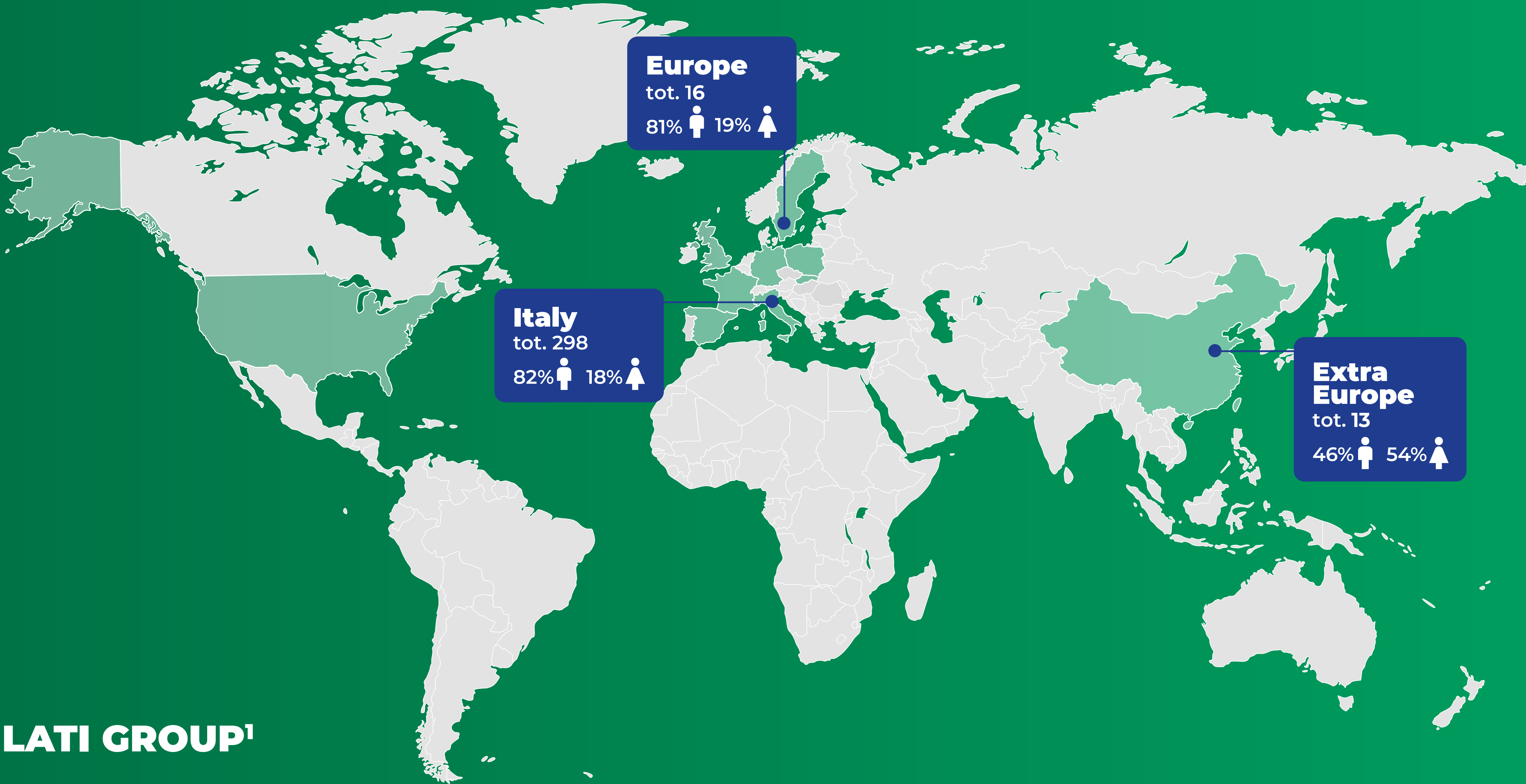
LATI carries out its **manufacturing activities in Italy at its Vedano Olona and Gornate Olona facilities** and has a **network of sales offices throughout Europe**. LATI’s foreign branches are located in the following European countries: in **Sweden** in Gothenburg, affiliated with the “LATI Sweden

Filial” branch; in **Germany** in Wiesbaden, affiliated with the “LATI Industria Termoplastici S.p.A. - Zweigniederlassung Deutschland” branch; in **Slovakia** in Nové mesto nad Váhom, affiliated with the “LATI Industria Termoplastici S.p.A. - Organizačná zložka” branch; in **France**, in Lyon, affiliated with the ‘LATI Industria Termoplastici S.p.A. - succursal France” branch and in **Spain**, in Barcelona, affiliated with the “LATI Industria Termoplastici S.p.A. - succursal Espana” branch.

**Three wholly owned subsidiaries** complete the LATI Group: LATI U.K. Ltd. in the **United Kingdom**, LATI U.S.A. Trading, Inc. in the **United States**, and LATI Shanghai Co. Ltd. in China.







# LATI GROUP<sup>1</sup>

1.Compared to the company's Sustainability Reports prior to 2024, it should be noted that the data presented in this chapter have been recalculated for the entire 2022-2024 period due to the extension of the reporting scope. The reporting scope includes employees at the Italian headquarters in Vedano Olona and Gornate Olona, at branches in Europe (France, Germany, Spain, Slovakia, Sweden) and at subsidiaries located in China, the UK and the USA. It should be noted that the USA subsidiary has no dependent employees.



# 1.4 Key figures at a glance

## Governance

148,3 ML €  
Sales

90%  
ESG financing  
(as % of value against total)




2.013  
Number of active  
formulations

708  
Suppliers of which  
79% italian

1.955  
Number of customers

8,9 ML €  
Ebitda

Awards: ecovadis, CDP, GPTW®



+ 6%  
Tons of material  
produced vs 2023

## Social

+10%  
Total hours of  
training vs 2023

327  
Number of people

Obtainment of  
UNI/pdr 125:2022  
gender equality  
certification



## Environmental

88%  
Scope1 emissions  
offset 2024

100%  
Energy from  
renewable  
sources

+24  
LATIECO products

+7  
LATIGEA products

0,06 tCO<sub>2</sub>eq/t  
Intensity of market-based  
approach co<sub>2</sub> emissions

1.626 GJ  
Self-generated energy  
from photovoltaic system

23%  
Sustainable r&d projects  
over total initiated  
projects





## 2. Corporate governance



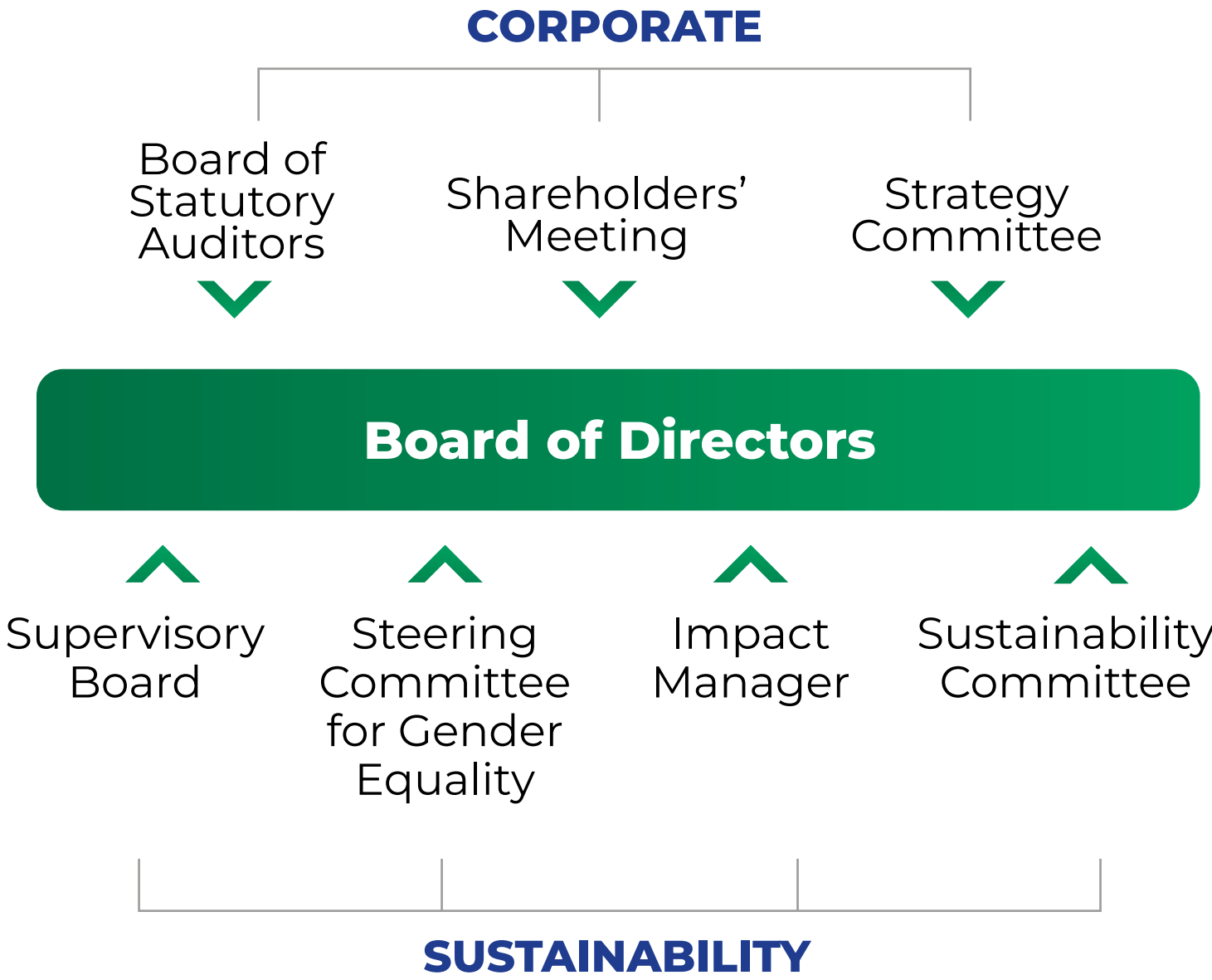
# 2.1 Governance framework

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 proper and transparent functioning of the company, LATI has adopted a traditional governance model consisting of a Board of Directors, Board of Statutory Auditors, and the Shareholders’ Meeting.

The ownership structure is completed by the Supervisory Board<sup>1</sup>, the Impact Manager<sup>2</sup> and the Steering Committee for Gender Equality<sup>3</sup>. Furthermore, with the appointment of the new Board of Directors, two internal board committees were established in 2024: the Sustainability Committee and the Strategy Committee.

As stipulated by the regulations, the internal Sustainability and Strategy committees are each composed of four members, including at least one independent director. Their objective is to verify the soundness of the company’s strategy and to advise the Board of Directors within their respective areas of expertise.



## 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**.

1. For more details, please consult the respective [paragraphs of the Code of Ethics and 231 Organizational Model](#).  
2. For more details, please consult the respective [paragraph of the Impact Management Report](#).  
3. For more details, please consult the respective [paragraph of the Gender Equality Policy– PdR 125:2022](#).



### The Board of Directors

The management and control of the company, as well as the definition of guidelines and objectives, are entrusted to the Board of Directors.

- The main responsibilities of the Board of Directors include:
- to define and monitor the **implementation** of the company’s **purpose** and **strategies**.
  - to identify the **corporate governance system** and assess the suitability of the company’s organizational, administrative, and accounting structure, with a particular focus on the internal control and risk management systems.
  - to approve **strategic, industrial, and financial plans** and evaluate the company’s performance.
  - to define the **level of risk compatible with strategic objectives**, considering all relevant factors for long-term value creation.
  - to deliberate and decide on **operations of strategic, economic, asset-related, or financial significance**.
  - to establish criteria for **evaluating the independence of directors and to promote equal treatment and opportunities across genders**.

As per the resolution dated April 29<sup>th</sup>, 2024, and with the simultaneous appointment of the renewed Board of Directors, the shareholders established the following **rules for**

- the composition of the governing body** to ensure independent and transparent management:
- **Composition:** the Board of Directors must consist of between 3 and 9 members, with at least two independent directors, and the majority must not be family members.
  - **Diversity:** gender parity must be ensured, and diversity of thought encouraged.
  - **Age:** at least one board member must be under 40 years old, and only one may be over 75. 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 responsibility of the shareholders to select members who ensure **professionalism, alignment with the company’s values**, and **diversity**. Indeed, the current Board of Directors, in office since April 29<sup>th</sup>, 2024, until approval of the 2026 Financial Statements, is made up of **eight members**, **62%** of whom are **women**, with an **average age of 56** and possessing **specialized, diverse expertise**. In addition, as per the composition rules, the current Board includes **three independent directors**:
- **the Independent Director for Sustainability**
  - **the Independent Director for Innovation**
  - **the Lead Independent Director**

- Independent board members are tasked with the promotion of constructive dialogue, while providing expert support to management on specific issues.
- Given that the President and CEO are the same person, the **Lead Independent Director** is responsible for ensuring a **system of checks and balances**. This person assesses the conduct of individuals on merit, reserving the most important decisions for collective judgement. He/she acts as a point of reference and coordinates contributions from the independent directors, ensuring timeliness and full and free flows of information. He/she also has the power to convene meetings reserved for independent or non-executive directors, to address issues of interest related to the functioning of the Board of Directors or the internal board committees.
- Following the reappointment of the Board of Directors, the members took part in an **induction day** to provide a detailed, in-depth understanding of the structure and functioning of the governing body and the newly established board committees.



<b>Chairman of the board of directors</b> <b>Chief Executive Officer</b> <i>MICHELA CONTERNO</i>	Date of birth 15/07/1975	Executive	Degree in Economics and Business
<b>Chief Executive Officer for Social Affairs</b> <i>LIVIA CONTERNO</i>	Date of birth 15/07/1975	Executive	Degree in Natural Sciences
<b>Counselor</b> <i>DOMINIQUE JACQUES</i> <i>MICHEL RENAUDIN</i>	Date of birth 25/01/1951	Not Executive	Degree in Economics and Business
<b>Counselor</b> <i>ALDO TUCCI</i>	Date of birth 16/02/1948	Not Executive	Degree in Industrial Sociology
<b>Counselor</b> <i>LAURA MASSIRONI</i>	Date of birth 30/08/1965	Not Executive	Degree in Business Economics
<b>Counselor</b> <b>Lead Independent Director</b> <i>VALENTINA LAZZAROTTI</i>	Date of birth 06/08/1969	Independent	Degree in Economics and Business PhD in Management Engineering
<b>Counselor</b> <b>Chairman of the Strategy Committeea</b> <i>MARTINA BALLERIO</i>	Date of birth 06/04/1990	Independent	Degree in Materials Engineering
<b>Counselor</b> <b>Chairman of the Sustainability Committee</b> <i>MARCO GUAZZONI</i>	Date of birth 03/02/1971	Independent	Degree in Electrical Engineering

In LATI, the Board of Directors plays a **fundamental role in ESG (Environmental, Social, Governance) matters**. In addition to responsibility for the management and direction of the company’s strategic roadmap, the Board, in tandem with the internal committee for sustainability, has the power to approve policies, strategic plans, and the Sustainability Report.

In addition, as members of a **Benefit Company**, LATI’s directors have the following **responsibilities**:

- balancing the interests of shareholders with the pursuit of **common benefit objectives**.
- appointing the **Impact Manager**, who is entrusted with functions and tasks for the pursuit of common benefit objectives.
- drafting the **Impact Report** to be attached to the Statutory Financial Statements.

LATI’s strategy envisions the Board of Directors as a **body that is increasingly engaged in the life of the company**, interacting with top management at board or committee meetings, and collaborating in the definition of the Business Plan, with the goal of increasing the company’s value. Executives and managers are regularly involved in the monthly meetings of the Board of Directors for presentations and updates on the company’s strategic projects and to report on any critical issues.



In addition, the individual members of the Board of Directors bring a wide and varied range of competencies to the table:

- 

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

As regards other **important positions held by members of the board**: 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, and the Rector’s Delegate for Faculty Development and Institutional Centre Reporting. Board member Martina Ballerio holds the position of Director of Customer Success at Elmec Informatica S.p.A. and Vice President of the Youth Executive Committee of Confindustria Varese. Board member Marco Guazzoni is Sustainability Director at Vibram S.p.A. and Vice President of the Meritocracy Forum. In addition, and since 2022, CEO Michela Conterno has been an independent board member of the LIUC Carlo Cattaneo University and of LASI Group. Since 2024, she has also served as President of the Group that brings together companies in the Rubber and Plastics sectors within Confindustria Varese. In addition, **the CEO is involved in a range of training initiatives and work-groups** to present **LATI’s steadfast commitment** to the environment, people and the local territory.

As testament to the importance LATI places on establishing relationships of trust, the Board of Directors is composed entirely of people with deep ties to the Company: family members, long-time employees, or consultants. That said, it should be noted that these deep personal bonds have

never given rise to conflicts of interest, as there have never been any transactions involving these individuals. Nonetheless, LATI has established specific procedures should any such situation arise. While business relationships with these individuals are not necessarily precluded, they do require even closer scrutiny of suppliers, with the presentation of at least two alternative proposals. Such proposals must always be reasonable and compliant with ordinary market conditions.

The individual remunerations of the members of the Board of Directors reflect their respective levels of responsibility and workloads. Other members without specific delegated roles receive an attendance fee for their contributions during board meetings.

Lastly, the company’s corporate governance regulations provide for a **self-assessment activity** by the Board of Directors, focusing specifically on the size, composition and actual functioning of the Board and its Committees. This assessment also considers the role the Board has played in defining strategies, and in monitoring management performance and the suitability of the internal control and risk management system. The Board may carry out the self-assessment on an annual or three-yearly basis, depending on the company’s strategic development phases and the progress of the Board’s activities.



Board of Statutory Auditors

The **Board of Statutory Auditors**, elected in 2023 for a **three-year term**, is the company’s principal Supervisory Board. It is tasked with overseeing the activities of the directors and ensuring that the management and administration of the company comply with the law and the company’s Statute.

It has been composed of experienced and highly reputable professionals whose positions in other organizations ensure a constructive external 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 preparation of the **Statutory Financial Statements** in accordance with the law, the Board of Statutory Auditors supervises the compliance of the **Impact Report** and, therefore, the balance between the interests of shareholders and those of other stakeholders identified in the common benefit objectives for the Benefit Company in its Statute.

Shareholders’ Meeting

Lastly, it is the responsibility of the Shareholders’ Meeting to deliberate in ordinary or extraordinary sessions on the appointment and removal of members of the Board of Directors and the Board of Statutory Auditors, as well as their remuneration and responsibilities. The Shareholders’ Meeting also approves the company’s financial statements and the allocation of profits.

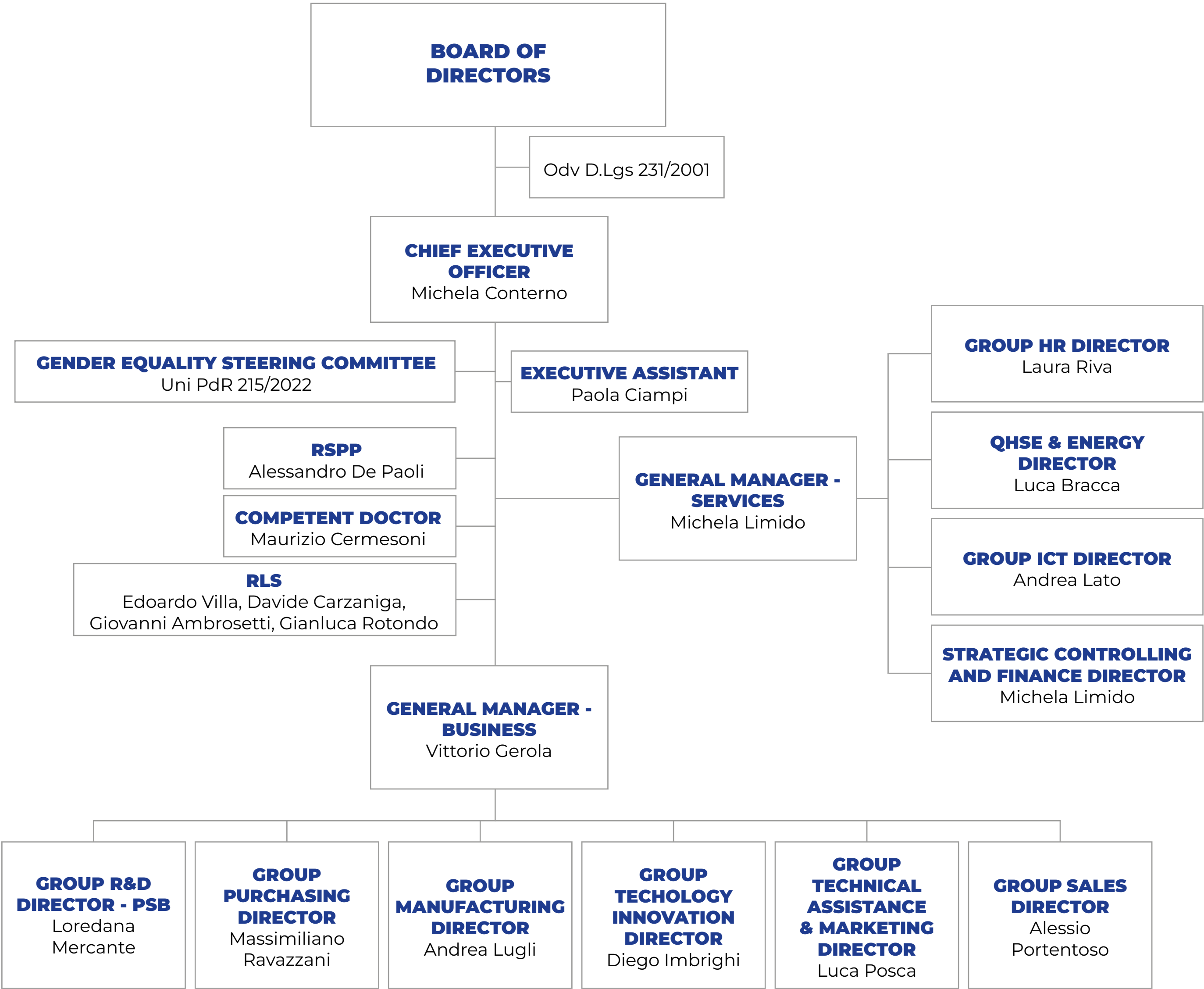
For the selection of Directors, the Members may avail themselves of the Appointments Committee, if established, or of a headhunting company. The Members may also draw on the recommendations of the Board of Directors and the shareholders. Lastly, in the absence of a formal self-assessment process, the Members may invite the Directors to a collective discussion, through which they may formulate their own guidelines for the renewal of the body.





LATI’s organizational structure

The Board of Directors is the company’s highest governing body, while at the operational level, the company is structured by **management functions**. In 2023, LATI launched a major organizational change project with the establishment of two **General Directorates**. The goal was to support the CEO by area of responsibility. Business and Service activities were merged into the two General Directorates. The new organizational model came into effect 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 company’s Board of Directors and executives are directly involved in approving and updating sustainability strategies, policies and goals. Using the same approach, the Sustainability Report is presented at a special meeting to the highest governing body, which approves the **respective Materiality Analysis**, i.e., the process of determining and evaluating the current and potential impacts of materials issues on the economy, the environment, people, and human rights.

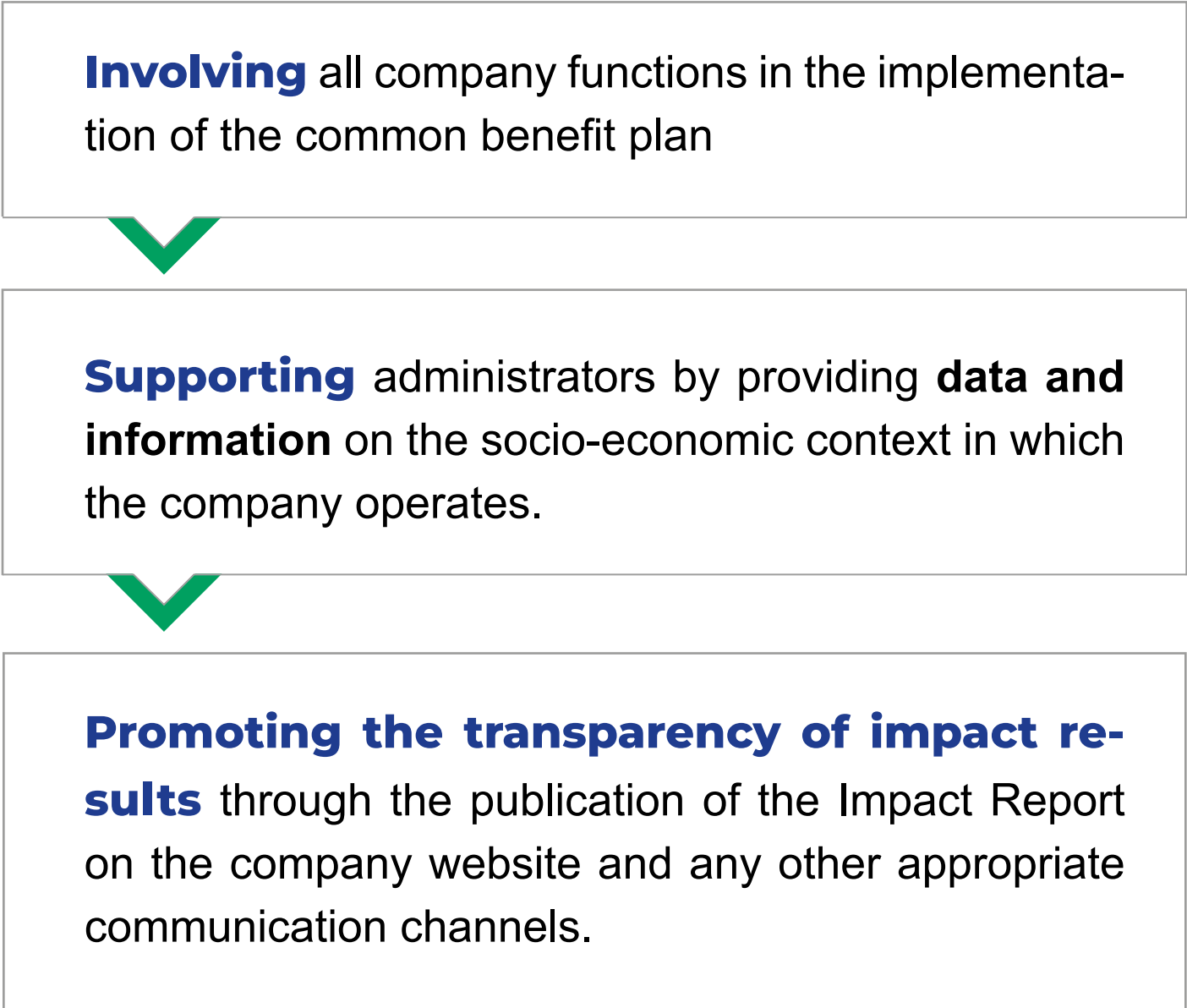
As of July 2022, when LATI became a Benefit Company, the Board of Directors not only appoints the **Impact Officer**, but also evaluates and approves the Impact Report, which serves to monitor common benefit objectives.

As required by Benefit Corporation regulations and the company’s Statute, the Board of Directors is tasked with **balancing the interests of shareholders**, i.e., the profit motive, with **common benefit goals and the interests of stakeholders**.

The Impact Manager supports the Board of Directors in the pursuit of common benefit goals and in the related decision-making processes by coordinating and monitoring impact management and reporting activities.

Furthermore, with the renewal of the Board of Directors, in 2024 the Sustainability Committee was established, with responsibility for supervision of ESG activities and strategies<sup>4</sup>.

As per the stipulations of Law 208/2015, the **Impact Manager**, is responsible for:



4. For further details regarding the internal Sustainability committee, please consult [paragraph 2.1 Governance framework](#).



# 2.3 Gender equality policy and UNI/PdR 125:2022 certification

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

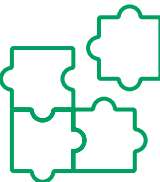
**Inclusion, equity and equal opportunities** have always been integral parts of LATI’s corporate culture. Most notably, in recent years the Company has embarked on a virtuous path of internal awareness-raising by involving its people in a range of initiatives and formalizing its practices within the procedures and policies that guide HR processes.

In 2023 this led to the obtainment of **Gender Equality certification** as per the **Italian PdR 125:2022 reference protocol**.  
Defined by Senior Management in tandem with the Steering Committee, and approved by the Board of Directors on September 25th, 2023, LATIS’s Gender Equality Policy defines the **principles, aims and guidelines for the company’s commitment to gender equality, women’s empowerment and the valorisation of diversity**.

LATI’s Policy defines the following **areas of intervention** to guarantee an inclusive, collaborative, transparent and open-minded work environment, ensuring the protection, safeguarding, dignity and safety of the company’s people:



**Culture and corporate strategy**



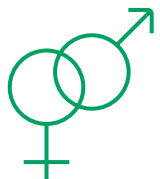
**Governance**



**HR processes**



**Growth and inclusion opportunities for the company’s women**



**Equal pay for men and women**



**Safeguarding of parenthood and work-life balance**

You can consult LATI’s Gender Equality policy at the [following link](#)

## The gender equality steering committee

As required by the **UNI PdR 125:2022** reference practice for Gender Equality certification, LATI established the **Gender Equality Steering Committee**. Staffed by individuals from different company functions, as well as the Human Resources Director and the Managing Director for Social Affairs, Livia Conterno, the Steering Committee is **tasked with adopting and disseminating the Gender Equality Policy and monitoring the initiatives and objectives defined within 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 205-1 | GRI 205-3

In witness of the importance of social responsibility in the conduct of its business activities and its commitment to respecting the legitimate interests of its stakeholders and the community, LATI has clearly defined within its Code of Ethics the ethical principles which inspire the company and which demand respect:

- **Transparency**
- **Legality**
- **Honesty and impartiality**
- **Respect for the environment and for people**

## Integrity Complylog: an anonymous reporting platform for whistleblowing

In addition to our dedicated email reporting channel, in 2023 LATI introduced the **Integrity Complylog platform**. The platform allows any person **within or outside the company** to report - in **total anonymity and confidentiality - any breach or violation of the 231 Model, the Code of Ethics and the Gender Equality Policy**.

- The report, even if only a suspicion, can relate to:
- episodes of physical, verbal or digital violence.
  - gender or sexual harassment and incidences of bullying.
  - acts of discrimination and any form of non-inclusivity.
  - breaches of internal norms, rules or procedures related to the awareness and prevention of crimes as defined in Law Decree 231/2001.
  - documented failure to comply with the principles de-

fined in the company’s Code of Ethics and in the Gender Equality Policy.

The **Whistleblowing Procedure** guarantees the highest level of **confidentiality** and **impartiality**. Indeed, **the report is received exclusively by external members of the Supervisory Board** which, depending on the type and/or seriousness of the report, then informs the Board of Directors and the Group Human Resources Director. Where there are breaches of the principles of the Gender Equality Policy, the Group Human Resources Director may involve the Gender Equality Steering Committee for the design and implementation of further actions to raise the awareness of all people. The platform guarantees LATI’s **compliance with Law Decree 24/2023 implementing European Directive 2019/1937 on Whistleblowing, and promotes a safe, inclusive and discrimination-free working environment**.



The Code of Ethics is a cornerstone of the **company's culture**, and LATI requires that it be read and respected, not only by its own **employees**, but also by **all suppliers and companies that collaborate with the Company**. More specifically, LATI shares its Code of Ethics with its suppliers through its own Supplier Quality Manual and requires them to read the provisions contained in the General Terms and Conditions of Purchase.

In line with the evolution of the company, **LATI updated its Code of Ethics in 2024**. In addition to the inclusion of the company's values and the common benefit objectives of the Benefit Company<sup>5</sup>, LATI has formally integrated:

- **the principle of rejecting the use of its products in applications that could harm people's safety.**
- **the commitment to respecting responsible working conditions and the protection of human rights.**
- **the recent updates introduced in Italian Legislative Decree 231/01 on administrative liability and procedures for reporting breaches of the principles of the Code of Ethics.**

With regard to **human rights**, LATI operates in compliance with the prevailing labour protection legislation in all the countries where it is present and respects and supports the observance of internationally recognized human rights, not

least through its incorporation of the principles of the United Nations Global Compact into its strategies, policies, and procedures. More specifically, in its Code of Ethics, LATI affirms its commitment to:

- **the prohibition of forced labour, child labour, slavery, or human trafficking**
- **the promotion of diversity, inclusion, and equal opportunities**
- **combatting harassment**
- **compliance with the prevailing legislation on working hours and fair pay**

With regard to remuneration, LATI applies as a minimum the contractual wage scales established by national collective bargaining agreements and is committed to ensuring that working conditions allow for a decent standard of living and guarantee the wellbeing of people within and outside the organisation.

To ensure compliance with the regulations and rules that guide the company's activities, in **2019** LATI voluntarily prepared its own **Organization, Management and Control Model** in accordance with the provisions of **Law Decree No. 231 of June 8<sup>th</sup>, 2001**, which introduced into the Italian legal system the regime of administrative liability (referring essentially to criminal liability) for corporate entities.



5. For further details regarding the internal Sustainability committee, please consult [paragraph 1.2 History](#)



The model led to the establishment of LATI's **Supervisory Board**, composed for the most part of autonomous and independent external members. This body is tasked with supervising the workings, observance and updating of the model of conduct and of promoting awareness of it within the company and its highest governing body.

The Code of Ethics and the Model also contain the **principles** and **Values** that underpin LATI's approach in matters of anti-corruption, with specific provisions in place to guarantee compliance with current legislation.

During 2024, the Supervisory Body did not detect any reports regarding episodes of non-compliance with the provisions of the 231 Model. In addition, during the year, 6 of the 11 Company activities identified within the 231 Model as "at risk" were assessed, and no episodes of corruption or anti-competitive behaviours or related legal actions were found. Nor were any significant instances of non-compliance with social and economic regulations detected.

The Code of Ethics, the 231 Organizational and Management Model and the Whistleblowing procedure may be downloaded from [our website](#).





# 2.5 QHSE policy and integrated management systems

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

Since 2020 LATI has implemented an **Integrated Quality, Health, Safety, and Environment System**, certified and compliant with the **ISO 9001:2015, IATF 16949:2016, ISO 14001:2015 and ISO 45001:2018 standards**. In line with the company’s path towards obtaining ISO 50001:2018 certification - achieved in early 2025 – in 2024 LATI **revised its Policy, integrating the requirements of the ISO 50001 standard and its commitment** to reducing energy consumption.

Through its **Quality, Health, Safety and Environment and Energy Policy**, LATI is committed to continuous improvement in its **ability to integrate ESG (Environmental, Social, Governance) factors into its business operations** by implementing innovative organizational and management processes and involving all levels of the company.

In compliance with Management Systems standards, LATI carries out the assessment and updating of **business risks integrated with the most relevant social and environmental** aspects of the context in which it operates.

The analysis of risks and opportunities, the sustainable management of the business and its value chain, digitalization and the transition towards Industry 4.0 allow the Company to offset its potential negative impacts and to augment its positive ones.

Among the **environmental factors** included in its QHSE risk analysis, LATI pays particular attention to:

-  **Reducing the impact of its products**
-  **Strengthening circularity policies**
-  **Recovering production and process waste**
-  **Increasing production from renewable energy sources and related self-consumption**
-  **Offsetting the environmental impacts to which manufacturing facilities may be subject**

**IATF 16949:2016**  
The **International Automotive Task Force (IATF)** is the global consortium of automotive manufacturers and automotive industry associations. Based on the ISO 9001:2015 standard, the **IATF 16949:2016 standard** introduces **additional criteria into quality management systems to ensure the maximum quality of the automotive end product**. The standard emphasizes continuous improvement, waste prevention and the reduction of variations in the supply chain.

IATF 16949:2016 certification represents a major step forward for LATI. Not only does it ensure **high quality standards in processes and products** for the automotive industry, it also allows access to new business opportunities, with a particular focus on **vehicle electrification**.



As regards social impacts, LATI places the health and safety of its people at the heart of its approach to risk analysis.

- **Evaluation** and improvement of the workplace, not least in terms of Industry 4.0
- **Reduction of direct exposure to chemical risks**

Scrupulous attention to the supply chain in relation to the needs of LATI's customers ensures that the company remains dynamic and flexible, able to mitigate the risks of business discontinuity and the consequent dissatisfaction of its customers.

All the company's Management Systems manage negative impacts in accordance with the provisions of the specific Integrated Procedure dedicated to complaints and non-conformities. [Read QHSE Policy here](#)

### Industry 4.0 and safety

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





# 2.6 Certifications

The main certifications awarded to LATI are listed below:

QUALITY



- UNI EN ISO 9001:2015

International standard for Quality Management Systems that certifies LATI’s ability to provide compliant products that meet customer needs and the applicable requirements. The standard aims to increase customer satisfaction through the effective implementation of the system and its continuous improvement.
- IATF 16949:2016

International standard for Quality Management Systems in the automotive industry. The standard is fully integrated with the UNI EN ISO 9001:2015 standard.

ENVIRONMENT



- UNI EN ISO 14001:2015

Main international reference standard for Environmental Management Systems for the integration of environmental management practices into the company, pursuing environmental protection and the prevention of pollution, as well as the reduction of energy and natural resources consumption.

ENERGY



- UNI CEI EN ISO 50001:2018

International standard for Energy Management Systems (EMS), created by the International Organization for Standardization (ISO) to help organizations improve energy efficiency, reduce energy costs and reduce 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 risks in the workplace and improving the health and wellbeing of workers.

INCLUSION



- UNI PdR 125:2022

Italian reference practice that certifies an organization’s internal management system dedicated to policies for the implementation and promotion of gender equality.



LATI’s product portfolio boasts over 150 UL-certified flame-retardant materials, several approvals compliant with the EN 45545 standard for the railway sector, VDE-certified compounds, materials approved for food contact as per NSF/ANSI 51, and materials suitable for the transport of drinking water in compliance with the NSF 61, ACS, WRAS, W270, and KTW standards.



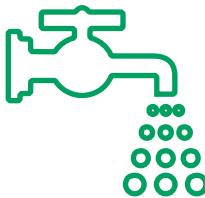
**UL Yellow Cards**  
List of materials with UL certification and related performances



**VDE Certification**  
List of materials with VDE certification and related performances



**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**

**LATI completes UL certification for LATIECO 66 MR H2 G/25-V0KB3 and launches new initiatives for 2025**

During 2024, LATI **completed the UL certification process, obtaining the RTI yellow card for the LATIECO 66 MR H2 G/25-V0KB3** compound. This material stands out as one of LATI’s first self-extinguishing compounds to contain recycled polymer. LATIECO 66 MR H2 G/25-V0KB3 achieved a rating of 110°C for thicknesses of 0.75, 1.5 and 3 mm on both electrical

and mechanical RTIs, with and without impact. In addition, procedures have been initiated for UL approval of two new LATIECO materials, which will complete LATI’s offering in the field of self-extinguishing products containing up to 50% recycled polymer. The new products are intended for the electrical, electronic and appliances sector. Future developments will focus on halogen-free formulations, red phosphorus and problematic synergists, with the first results expected in 2025.





# 2.7 Membership of associations

GRI 2-28

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



Giunca is Italy’s first corporate welfare network. It was established in 2012 to collaborate through joint actions for the improvement of employees’ wellbeing.



The CPA is a voluntary initiative launched by more than 100 European entities, including SMEs, large corporations, research institutes and administrative authorities. Its goal is to make it possible to use up to 10 million tons of recycled plastics each year to produce new goods in Europe by 2025.



Created in 2001, EuMBC is a Sector Group of EuPC (European Plastics Converters). It is particularly active in all fields related to the plastic industry (e.g. REACH, food contact, regulation and new technologies etc.).



Operation Clean Sweep® (OCS) is a European programme for responsible product management. It is designed to prevent resin pellet, flake and powder loss from the various stages of the manufacturing process from ending up in the marine environment.



AIDAF aims to be the point of reference in Italy for family-run businesses. Today it groups more than 275 companies, who account for approximately 17% of Italian GDP.



The Fondazione Libellula promotes cultural initiatives to prevent gender violence and to promote inclusion in the workplace through its network of companies and training projects within the community, and through its care projects.





Confindustria Varese is an independent, non-partisan, non-profit association of companies belonging to the Confindustria system. Its 1,062 member companies have 65,883 employees. LATI is also part of the Confindustria Gomma Plastica (Rubber and Plastics) group.



PLASTICS INNOVATION POLE

The Proplast Consortium is a leading technology centre 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 for companies in the sector.



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



The Italian Association of Plastic Materials Technicians (TMP), an organisation founded in 1979, informs and updates technicians in the plastics industry on materials, their use and new technologies. It promotes the professional growth of its members through seminars, conferences and other initiatives.



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



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



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



# 3. Business model





# 3.1 The economic backdrop

GRI 2-6

LATI is the European leader in the manufacture of technical thermoplastic compounds for injection moulding.

LATI enjoys a strong relationship with its **Italian and European customers** thanks to its **extensive technical and logistical support**. LATI aims to boost its **international growth and development** with ongoing investments in new partnerships in China, India and the USA.

LATI's strength lies in its **product and service quality**. Its ability to create value lies in **product innovation**, its **attention to market developments**, and the **building of valuable relationships** with new customers, as well as the **retention of existing customers**.

Products and processes are updated and innovated through the **technical skills of R&D, industrialization, and support for the development of end-user applications**. A **strong salesforce** and LATI's **marketing intelligence capabilities** ensure effective monitoring of the market.

**Geopolitical uncertainty, high energy prices, labour policies and sourcing difficulties** all undermine the competitiveness of Italian industry. Uncertainty, low confidence and inflation are reflected in declining demand, most markedly for durable goods, the company's primary target market.

## People and the local territory take centre stage

The creation of a **company-employee-territory relationship** designed to safeguard the interests and welfare of all stakeholders is conducive to a better approach to work and to our industrial presence. The introduction of **5/5 hybrid-working, maximum operational flexibility** and robust **corporate welfare** options are key success factors for LATI. The company's **sound financial health** translates into greater loyalty among our people, and this is further bolstered by the considerable investments the company is making in the area to foster high-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 **polymers** with different types of **functional additives**, **fillers**, **reinforcing** agents, and **pigments**, which, when incorporated, give the material very different performance characteristics from those of the original polymer. These materials, in the form of granules, constitute a raw material for making countless objects, components, and parts of highly complex and demanding structures.

LATI's product portfolio includes a **wide variety of materials** that can meet diverse and technologically advanced needs and functions, allowing their use for **myriad engineering applications**.

LATI is a leading manufacturer of **self-extinguishing materials** for the **electrical and household appliance** sectors in the European market. Along with the continuous protection of its core business, and leveraging its unique competencies, LATI has long been committed to **expanding its portfolio with products of increasingly higher added value**. The hallmark of our special compounds, whether self-lubri-

cating, thermally or electrically conductive, detectable or for 3D printing, is their ability to fit into increasingly diversified market niches: from automotive to design, from food to machinery, from coffee machines to medical applications.

#### **Innovation in Flame-Retardant Materials: recycled polymers and thin-wall applications**

LATI is committed to the development of flame-retardant and sustainable materials, as demonstrated by the **LATIECO range**, which includes high-performance recycled solutions. These materials, designed to ensure maximum fire resistance, are ideal for industrial and technical applications. A successful example is the collaboration with the company's customer, **EFEN**, for whom LATI provided a sustainable solution for fuse holders and switches up to 1000V, highlighting the effectiveness of LATIECO materials even in critical environments. Lastly, ongoing product innovation has led to the development of materials for **thin-wall** applications, capable of exceptional flame-retardant performance without compromising transformability and safety.

- [New LATIECO range - Fire-resistant recycled materials](#)

- [EFEN - The sustainable solution for fuse holders and circuit breakers](#)

- [Maximum self-extinguishing at low thicknesses - Introducing V0HF1X](#)





To ensure the quality of its products, the company has a **labelling system** for controlling the sourcing of product components, their content and - more specifically - the potential presence of substances with negative environmental or social impacts. The system also addresses product disposal methods and their environmental or social impacts. LATI's attention to these issues has always enabled the company to operate in compliance with regulations and internal procedures. It is worth noting that in 2024 there were zero in-

cidents of non-compliance with regulations and/or voluntary codes. Likewise, there were no cases of non-compliance in the area of information and labelling of products and services, nor in the area of marketing communications. In addition, LATI assesses the health and safety impacts of 100% of its product categories, and in 2024 there were no cases of non-compliance with regulations and/or voluntary codes related to the health and safety impacts of its products.



### **Innovation in thermally conductive materials: examples with Lagolight and Vossloh-Schwabe**

Thermally conductive materials are essential solutions for applications that require effective heat dissipation.

An outstanding example is the development of the **Lagolight** application, for which LATI supplied thermally conductive materials that are perfect for the lighting sector, improving lamp efficiency and optimizing heat management. These materials are crucial to ensure the life expectancy of products, preventing overheating and maintaining high performance over time.

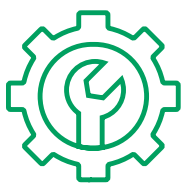
Another example is **Vossloh-Schwabe**, who chose LATI's **LATICONTHER** materials for public lighting. This collaboration resulted in innovative solutions for heat dissipation in high-power urban lighting systems, contributing to greater sustainability and optimised energy management.

Find out more about these application cases at:

• [Thermally conductive materials in Lagolight lamps](#)

• [Vossloh-Schwabe chooses LATICONTHER for street lighting](#)





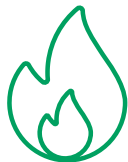
Engineering

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



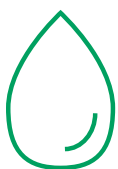
Structural

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



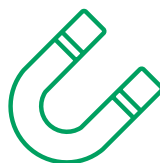
Thermally conductive

Effective and efficient in conveying heat without using metals



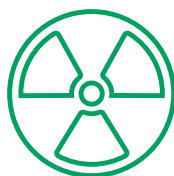
High temperature

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



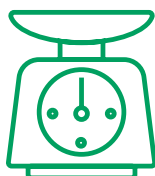
Magnetically detectable

Detectable materials for injection moulding, ideal for the food industry



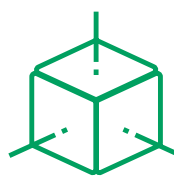
Radiopaque

X-ray opaque and shielding, lead-tree compounds



Density controlled

Super-light tree from expanding agents or with elevated specific weight



3D printing

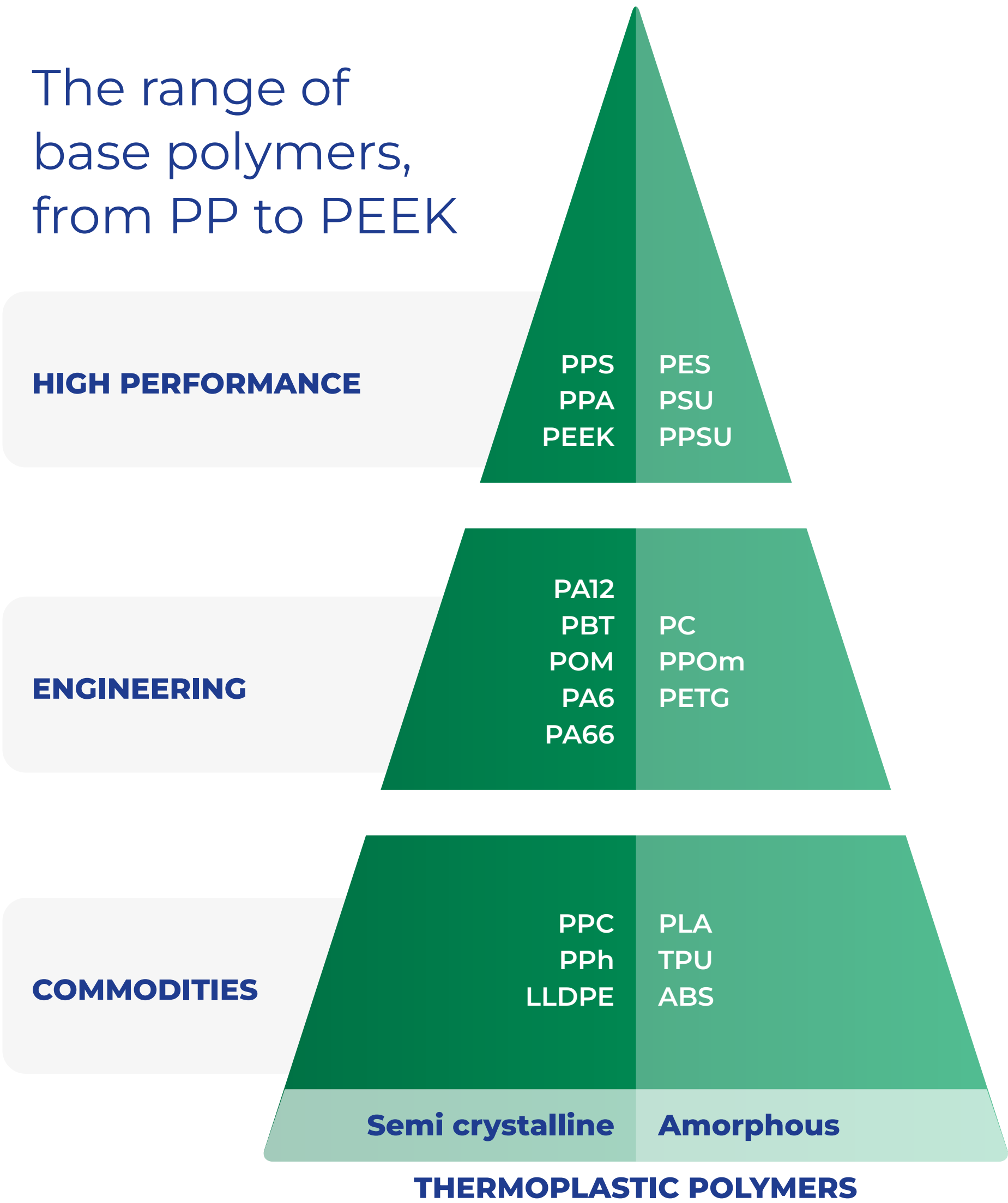
Designed for the production of special yarns



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 stages of **design**, in the selection of the most suitable materials or in the creation of a new product, providing assistance at every stage of the product's use in the final good. The company makes **tailor-made products** in response to specific customer needs.

LATI also allows its customers to verify the validity of designs with the help of FEM computer simulations. FEM not only optimizes products' thermal and mechanical performances by intervening directly in the formulation of the technical compounds used for its manufacture, but also allows for correction of the mould before it is built, as well as the resolution of moulding and deformation problems.

Thanks to the know-how of its people, LATI also supports its customers in the **“use” phases of the product** by providing, when necessary, moulding assistance to solve problems, to optimize productivity and quality, to initiate production processes and to correctly interpret the peculiarities of the most sophisticated compounds.

LATI assists with the **management of regulatory issues** and directly supports customers in the certification process of materials at accredited laboratories and bodies worldwide. LATI also issues in-house certification of compliance with the legislative requirements of all markets.

LATI protects its customers at all stages of the relationship. The company conducts a thorough **evaluation of the safety of its products** - 100% of the products in our portfolio undergo this assessment. At the same time, LATI is committed to **safeguarding its customers' privacy**, providing specific information in compliance with current legislation.

Equally important are the specific training programmes that LATI's experts organize for employees and customers. These courses provide essential insights into the characteristics of thermoplastic compounds, raising stakeholders' awareness of a **more sustainable, more durable and safer plastic**.

[Check out the LATI technical webinars here.](#)

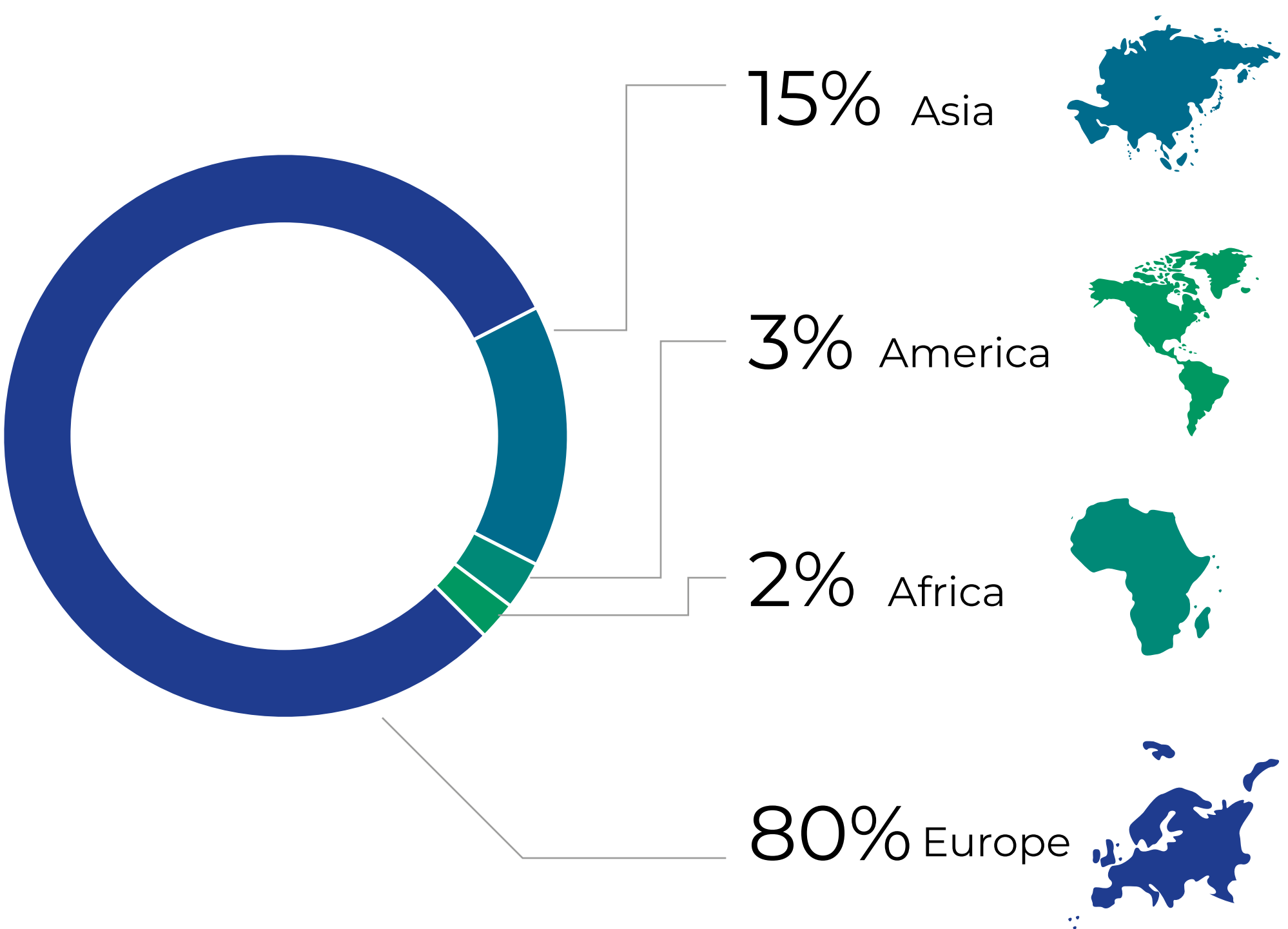
### **LATI services: innovation and sustainability in the service of our customers**

LATI offers customised solutions to support its customers throughout every phase of the production process. An outstanding success story is our project with Askoll, where LATI supplied innovative materials for the production of components for electric vehicles, combining high performance and sustainability.

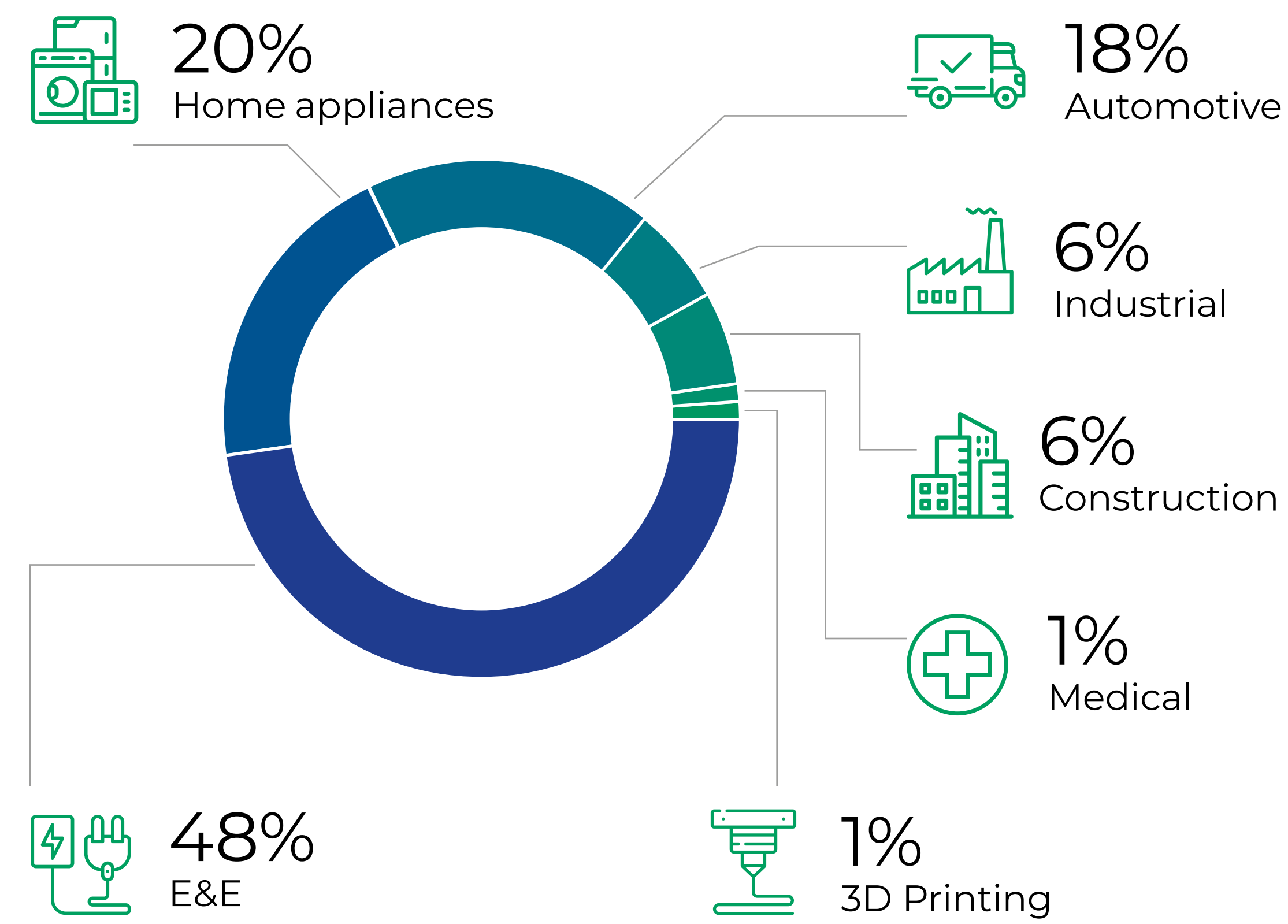
Find out how LATI worked with Askoll as a Customer Champion in the success story described at: [Askoll – Innovators by nature](#). Watch the dedicated video: [Customer Champion with Askoll](#).



Market served



Industrial sectors served





### 3.2.3 Supply chain

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

Although it operates within a **global supply chain**, LATI prioritizes local suppliers where possible. The company thus strives to **shorten its value chain to prevent potential environmental and social impacts**, contributing to local economic development and to the **generation of value** in the areas where it operates.

The challenges of sourcing **raw materials** and the necessary technical requirements of materials place stringent constraints on the choice of suppliers and the ability to purchase materials locally. For this reason, the **percentage of local suppliers of raw materials is 51%** of the total number of suppliers, with an economic value of **45%**.

The situation of **suppliers of goods and services** is different. Over the years, LATI has consolidated numerous relationships with suppliers of goods and services **in Italy**, accounting for 89% of suppliers in this purchasing category, representing in total 96% of the value of all goods and services purchased by LATI.



708 suppliers



100 ml/€



90% for purchases of raw material

GRI 2-6 - Activities, value chain and other business relationships				
Geographical area	Unit of measure	2022	2023	2024
Italy	n	557	594	561
Europe	n	102	115	102
Extra Europe	n	54	44	45
Total	n	713	753	708
	% raw materials	28%	25%	27%
	% indirect goods and services	72%	75%	73%

LATI selects its suppliers based on **criteria of impartiality, fairness, and transparently documented procedures** for the control of externally sourced processes, products and services, thereby avoiding actual or potential conflicts of interest. As per the *Organizational Procedure for the Control of Processes, Products and Services Provided Externally*, the company **qualifies 100% of the suppliers with whom it initiates a purchasing relationship**. It is worth noting that last year, 33 new raw materials suppliers were evaluated using the **Preliminary Vendor Evaluation Form**.

In addition to product and service quality criteria, LATI also uses **sustainability criteria** for the annual evaluation of all its raw material suppliers. These requirements stem from compliance with 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 **2024** the evaluation analysis of **suppliers of raw materials** showed that:

- **60% have UNI EN ISO 14001:2015 System of Environmental Management certification**
- **28% have ISO 45001:2018System**

LATI also shares its *Supplier Quality Manual* with all its partners. This serves to coordinate collaboration with its suppliers, with a view to creating and maintaining **long-term relationships**, a continuous alignment of expectations, and complete transparency. This has enabled LATI to create **lasting relationships with its suppliers**, not least in the company’s strategic partnerships, which have spanned the best part of 20 years.



**Manifesto for Gender Equality in the Italian supply chain**

In 2024, LATI signed the Manifesto for Gender Equality in the Italian Supply Chain promoted by the Winning Women Institute, an organisation that promotes gender equality and helps companies to create fairer and more inclusive work environments. As a company certified for Gender Equality in compliance with the UNI PdR

125:2022 standard, LATI, together with its fellow signatories, is also committed to promoting change outside its own organisation, encouraging the social and economic fabric to adopt sustainable and inclusive initiatives. The Manifesto also promotes gender equality and inclusion within companies through the involvement of the supply chain.  
Code of ethics and whistleblower policy [HERE](#)

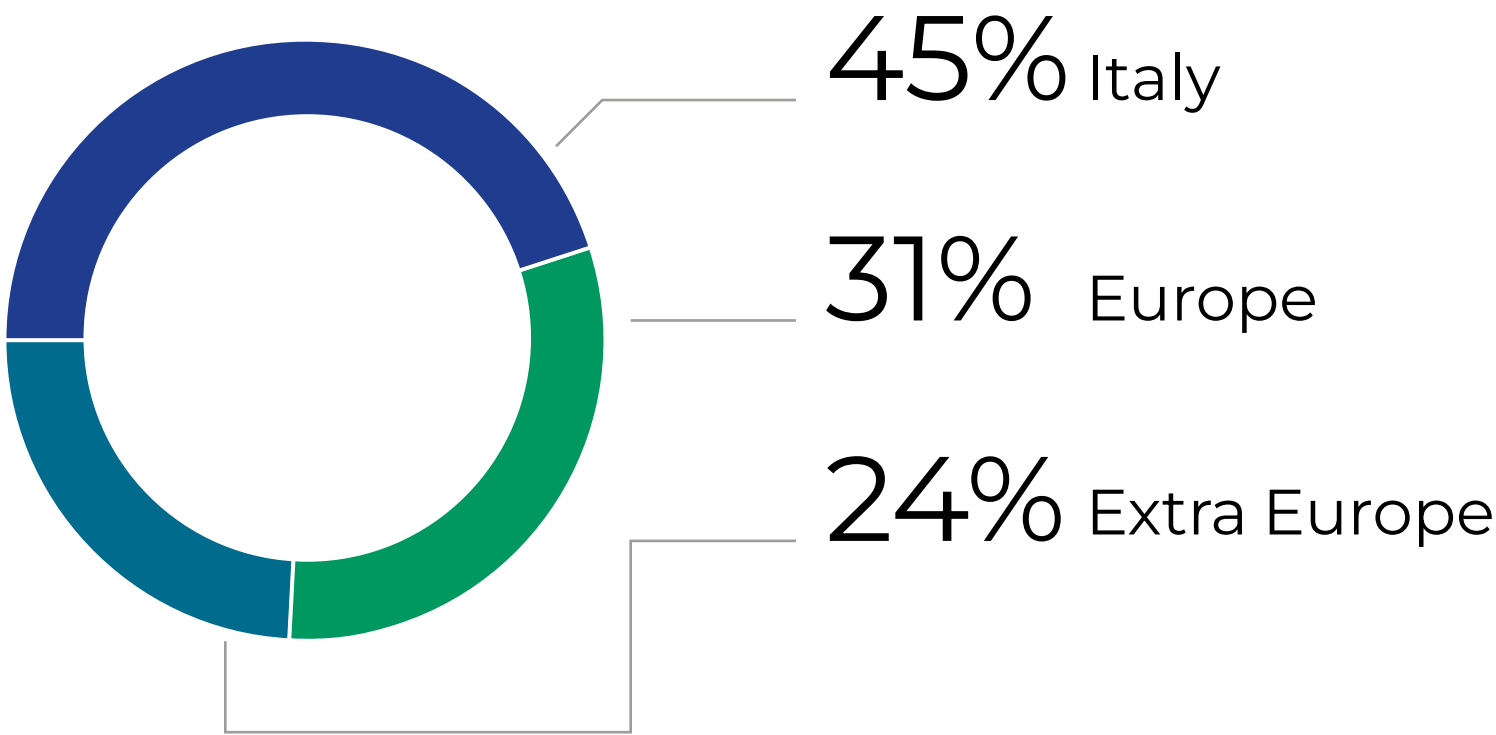
The table below details the proportion of expenditures paid to suppliers of raw materials and indirect goods and services by geographical area<sup>6</sup>.

**204-1 Proportion of spending on local suppliers**

Geographical area	Unit of measure	2022	2023	2024
Italy	€	74,018,785	46,367,290	50,223,994
Europe	€	44,671,078	27,536,935	28,536,222
Extra Europe	€	47,918,070	21,302,697	21,605,981
<b>Total</b>	<b>€</b>	<b>166,607,932</b>	<b>95,206,922</b>	<b>100,366,196</b>
	% raw materials	93%	89%	90%
	% indirect goods and services	7%	11%	10%

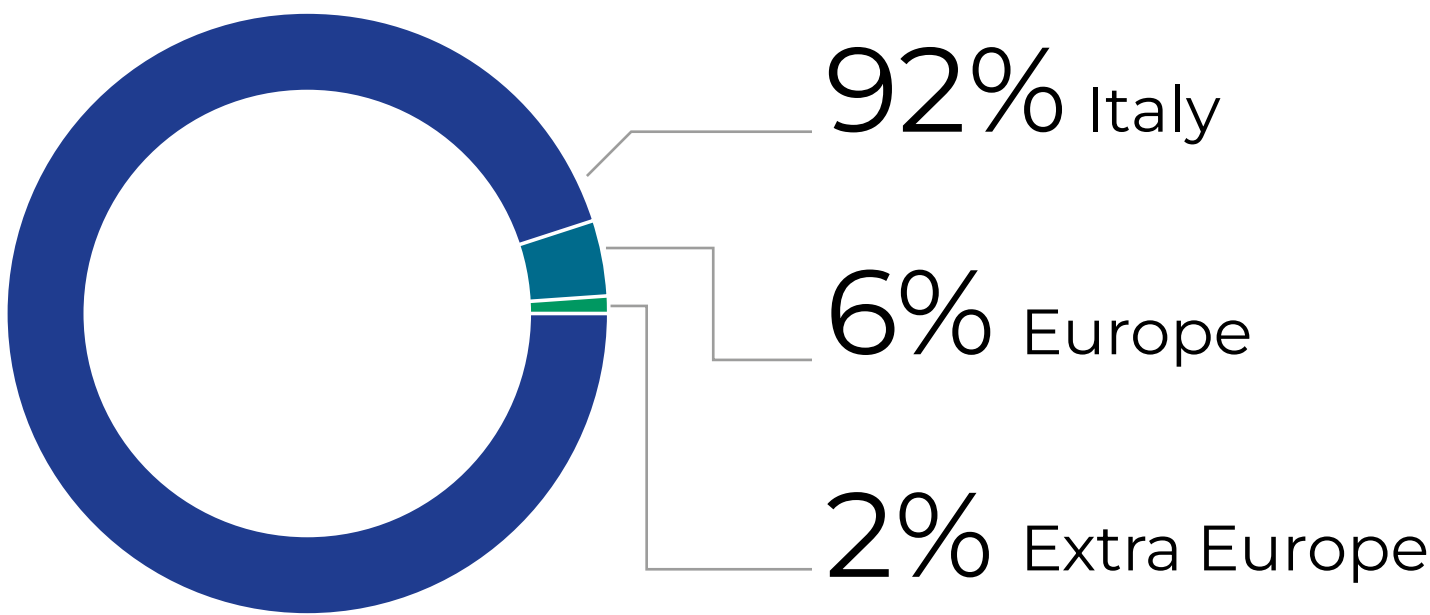
**Raw materials 2024**

Tot. 89.942.976 €



**Indirect goods and services 2024**

Tot 10.423.220 €

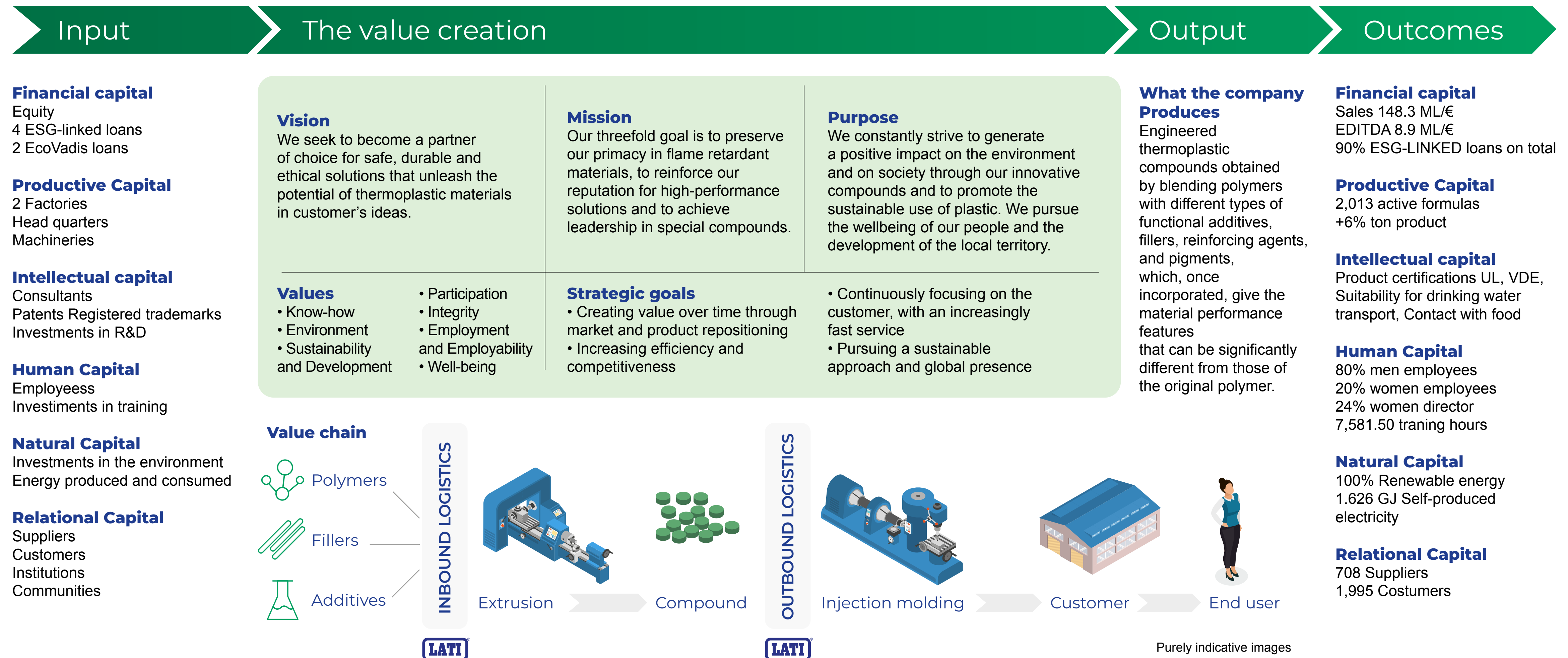


6. “Local suppliers” refers to suppliers with operational headquarters in Italy. In relation to the company’s business, significant business locations are deemed those that host manufacturing activities.



### 3.3 The creation of shared value

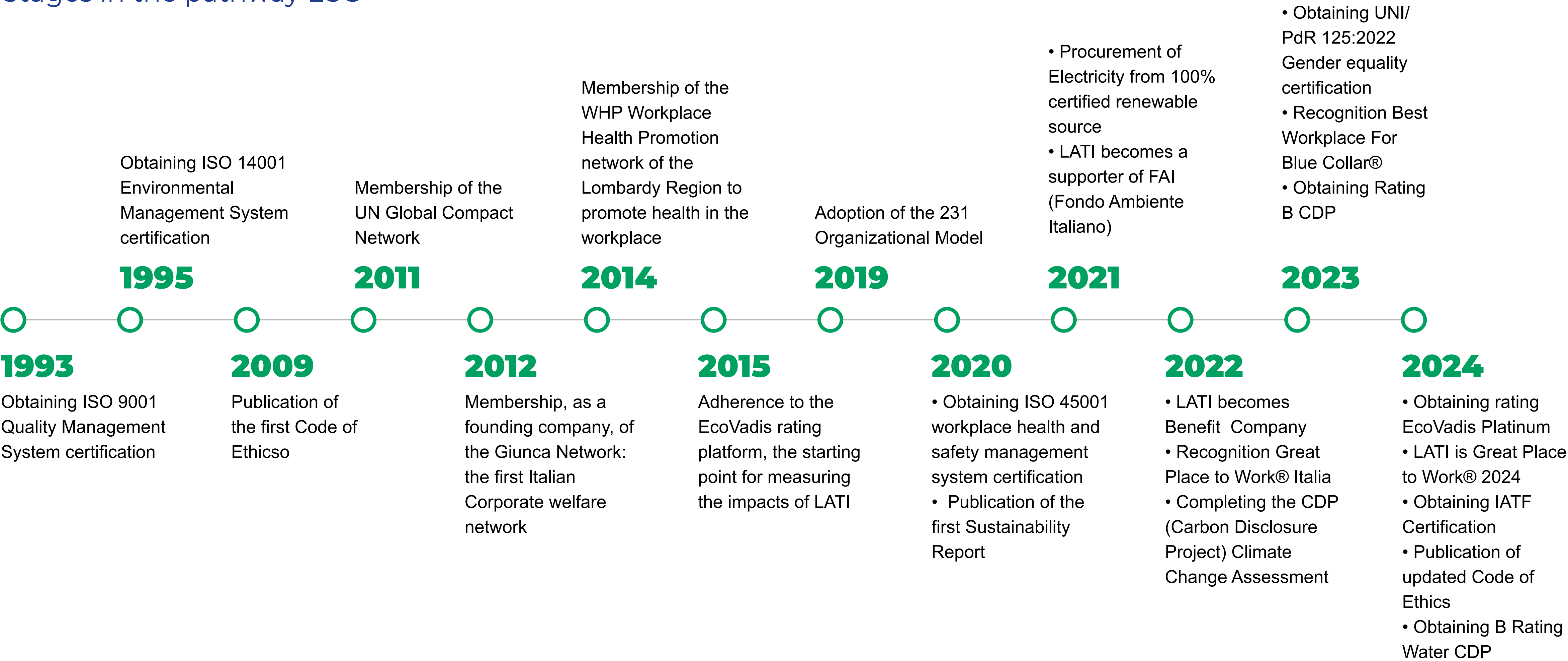
This diagram **summarizes how LATI generates value**, analysing the financial and non-financial capital that the organization deploys, and how this translates into outcomes through the company's business activities.





# The pathway ESG

## Stages in the pathway ESG





# Most recent awards and achievement

## LATI Great Place to Work® 2024-2025

In 2024, LATI was officially recognised as a Great Place to Work® for the second time. This recognition is the result of an employee climate survey in which individuals can express - anonymously and wholly free of any constraints - their perceptions of a series of factors, grouped into five areas: Credibility, Respect, Fairness, Pride, and Cohesion. Achieving the Great Place to Work® recognition places LATI among the top companies to work for, and bears witness to the esteem and trust that employees have in the company and its management.

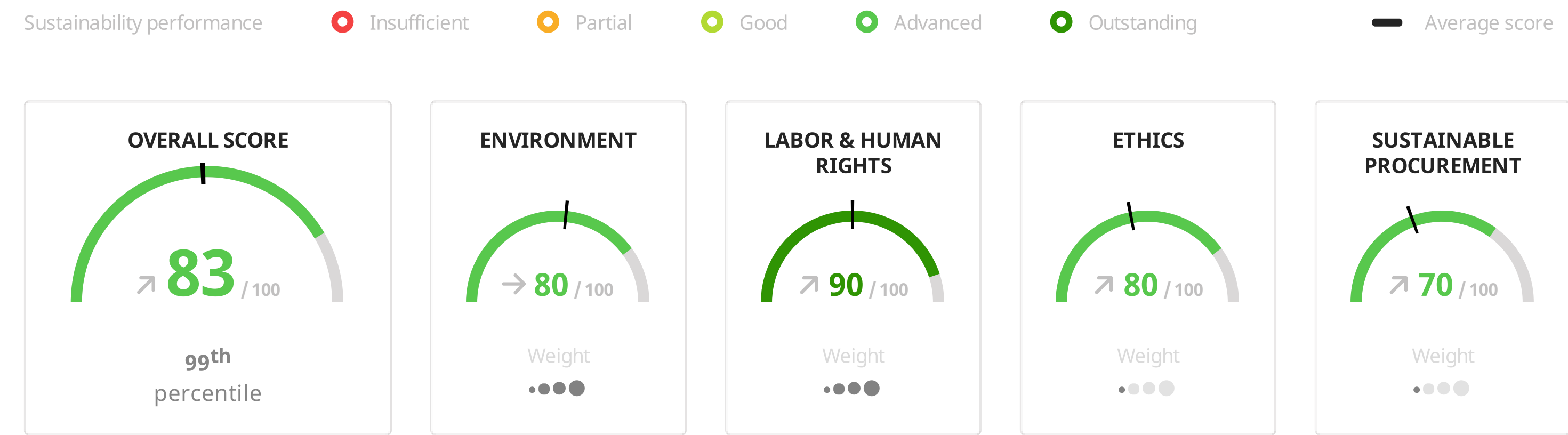




# ECOVADIS: our gold medal turns platinum



Thanks to its constant and concrete commitment to sustainability, in 2024 LATI achieved a **platinum medal** rating from EcoVadis. With a score of 83/100, LATI ranks among the **top 1% of companies in the world in its sector**. The Company maintained its high score in the Environment area and managed to significantly improve in social areas, such as Human Rights and Ethics, demonstrating the company’s resolute commitment to the adoption of socially responsible practices.



Since 2015, LATI has measured and constantly improved its sustainability performance using the EcoVadis ESG (Environmental, Social and Governance) evaluation platform, one of the most widely recognized evaluation systems worldwide. The platform allows the company to monitor and bolster its positive impact on the environment, people and society. EcoVadis evaluates companies in four macro-areas: Environment, Labour Practices and Human Rights, Ethics and Sustainable Procurement, assigning scores ranging from 0 to 100. In addition to the overall score, companies receive a detailed scorecard with specific recommendations as to further opportunities for improvement.





## CARBON DISCLOSURE PROJECT: the environmental rating for combatting climate change and the management of water resources

The Carbon Disclosure Project (CDP) is the world's most authoritative organisation for assessing progress in reducing greenhouse gas emissions, and in water management, forest protection and supply chain management. Since 2022, LATI has participated in the Carbon Disclosure Project (CDP) to provide **transparent reporting on its performance and decarbonisation strategies**. In 2024, the company confirmed its **'B' score (management level)**, ranking above the industry average, and also joined the **Water Security category of the assessment**, achieving a **B score**. These results reflect the company's attention to and effective management of the environmental impacts of its activities and production processes.



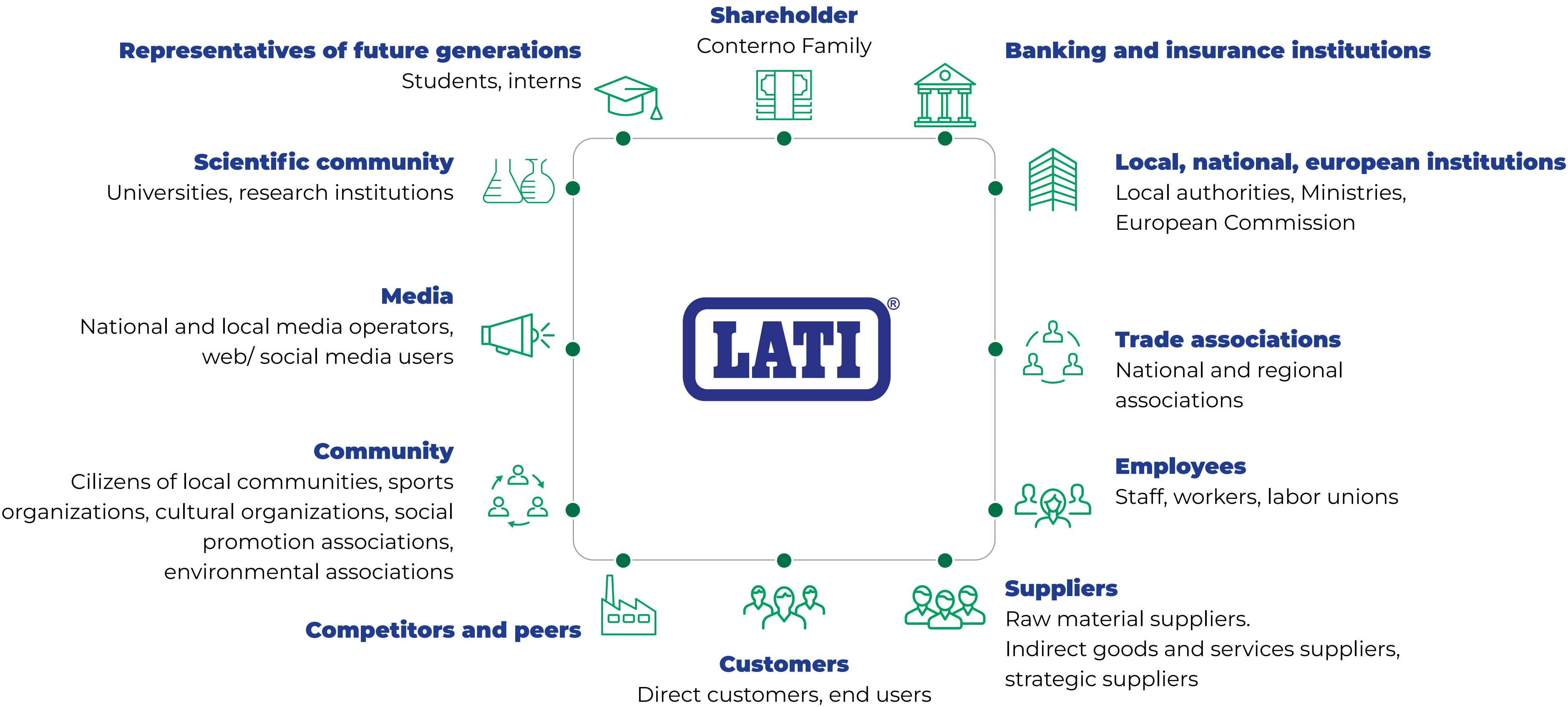


# 3.4 Stakeholder engagement

GRI 2-29

Collaboration with its stakeholders underpins LATI’s ability to steer its business strategy and to maximise the creation of value over time. For this reason, it is committed to playing an active role within its relational network, promoting the

hallmark values that distinguish the company’s operations and working continuously to build robust and lasting relationships.





As its first commitment to all its internal and external stakeholders, LATI strives to acknowledge and listen ever more closely to their wishes, while using its institutional communication channels to provide prompt and timely responses to their requests.

To this end, LATI is inspired by the principles of the *AccountAbility AA1000AP* framework (inclusiveness, responsiveness, materiality and impact), engaging its stakeholders in keeping with the *Accountability 1000 - Stakeholder Engagement Standard*.

Casa LATI company open day

During the Casa LATI Company Open Day, held on November 25<sup>th</sup> and 26<sup>th</sup>, 2023 at the Gornate Olona headquarters, the company shared its **vision and commitment to digitalisation and sustainability** with around **300 people**, including **external stakeholders, employees and their families**. LATI's Open Day is part of the Open Factory project, an initiative promoted by *ItalyPost*, *Touring Club Italiano* and *L'Economia del Corriere della Sera*. Open Factory seeks to raise public awareness of the **cultural, social and economic importance of companies that generate value** for the country

The AccountAbility Principles

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



**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



For this purpose, before moving on to the full phase of involvement of its stakeholders, LATI carries out a selection process based on the type of relationship, its importance, the nature of the relationship and its frequency. Among the five criteria featured in the AA1000 Stakeholder Engagement Standard (responsibility, influence, tension, dependence, different perspectives), LATI considers the following selection criteria:

- **influence**, i.e. it selects those subjects who are, or in the future might be, able to influence the company’s ability to achieve its objectives, thus influencing the company’s strategic and operational processes.
- **dependence**, i.e. it selects those subjects who are most dependent on given products and their performance and who therefore need to be involved in a more structured manner in the management of business activities.

It follows that, at a more strictly operational level, opportunities for stakeholder involvement arise, in part, from company requirements and objectives, and in part, from the requests of the stakeholders themselves.

Stakeholder relations are managed horizontally by all company functions, within their respective operational remits. The engagement process is fully integrated within the ordinary management of business activities and is planned with the different company owners involved in the various channels of dialogue with the relevant stakeholders.

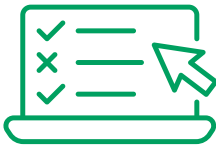
The table below illustrates the main means of engaging with stakeholders:


STAKEHOLDER	ENGAGEMENT TOOLS
SHAREHOLDER	Meetings Periodic preparation and sharing of information material
BANKING AND INSURANCE INSTITUTIONS	Meetings Sending periodic information material
LOCAL, NATIONAL, EUROPEAN ISTITUTIONS	Meetings with local institutions Participation in working tables Creation of territorial networks to support the management of emergency situations
TRADE ASSOCIATIONS	Participation in association initiatives Sharing of information about LATI and its business activities Participation in worktables Participation in research activities promoted by the associations
WORKERS	Company intranet - Internal communication programs Mailing Periodic meetings for discussion and internal alignment Internal training activities Internal investigations aimed at employees Union meetings
SUPPLIERS	Periodic meetings Survey One to one meetings




STAKEHOLDER	ENGAGEMENT TOOLS
CLIENTS	Dedicated website section Preparation and sharing of information material on products (data sheets) Periodic meetings Technical training Dedicated technical webinars Collaborative projects Survey
COMPETITOR AND PEER	Collaborative projects
COMMUNITY	Participation in worktables Promotion and/or participation in projects organized in collaboration with civil society organizations Dialogue initiatives with local associations Creation of territorial networks to support the management of emergency situations Sponsorships and 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 worktables
REPRESENTATIVE OF FUTURE GENERATION	Presence on social channels Innovative projects and/or in support of sustainable development Meetings in schools Internships and traineeships School-work alternation

To sharpen its focus on the sustainability management process - not least in view of future challenges - LATI has developed a more structured **stakeholder engagement process**, based on three different channels of communication:

- 

**survey online** – for customers, suppliers, and members of the Impact Team and company management, for the prioritization of materials.
- 

**one-to-one interviews** – with key customers and suppliers to share key sustainability management initiatives, in the spirit of collaborative and open innovation
- 

**focus group** – with members of the Impact Team for impact and financial materiality.

For more details of the results of the materiality analysis and the outcomes of engagement activities, please refer to the following section on “Materiality analysis”.



# 3.5 Materiality analysis

GRI 3-1 | GRI 3-2

In line with the requirements of the GRI Standard Universal 2021 reporting standard, **in 2023 LATI carried out its materiality analysis by identifying the material topics that entail the organisation’s most significant impacts on the**

**economy, the environment and people, including impacts on human rights.** In LATI’s impact materiality process, the company also involved its top management, the cross-functional team dedicated to sustainability (the Impact Team) and, externally, its customers and suppliers, for a total of 97 stakeholders.

For 2024, LATI analysed and confirmed its impact materiality analysis, as no significant variations emerged compared to the previous year. The company reserves the right to update its materiality analysis in 2025 with a view to double materiality, in line with the evolution of the European ESRS standards (European Sustainability Reporting Standards) published by

EFRAG pursuant to the CSRD (Corporate Sustainability Reporting Directive).

Against a changing backdrop, in which all companies are **re-thinking the materiality process to incorporate sustainability** within their business models, materiality analysis must become an integral part not only of the **reporting process**, but also in **planning, governance** and, therefore, **company management**.

The table below summarises the main steps and the related outputs of the impact **materiality analysis**.

Analysis of Context	Identification of material topics	Definition of Impacts	Stakeholder engagement
<p><b>Analysis of international and sector trends:</b></p> <ul style="list-style-type: none"><li>• WEF (2024), Global Risks Report 2024</li><li>• WBCSD (2022) Enabling corporate plastics disclosure</li><li>• WBCSD (2023) Guiding the integration of sustainability in valuation: A framework for integration, research examples and reflections</li><li>• T.R. Walker (2021), (Micro)plastics and the UN Sustainable Development Goals, in Current Opinion in Green and Sustainable Chemistry</li><li>• O. Oladele et al. (2023), Modern Trends in Recycling Waste Thermoplastics and Their Prospective Applications: A Review in Journal of Composite Sciences (2023)</li></ul> <p><b>Benchmarking analysis</b></p> <p>Analysis of the sustainability reports and the respective ESG data of 46 companies amongst competitors and customers.</p>	<p>Identification of 14 ESG topics of which:</p> <ul style="list-style-type: none"><li>- 5 environmental</li><li>- 5 social</li><li>- 4 related to governance</li></ul> <p>Linking of material topics to common benefit objectives:</p> <ol style="list-style-type: none"><li>1. Product sustainability (linked to 6 material topics and 13 impacts)</li><li>2. People’s wellbeing within and outside the organisation (linked to 6 material topics e 10 impacts)</li><li>3. Acting for the development of the local territory and ecosystem (linked to 2 material topics e 3 impacts)</li></ol>	<p>Definition of 26 impacts of which:</p> <ul style="list-style-type: none"><li>- 10 environmental</li><li>- 8 social</li><li>- 8 related to governance</li></ul>	<p><b>Focus groups</b> and internal <b>survey</b>: 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.</p> <p><b>Survey with external stakeholders</b> for the prioritization of 5 topics:</p> <ul style="list-style-type: none"><li>- #62 customers</li><li>- #23 suppliers</li></ul> <p><b>One-to-one interviews with strategic external stakeholders:</b></p> <ul style="list-style-type: none"><li>- #6 customers</li><li>- #6 suppliers</li></ul>



Within this process, and over the course of the year, the **factors** that have rendered LATI’s **materiality process** more rigorous were:

- **refinement of the description of the material topics** in light of the evolution of the current macro-context (scientific literature, mega-trends, global risks and regulatory complexity), corporate development plans (business plan 2025-2027) and benchmark analysis.
- **the linking of material topics and areas of impact related to the common benefit objectives of the Benefit Company** with a view to creating a stronger connection between the Sustainability and Impact reports.
- **the clarification and assessment of impacts** with reference to:
  - o type: negative or positive.
  - o probability: actual or potential.
  - o severity: 1 = not at all relevant, 2 = slightly relevant, 3 = moderate, 4 = relevant, 5 = highly relevant.
  - o stakeholder impacted: Shareholders, Workers, Suppliers, Customers, Collectivity, Scientific Community, Banking and Insurance Institutions, Representatives of future generations, Competitors and peers, Professional Associations, local, national and European institutions.

Impact assessments were carried out in full compliance with the **GRI 3 - Material Issues 2021** protocol and implemented and validated during a series of internal meetings attended by members of the Impact Team and top management. In this context, stakeholder engagement activities were conducted by aiming at a higher level of awareness of the individuals engaged.

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, var-

ious 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 a positive impact**



**Culture of sustainable use of plastic materials**







**Circular economy**







**Environmental impact**






The table below illustrates the results of the 2023 impact materiality analysis, which were confirmed once more in 2024.

Area of impact	Material topics		Impacts	Type	Severity	Probability	Stakeholder	Strategy and performance
Product sustainability	 RESPONSIBLE AND TRANSPARENT MANAGEMENT OF THE VALUE CHAIN	Collaboration with and engagement of stakeholders across the entire value chain, through fair relationships and responsible behaviours, with particular attention to customer satisfaction and the evaluation of the sustainability of suppliers.	Lack of system for qualifying and auditing suppliers	−	<div><div></div><div></div><div></div><div></div><div></div></div>	potential	Shareholders, Suppliers, Customers, Collectivity.	3.2.3 The supply chain
			Breaches of human rights across the supply chain	−	<div><div></div><div></div><div></div><div></div><div></div></div>	potential	Shareholders, Suppliers, Customers, Collectivity.	
			Customer satisfaction with technical support	+	<div><div></div><div></div><div></div><div></div><div></div></div>	actual	Shareholders, Customers.	3.2.2 Services and technical support
	 INNOVATIVE PRODUCTS WITH A POSITIVE IMPACT ON THE ENVIRONMENT	The development, also through partnerships, of innovative products and sustainable applications in line with the highest quality and safety standards, and capable of generating positive environmental and social impacts.	Lack of Life Cycle Assessment standards	−	<div><div></div><div></div><div></div><div></div><div></div></div>	potential	Shareholders, Suppliers, Customers.	3.2.1 LATI compounds 4.2.5 Materials 4.2.6 Research and innovation
			Use of LATI products for sustainable applications	+	<div><div></div><div></div><div></div><div></div><div></div></div>	actual	Customers, Collectivity	
			Environmental and social impact of products	−	<div><div></div><div></div><div></div><div></div><div></div></div>	potential	Shareholders, Suppliers, Customers, Collectivity	
	 ENVIRONMENTAL IMPACT	Attention to and progressive reduction of 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.	Inefficient use of water resources	−	<div><div></div><div></div><div></div><div></div><div></div></div>	potential	Shareholders, Collectivity.	4.2.2 Water
			Environmental harm caused by improper waste disposal	−	<div><div></div><div></div><div></div><div></div><div></div></div>	potential	Shareholders, Collectivity.	4.2.3 Waste
	 COMBATTING CLIMATE CHANGE	Attention to and management of direct and indirect emissions generated by the organization and increased energy efficiency in line with the company's Carbon Strategy Roadmap.	Negative impact on climate change due to delays in the decarbonisation path	−	<div><div></div><div></div><div></div><div></div><div></div></div>	potential	Shareholders, Employees, Suppliers, Customers, Banks and Insurance Companies, Collectivity	4.2.1 Energy and emissions
			Improvement of performance and energy autonomy	+	<div><div></div><div></div><div></div><div></div><div></div></div>	actual	Shareholders, Customers.	






Area of impact	Material topics		Impacts	Type	Severity	Probability	Stakeholder	Strategy and performance
Product sustainability	 CIRCULAR ECONOMY	Application of the principles of the circular economy through the recovery of waste materials, the inclusion of recycled raw materials in formulations and increases in the durability of the life cycle of company products, as well as the reduction of product packaging.	Failure to adopt circular economy principles in processes	−	<div><div></div><div></div><div></div><div></div><div></div></div>	potential	Shareholders, Customers.	4.2.3 Waste 4.2.6 Research and innovation
			Planning and design of products based on a non-circular paradigm	−	<div><div></div><div></div><div></div><div></div><div></div></div>	potential	Shareholders, Suppliers, Customers, Collectivity, Representatives of future generations.	
	 CULTURE OF SUSTAINABLE USE OF PLASTIC MATERIALS	Raising awareness of the sustainable use of plastic materials through institutional communication activities and through the activation of bespoke programmes aimed at company stakeholders.	Negative impact caused by ineffective communication and awareness-raising regarding the theme of the culture of sustainable use of plastic materials	−	<div><div></div><div></div><div></div><div></div><div></div></div>	potential	Scientific Community, Collectivity, Representatives of future generations.	4.3.6 Community and local territory 4.2.6 Research and innovation
People's wellbeing within and outside the organization	 PEOPLE DEVELOPMENT	Fair and transparent access to professional growth paths and training programmes aimed at enhancing workers' managerial, technical and organizational skills of workers and consolidating the professionalism required by the role held.	Development of technical and cross-functional competencies through continuous training	+	<div><div></div><div></div><div></div><div></div><div></div></div>	actual	Employees, Professional associations.	4.3.4 Training and development
			Professional growth paths based on equal opportunities, inclusion and merit	−	<div><div></div><div></div><div></div><div></div><div></div></div>	potential	Employees, Professional associations.	4.3.5 Competencies and performance
	 WORKPLACE HEALTH AND SAFETY	The development of practices and programmes that promote the protection of safety in the workplace.	Non-compliance with laws and regulations related to health and safety and a lack of awareness-raising in this area	−	<div><div></div><div></div><div></div><div></div><div></div></div>	potential	Shareholders, Employees.	4.3.7 Occupational health and safety management system



Area of impact	Material topics		Impacts	Type	Severity	Probability	Stakeholder	Strategy and performance
People's wellbeing within and outside the organization	 WELLBEING,EQUAL OPPORTUNITIES AND INCLUSION	The development of adequate working practices and conditions to promote the wellbeing of workers, to guarantee equal opportunities and the removal of all forms of discrimination, and to promote company welfare initiatives that improve the life quality of its people and their families.	Welfare programme aligned with personal needs	+	<div><div></div><div></div><div></div><div></div><div></div></div>	actual	Employees	4.3.3 People's wellbeing
			Promotion of a culture of inclusion and equal opportunities	+	<div><div></div><div></div><div></div><div></div><div></div></div>	actual	Employees, Collectivity, Representatives of future generations.	2.3 Gender Equality Policy and PdR 125:2022 certification 4.3.2 Inclusion and equal opportunities
	 BUSINESS ETHICS	The constant commitment to a regenerative business model with positive social and environmental impacts, in line with the principles of ethics, integrity and transparency, and in compliance with the highest mandatory and voluntary legislative standards.	Unfair business practices	-	<div><div></div><div></div><div></div><div></div><div></div></div>	potential	Shareholders, Suppliers, Customers, Employees, Banks and Insurance Companies.	2.4 Code of Ethics and 231 Organisational Model
			Incidents of corruption, extortion and conflicts of interest	-	<div><div></div><div></div><div></div><div></div><div></div></div>	potential	Shareholders, Suppliers, Customers, Employees, Banks and Insurance Companies.	
	 RISK-BASED THINKING	Integration of ESG (Environmental, Social, Governance) factors within the system of identification, analysis and management of corporate risks, with a particular focus on the reliability of infrastructures and services so as to prevent and/or offset critical business continuity issues.	Failure to implement a structured system of Enterprise Risk Management integrated with ESG risks	-	<div><div></div><div></div><div></div><div></div><div></div></div>	actual	Shareholders, Suppliers, Customers, Employees, Banks and Insurance Companies.	3.5 Materiality analyses
			Interruptions to business continuity caused by breaches of company cybersecurity	-	<div><div></div><div></div><div></div><div></div><div></div></div>	potential	Shareholders, Customers., Suppliers, Employees, Banks and Insurance Companies.	4.4.2 Investments



Area of impact	Material topics		Impacts	Type	Severity	Probability	Stakeholder	Strategy and performance
People's wellbeing within and outside the organization	 CREATION OF SUSTAINABLE ECONOMIC VALUE	Sound and sustainable all round economic-financial performance. Generation of shared value.	Business model not geared to the creation of shared value	−	<div><div></div><div></div><div></div><div></div><div></div></div>	potential	Shareholders, Customers., Suppliers, Employees, Banks and Insurance Companies.	4.4.1 Economic value generated and distributed
Development of the local area and ecosystem	 CORPORATE CITIZENSHIP	Contribution to the development of the local territory by promoting projects to disseminate the culture of sustainability and the common good, activating collaborations and synergies with all local stakeholders, adopting values such as transparency, dialogue and the quest for cooperation in all management and corporate communication practices.	Lack of engagement of the local community	−	<div><div></div><div></div><div></div><div></div><div></div></div>	potential	Scientific Community, Collectivity.	4.3.6 Community and local territory 4.4.1 Economic value generated and distributed
			Positive impacts of donations, sponsorships, partnerships and collaboration with the community	+	<div><div></div><div></div><div></div><div></div><div></div></div>	actual		
	 SAFEGUARDING OF BIODIVERSITY	Actions to protect the ecosystem through support for and contributions to areas of high environmental value or in need of protection in the area where the company's factories are located.	Loss of biodiversity due to environmental externalities caused by production plants	−	<div><div></div><div></div><div></div><div></div><div></div></div>	potential	Scientific Community, Collectivity.	4.2.4 Biodiversity



### The ongoing path to double materiality

The **CSRD (Corporate Sustainability Reporting Directive)**, and the **ESRS (European Sustainability Reporting Standards)** require that, as of their entry into force, companies not only approach the **materiality process from an inside-out perspective** (the most significant impacts of the company on the economy, environment, people and human rights), but also from an **outside-in** perspective (the most significant impacts of ESG issues on business performance). In its 2022 Sustainability Report, LATI had already inaugurated a qualitative process of double materiality.

During 2023, through three internally convened meetings between the Sustainability and the Finance, Administration and Control teams, the company structured the process even further.

A specific goal was to begin exploration of **financial materiality**, starting from the impacts that emerged from the impact materiality analysis. During the meetings, the following factors were assessed for each impact:

- the **type of risk** (in the case of negative impacts) or opportunity (in the case of positive impacts).
- the **severity** (very low, low, medium, high and very high) associated with the financial risk class of financial impacts arising from climate change (CDP - Carbon Disclosure Project assessment).

LATI reserves the right to pursue this approach in the coming year, not least in light of future reactions to the application of EU regulatory norms in Italy.





# 3.6 Sustainability strategy

Over recent years LATI has pursued the path of corporate sustainability, developing a model for the responsible management of financial and non-financial capital, the valorisation of people and sustainable innovation in products and manufacturing processes.

The first milestone on this journey was the 2022 transformation into a Benefit Company and the definition of the elements of the dual purpose. **The ESG plan therefore took into consideration the strategic lines of the dual purpose, complementing them through the analysis of material topics along the methodological lines described above.**










For each material topic, this analysis allowed LATI to identify objectives framed in terms of ESG (Environment, Social Governance) criteria, as well as action plans for achieving those objectives, measuring the results and their potential

impacts on the organization, on people and on the environment.

To better explain the sustainability plan, the diagrams depicted for each dimension show key materials issues, the stakeholders involved, and the results achieved in 2024 based on the commitments made and published in the 2022 Sustainability Report, relating them to the SDGs (United Nations Sustainable Development Goals) and commitments made for 2025.






Impact area	Material topics	SDGs	Description of topic	Commitments 2024	Achievements 2024	Progress of commitment	Commitments 2025	Links to the report sections
Product sustainability	 RESPONSIBLE AND TRANSPARENT MANAGEMENT OF THE VALUE CHAIN	  	Collaboration with and engagement of stakeholders across the entire value chain, through fair relationships and responsible behaviours, with particular attention to customer satisfaction and the evaluation of the sustainability of suppliers.	Definition of ESG supply chain assessment plan	Analysis of supplier evaluation requirements in line with the CSRD and company requirements.  Signing of the Manifesto for Gender Equality in the Italian supply chain promoted by the Winning Women Institute		Integration of the topics of Gender Equality and Ethics into information requests for the qualification of new suppliers and the evaluation of current suppliers.	3.2.3 Supply chain












Impact area	Material topics	SDGs	Description of topic	Commitments 2024	Achievements 2024	Progress of commitment	Commitments 2025	Links to the report sections
Product sustainability	 INNOVATIVE PRODUCTS WITH A POSITIVE IMPACT ON THE ENVIRONMENT	  	The development, also through partnerships, of innovative products and sustainable applications in line with the highest quality and safety standards, and capable of generating positive environmental and social impacts.	New development among LATIECO and LATIGEA family products	Increase in sustainable products +24 LATIECO products +7 LATIGEA products		Expansion of LATIGEA and LATIECO range	4.2.6 Research and innovation  2.6 Certifications
				Delivery of first LCA (Life Cycle Assessment) Report on PhD research project “Life cycle analysis of industrial processes for high-performance plastic products” by the Università dell’Insubria.	Publication of first Report “Environmental sustainability of three thermoplastics compounds based on polyamide 66” on the results of the LCA studies carried out by the Università Insubria as part of the PhD research project initiated in 2022		Delivery of final report on PhD research project “Life cycle analysis of industrial processes for high-performance plastic products” by the Università dell’Insubria.	
				Launch of Supplier Data Collection Platform and Analysis of Collected Data	Launch of the Carbon footprint supplier portal for the collection of carbon footprint data of raw materials.			
				Contribution to consortium for preparation of funded research projects	Conclusion of the SAbYNA project with publication of the scientific paper for the dissemination of the results achieved: "Safe(r)-by-design principles in the thermoplastics industry: guidance on release assessment during manufacture of nano-enabled products. Front. Public Health 2024".		Participation in the Desiderata project, funded by Horizon Europe and dedicated to innovation in PFAS-free materials and eco-compatible flame retardants.	
				UL certification of products with low environmental impact <sup>7</sup>	Definition of the UL certification plan to increase the number of certificates for products in the LATIECO family. Obtainment of the UL yellow card with RTI for the self-extinguishing compound with recycled content.		Launch of two UL certification processes for approval of the mechanical recycled content of LATIECO products by the certification body.	

7. It is noted that the 2024 commitment ‘UL Certification of products with low environmental impact’ has been added, along with the related results, to ensure alignment with the dual-purpose plan presented in the Impact Report.



Impact area	Material topics	SDGs	Description of topic	Commitments 2024	Achievements 2024	Progress of commitment	Commitments 2025	Links to the report sections
Product sustainability	ENVIRONMENTAL IMPACT	<div><div>6</div><div>CLEAN WATER AND SANITATION</div><div></div></div> <div><div>12</div><div>RESPONSIBLE CONSUMPTION AND PRODUCTION</div><div></div></div>	Attention to and progressive reduction of 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.	Implementation Water footprint assessment	Implementation Water footprint assessment	<div><div></div></div>	Implementation Water footprint assessment.	4.2.2 Water
				CDP (Carbon Disclosure Project) update evaluation Climate Change	Maintenance of Score B CDP (Carbon Disclosure Project) Climate Change	<div><div></div></div>		Most recent awards and achievements
	COMBATTING CLIMATE CHANGE	<div><div>7</div><div>AFFORDABLE AND CLEAN ENERGY</div><div></div></div> <div><div>8</div><div>DECENT WORK AND ECONOMIC GROWTH</div><div></div></div> <div><div>13</div><div>CLIMATE ACTION</div><div></div></div>	Attention to and management of direct and indirect emissions generated by the organization and increased energy efficiency in line with the company's Carbon Strategy Roadmap	Upgrading of photovoltaic system to 500 kW	Installation of an additional 366 kW of photovoltaic system for a total of 484 kW of power	<div><div></div></div>	Launch of the update of the Carbon Strategy Roadmap for decarbonisation to include the impact of LATI's investments, identifying medium-term objectives in line with the SBTI standard (Science Based Target Initiative).	4.2.1 Energy and emissions
				Implementation and installation of trigeneration system	Installation of trigeneration system	<div><div></div></div>		
				Achievement of the UNI EN ISO 50001:2018 certification	Obtainment of UNI CEI EN ISO 50001:2018 certification	<div><div></div></div>		
				Emissions Scope 1 offsetting through the purchase of certified carbon credits also related to land development projects	Campo dei Fiori restoration and reforestation project.	<div><div></div></div>		














Impact area	Material topics	SDGs	Description of topic	Commitments 2024	Achievements 2024	Progress of commitment	Commitments 2025	Links to the report sections
Product sustainability	CIRCULAR ECONOMY		Application of the principles of the circular economy through the recovery of waste materials, the inclusion of recycled raw materials in formulations and increases in the durability of the life cycle of company products, as well as the reduction of product packaging.	Research into solutions for the management and recovery of waste and production scraps.	Research into solutions for the management and recovery of waste and production scraps		Research into solutions for the management and recovery of waste and production scraps.	4.2.3 Waste
								
								
	CULTURE OF SUSTAINABLE USE OF PLASTIC MATERIALS		Raising awareness of the sustainable use of plastic materials through institutional communication activities and through the activation of bespoke programmes aimed at company stakeholders.	Organisation of technical webinars on sustainable plastics culture for internal and external stakeholders	Organization of 2 technical webinars for customers and LATI people: “Recycle and repair: sustainability according to LATI”, “PTFE-free materials for self-lubrification: not just UHMWPE”		Organization of webinars and courses for the dissemination of a sustainable culture in the use of plastic materials for its internal and external stakeholders	4.3.4 Training and development 4.2.6 Research and innovation
								
				Renewal of the training course at the ITS Fondazione Nuove Tecnologie della Vita Academy	Delivery of 32 hours of training on plastic materials at the Fondazione ITS Nuove Tecnologie della Vita Academy		Renewal of the training course at the Fondazione ITS Nuove Tecnologie della Vita Academy	4.3.6 Community and local territory










Impact area	Material topics	SDGs	Description of topic	Commitments 2024	Achievements 2024	Progress of commitment	Commitments 2025	Links to the report sections
People's wellbeing within and outside the organization	PEOPLE DEVELOPMENT	<div><div>4</div><div>QUALITY EDUCATION</div></div> <div><div>5</div><div>GENDER EQUALITY</div></div> <div><div>8</div><div>DECENT WORK AND ECONOMIC GROWTH</div></div> <div><div>10</div><div>REDUCED INEQUALITIES</div></div>	Fair and transparent access to professional growth paths and training programmes aimed at enhancing workers' managerial, technical and organizational skills of workers and consolidating the professionalism required by the role held.	Consolidation of training model and skillsperformance monitoring tools for people development	<p>Review of training and development procedures to improve the collection and analysis of needs and the types of training that can be provided, and the specification of training and information after periods of leave.</p> <p>Assessment of the competencies of 100% of LATIPeople using the model updated in 2023.</p> <p>Publication of development and remuneration policy guidelines.</p>	<div><div></div></div>	Identification of training gaps to define possible actions (training, coaching, on-the-job training, My LATI Space academy) to ensure full role coverage and/or bespoke paths for individuals included in career development paths.	<div>4.3.4</div> <div>Training and development</div> <div>4.3.4</div> <div>Training and development</div>
	WORKPLACE HEALTH AND SAFETY	<div><div>3</div><div>GOOD HEALTH AND WELL-BEING</div></div>	The development of practices and programmes that promote the protection of safety in the workplace.	Monitoring and improvement of the occupational health and safety management system (ISO 45001:2018)	<p>Continuous monitoring and improvement of the workplace Health and Safety management system (ISO 45001:2018).</p> <p>Increase in training hours to raise awareness of risks and share examples of correct behaviours to adopt.</p> <p>Introduction of exoskeletons to reduce biomechanical overload and/or fatigue for operational personnel in the preparation and mixing department</p>	<div><div></div></div>	<p>Reinforcement of the awareness of the use and management of exoskeletons.</p> <p>Implementation of software to support the verification of technical-professional suitability, in compliance with internal organizational procedures, of external companies working under contract in LATI.</p>	<div>4.3.7</div> <div>Occupational health and safety management system</div>


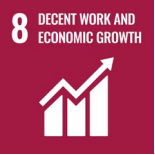










Impact area	Material topics	SDGs	Description of topic	Commitments 2024	Achievements 2024	Progress of commitment	Commitments 2025	Links to the report sections
People’s wellbeing within and outside the organization	 WELLBEING, EQUAL OPPORTUNITIES AND INCLUSION	    	The development of adequate working practices and conditions to promote the wellbeing of workers, to guarantee equal opportunities and the removal of all forms of discrimination, and to promote company welfare initiatives that improve the life quality of its people and their families.	Update Greate Place To Work® survey	Renewal of Great Place to Work® climate survey with obtainment of recognition.			Most recent awards and achievements
				10 days of paternity leave at company expense in addition to 10 days of INPS (Istituto nazionale della previdenza sociale) leave	Introduction of 10 days of company-paid paternity leave in addition to the 10 days provided by INPS (National Institute for Social Security).		Extension of entitlement to 100% of parental leave from 2 to 3 months, in place of the 80% quota recognised by INPS (Istituto Nazionale della Previdenza Sociale).	
				Launch of the “When a parent is born?” postnatal home support service initiative	Provision of the post-natal home support service for new LATI parents as part of the ‘When is a parent born?’ initiative.  Organization of the ‘Virtually Compatible’ series of meetings for parents on the topic of communication with the new generations.		Maintenance of initiatives dedicated to parents.	4.3.3 People’s wellbeing
				Maintenance of the WHP (Workplace Health Promotion) certification with specific activities in place	Maintenance of WHP recognition through activities dedicated to raising awareness on light mobility with the MO.V.E.O.N. Project.		Maintenance of WHP (Workplace Health Promotion) recognition with dedicated initiatives.	
				Maintenance and development of the consultancy services in the Welfood platform	Introduction of counselling services dedicated to the posture educator and the eco-counsellor in the Welfood Platform.  Extension of the service to the families and friends of LATIpeople.		Extension of the range of services dedicated to the psychophysical wellbeing of LATIpeople.  Increase in the number of meetings available per person from 4 to 10.	



Impact area	Material topics	SDGs	Description of topic	Commitments 2024	Achievements 2024	Progress of commitment	Commitments 2025	Links to the report sections
People’s wellbeing within and outside the organization				Maintenance of UNI/PdR 125:2022 Gender Equality certification	Successful outcome of first oversight audit of UNI/PdR 125:2022 Gender Equality certification		Maintenance of UNI/PdR 125:2022 Gender Equality certification	2.3 Gender equality policy and UNI/PdR 125:2022 certification 4.3.2 Inclusion and equal opportunities
	 BUSINESS ETHICS		commitment to a regenerative business model with positive social and environmental impacts, in line with the principles of ethics, integrity and transparency, and in compliance with the highest mandatory and voluntary legislative standards.	Updating the Code of Ethics	Updated Code of Ethics published		Dissemination and training on the principles of LATI’s Code of Ethics.	2.4 Code of Ethics and the 231 Organizational Model
	 RISK BASED THINKING		Integration of ESG (Environmental, Social, Governance) factors within the system of identification, analysis and management of corporate risks, with a particular focus on the reliability of infrastructures and services so as to prevent and/or offset critical business continuity issues.	Financial materiality setting and ESG risk analysis	Initiated the financial materiality process and integrated ESG risk analysis.		Consolidation of the financial materiality process and integrated ESG risk analysis.	3.5 Materiality analysis



Impact area	Material topics	SDGs	Description of topic	Commitments 2024	Achievements 2024	Progress of commitment	Commitments 2025	Links to the report sections
	 CREATION OF SUSTAINABLE ECONOMIC VALUE	 	Sound and sustainable all round economicfinancial performance. Generation of shared value.	Retention of ESG-linked funding	Retention of ESG-linked funding		Retention of ESG-linked funding	4.4.1 Economic value generated and distributed
Development of the local territory and ecosystem	 CORPORATE CITIZENSHIP	 	Contribution to the development of the local territory by promoting projects to disseminate the culture of sustainability and the common good, activating collaborations and synergies with all local stakeholders, adopting values such as transparency, dialogue and the quest for cooperation in all management and corporate communication practices.	Maintenance of projects and donations to the local territory and community	Initiatives with Fondazione Libellula  Participation in Fondazione Piatti Marathon  Participation in Vector even on work and disabilities  Support for Musica del Cuore Association		Maintenance of projects and donations to the local territory and community	4.3.2 Inclusion and equal opportunities 4.3.6 Community and local territory
	 SAFEGUARDING OF BIODIVERSITY		Actions to protect the ecosystem through support for and contributions to areas of high environmental value or in need of protection in the area where the company's factories are located.	Maintenance of Operation Clean Sweep® Programme	Maintenance of Operation Clean Sweep® Programme with initiatives to improve management system.		Obtainment of Operation Clean Sweep® certification	4.2.4 Biodiversity



# 4. Impact assessment and scale of ESG



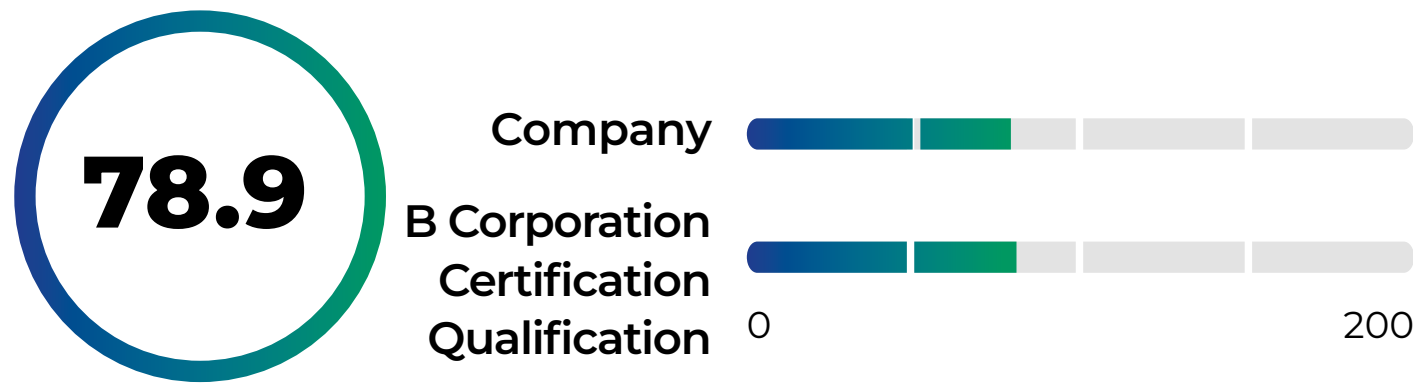


# 4.1 Impact assessment

LATI Industria Termoplastici S.p.A. became a Benefit Company on July 25th, 2022, and subsequently published its first Impact Report. The report complies with the stipulations of Law 208/2015 Article 1, paragraphs 382 and 383, and for the purpose of measuring the materials issues covered by the dual purpose, the BIA (B Impact Assessment) was used.

Given that the plan and actions represent the first steps on a path with medium and long-term objectives, and that LATI is not a certified “B Corp” company, the activities carried out over the reporting period (2024) dovetail with dual-purpose goals in the areas of Governance, Workers, Community, Environment, and Customers analysed through the BIA, with LATI scoring 78.9/200.

## B Impact Score





# 4.2 Environmental impact

LATI has always been committed to measuring and monitoring the **impacts of its production process** on the environment, as witnessed by the first macro-objective of the dual purpose, namely **product sustainability**. The company's goal is to **develop innovative products that have a positive impact on the environment**, as well as contributing to the creation of a **sustainable culture in the use of plastic materials**.

- ### Key topics
- Innovative products with a positive impact
  - Environmental footprint
  - Combatting climate change
  - Circular economy
  - Safeguarding biodiversity

### SDG

4 QUALITY EDUCATION


9 INDUSTRY, INNOVATION AND INFRASTRUCTURE


12 RESPONSIBLE CONSUMPTION AND PRODUCTION


13 CLIMATE ACTION


15 LIFE ON LAND

17 PARTNERSHIPS FOR THE GOALS

- ### Highlights 2024
- 

Sustainable products  
+24 LATIECO  
+7 LATIGEA
- 

88%  
of scope 1 emissions offset
- 

Renewable electrical energy  
100%
- 

Sustainable R&D Projects  
as percentage of total  
23%



ACDP  
Discloser  
2024



SISTEMI DI  
GESTIONE CERTIFICATI  
CQY  
CERTIQUALITY  
UNI EN ISO 9001:2015  
UNI EN ISO 14001:2015  
UNI ISO 45001:2018



SISTEMA DI GESTIONE  
DELL'ENERGIA CERTIFICATO  
CQY  
CERTIQUALITY  
UNI CEI EN ISO 50001:2018



# 4.2.1 Energy and emissions

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

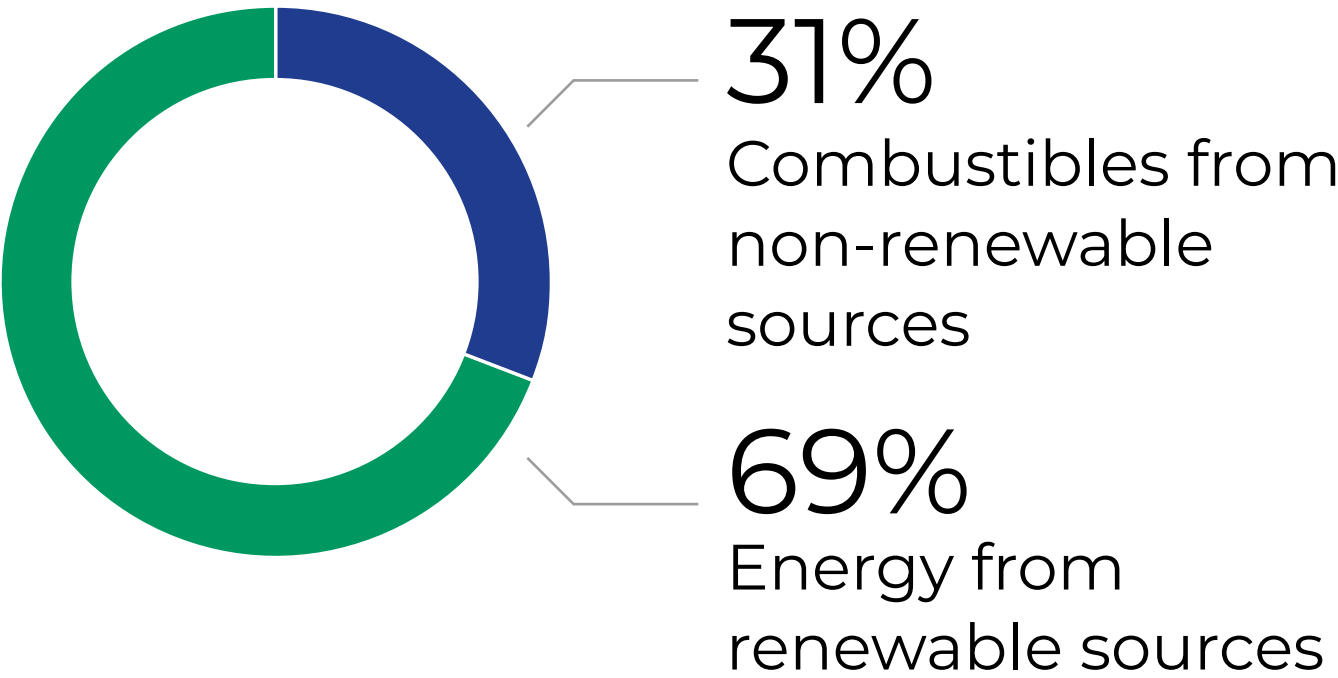
## Energy

The complex geopolitical situation and the resulting energy crisis that has hit Europe in recent years have prompted LATI to adopt a targeted **strategy** to **curb its energy consumption**. In addition to the constant monitoring of energy markets, LATI is focusing on a series of **actions** to address this challenge:

- Accurate monitoring of energy consumption across the whole manufacturing process through use of 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 manufacturing facility. In 2024, the full installed capacity was 414,02 kW. An additional 70 kW were installed and currently await authorisation from the customs authorities.
- **Revamping and energy efficiency improvements for production machinery**.

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 2022-2024.

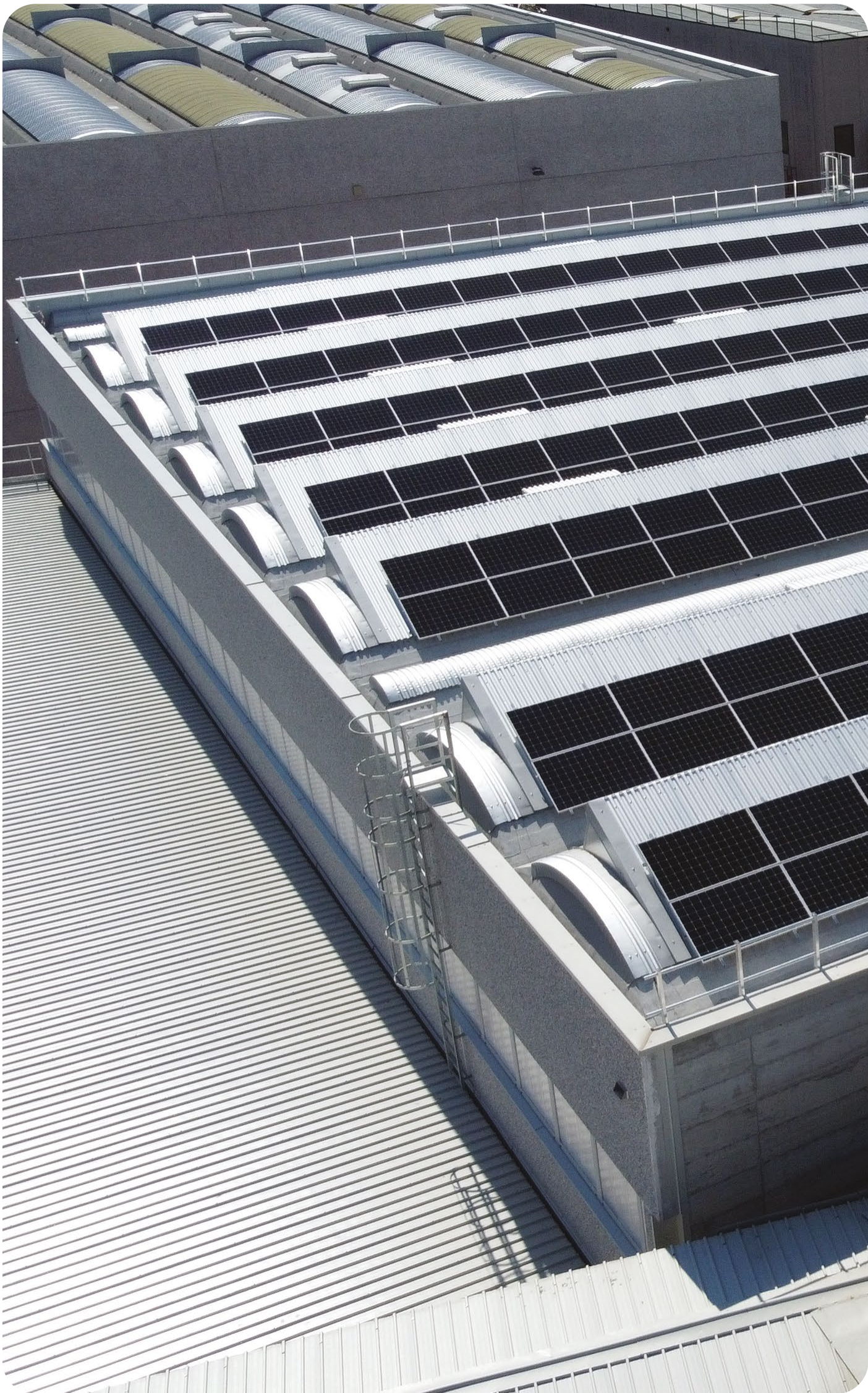
## Energy consumption in 2024



### ISO 50001:2018 certification for energy management systems

During 2024, LATI continued the certification process of its Energy Management System as per the UNI CEI ISO 50001:2018 international standard, achieving the certification goal for the Gornate Olona site at the beginning of 2025. The Energy Management System is a strategic tool for a more efficient use of energy consumption and the continuous improvement of the company's energy performance.

[Link to ISO 50001:2018 certification HERE](#)





302-1 Energy consumption within the organization

Energetic source	Unit of measure	2022	2023	2024
<b>a. Fuels from non-renewable sources<sup>8</sup></b>	<b>GJ</b>	<b>28,897.97</b>	<b>24,623.18</b>	<b>31,904.33</b>
Natural gas	GJ	27,488.63	23,202.20	29,694.99
Petrol	GJ	31.30	0.00	0.00
LPG	GJ	45.86	0.00	0.00
Diesel	GJ	1,332.19	1,420.99	2,209.34 <sup>9</sup>
<b>b. Self-produced electricity</b>	<b>GJ</b>	<b>444.57</b>	<b>547.11</b>	<b>1,626.87</b>
Self-produced electricity	GJ	444.57	547.11	1,626.87
<i>of which from renewable sources</i>	%	100%	100%	100%
<b>c. Purchased energy</b>	<b>GJ</b>	<b>77,808.37</b>	<b>67,901.97</b>	<b>70,168.44</b>
Electric energy	GJ	77,808.37	67,901.97	70,168.44
<i>of which from renewable sources</i>	%	100%	100%	100%
<b>d. Sold energy</b>	<b>GJ</b>	<b>-</b>	<b>6.13</b>	<b>8.43</b>
Electric energy	GJ	-	6.13	8.43
<i>of which from renewable sources</i>	%	-	100%	100%
<b>Total</b>	<b>GJ</b>	<b>107,150.91</b>	<b>93,066.13</b>	<b>103,691.20</b>

302-3 Energy intensity

	Unit of measure	2022	2023	2024
GJ energy consumed/Tons of product	GJ/ton	2.8	3.2	3.4
GJ energy consumed/Revenues	GJ/MLN €	472.3	628.1	691.7

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

9. In 2024, LATI refined the data collection process by including diesel consumption data related to the vehicle fleet of the European branches.



In 2024, LATI recorded a 10% increase in total energy consumption compared to 2023. This increase is mainly due to the higher consumption of natural gas needed to heat the new office floor and the new maintenance warehouse at the Gornate Olona site.

Regarding the purchase of certified renewable electricity, LATI recorded a slight increase, in line with the growth in production volumes compared to the previous year, which was characterised by a downturn in production due to the market situation. At the same time, LATI tripled the self-production of renewable energy generated through the Gornate Olona photovoltaic system.

**Carbon strategy roadmap for decarbonization**

In line with its strategy to reduce energy consumption, LATI continues to pursue its **decarbonization path**. The company’s **Carbon Strategy Roadmap** has set the **goal of limiting global warming to 1.5°C by 2040**, as per the Paris Agreement.

LATI **monitors and reports its CO2 emissions** by conducting scenario analyses to better target its strategic orientation according to the international Greenhouse Gas Pro-

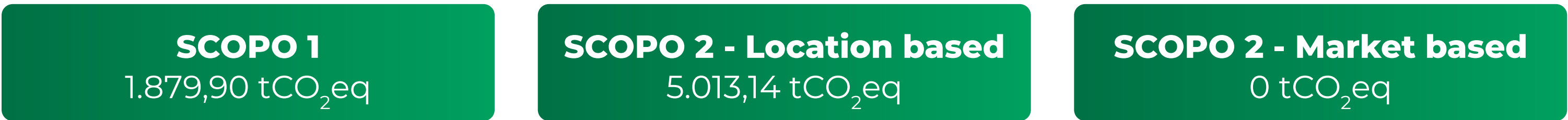
toocol Corporate Accounting and Reporting Standard. The three types of greenhouse emissions that define the **corporate carbon footprint** are:

**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

Compared to 2023, Scope 1 and Scope 2 emissions calculated according to the location-based approach in 2024 increased by 10% overall, from 6,274 tCO<sub>2</sub>e to 6,893 tCO<sub>2</sub>e.



GRI 305 - 1   GRI 305-2   GHG Emissions <sup>10</sup>				
Type of emissions	Unit of measure	2022	2023	2024
SCOPO 1 <sup>11</sup>	tCO <sub>2</sub> eq	1,648.81	1,422.94	1,879.90
SCOPO 2 Location based approach <sup>12</sup>	tCO <sub>2</sub> eq	5,310.42	4,851.22	5,013.14
SCOPO 2 Market based approach <sup>13</sup>	tCO <sub>2</sub> eq	0.00	0.00	0.00
<b>TOTAL EMISSION GHG Location based approach</b>	<b>tCO<sub>2</sub>eq</b>	<b>6,959.23</b>	<b>6,274.16</b>	<b>6,893.05</b>
<b>TOTAL EMISSION GHG Market based approach</b>	<b>tCO<sub>2</sub>eq</b>	<b>1,648.81</b>	<b>1,422.94</b>	<b>1,879.90</b>

10. It should be noted that, compared to previous reporting, there are no Scope 3 data for employees’ commuting between home and work, as LATI has started a process to refine its Scope 3 emissions monitoring and reporting system from the 2023 financial year.

11.The conversion factors used to calculate Scope 1 emissions related to natural gas and diesel consumption are taken from the “Table of national standard parameters for the monitoring and reporting of greenhouse gases,” 2023 (ISPRA, Ministry of Environment and Energy Security). In 2024, LATI also included fugitive emissions in the calculation. The conversion factors used for the calculation of fugitive emissions are taken from the DEFRA GHG conversion factors 2024. For a detailed breakdown of Scope 1 emissions, please refer to Table GRI 305-1 – Direct GHG emissions (Scope 1).

12. Location Based Approach: for the calculation of Scope 2 emissions according to the “Location based” approach in 2022 and 2023, the emission factors provided by ISPRA were used (2022: 245.7 gCO2/kWh; 2023: 257.2 gCO2/kWh). For 2024, the ISPRA 2023 conversion factor was used (2023: 257.2 gCO2/kWh) as the 2024 emission factors were not yet published at the time of drawing up the inventory of GHG emissions relating to the reporting year.

13. Market Based Approach: from 2021 LATI purchases green energy certified through guarantee of origin for 100% of the total, which leads to zero emissions calculated according to the Market Based method.



GRI 305 - 4 GHG emissions intensity

	Unit of measure	2022	2023	2024
Total Market based GHG emissions/Tons of product	tCO <sub>2</sub> eq/t	0.05	0.05	0.06
Total Market based GHG emissions/Revenues	tCO <sub>2</sub> eq/ MLN euro	7.27	9.61	12.54

In line with energy consumption, the increase in GHG emissions is mainly due to the **increase in direct Scope 1 emissions from the stationary combustion of methane gas** for heating the new office floor and the new warehouse at the Gornate Olona site. The tonnes of CO<sub>2</sub> equivalent of direct emissions recorded in 2024 were 1,672.32, representing 24% of total Scope 1 and Scope 2 emissions.

It should also be noted that in its 2024 report, LATI refined the calculation of its Scope 1 emissions by including the **emissions from its company car fleet**, including those of **its branches in Europe**, in accordance with the GHG Protocol’s operational control consolidation approach, as well as **fugitive emissions from refrigerants**.

More specifically, with 163.31 tCO<sub>2</sub>eq, fleet emissions represent 2% of Scope 1 and Scope 2 emissions. 98% of these

emissions come from leased vehicles, while only 2% come from owned vehicles.

Fugitive refrigerant emissions represent 1% of total Scope 1 and Scope 2 emissions and derive exclusively from R-422D leaks from decommissioned equipment in Vedano Olona.

Scope 2 emissions calculated according to the location-based approach, considering the average CO<sub>2</sub>eq emission factor based on the national energy mix, account for 73% of LATI’s Scope 1 and Scope 2 emissions. Compared to last year, there was a slight increase of 3% due to higher electricity consumption linked to increased production. However, using the market-based approach, LATI emissions remain at 0 tCO<sub>2</sub>eq as the company has exclusively used renewable energy in its plants since 2021.





Projects to offset scope 1 emissions and support the reforestation of the Campo dei Fiori National Park in Varese

As part of its commitment to decarbonisation, in 2024 LATI once again decided to **offset its direct emissions** from natural gas used mainly for heating its premises in Vedano Olona and Gornate Olona.

The selected initiatives, designed to promote sustainable development and to limit CO<sub>2</sub> emissions, are capable of generating **carbon credits** that meet the **highest international standards**. Each carbon credit produced represents one tonne of CO<sub>2</sub> avoided or absorbed and is used to offset one tonne of CO<sub>2</sub> emissions that could not be reduced directly.

All the climate protection projects of Climate Partner, a company that has been helping companies to decarbonise for about 20 years, are subject to third-party validation and verification. Validation takes place at the beginning of the project life cycle and ensures that the initiative complies with current processes and requirements. This phase often also involves field visits, with interviews and on-site analyses. The auditors are accredited and impartial assessors who must be approved as validation and verification bodies (VVB) by the regulatory body. The notes below detail the 2024 projects supported by LATI for the offsetting of direct Scope 1 emissions.

GRI 305 - 1 Direct (Scope 1) GHG emissions				
Type	Unit of measure	2022	2023	2024
Natural gas <sup>14</sup>	tCO <sub>2</sub> eq	1,545.02	1,317.91	1,672.35
Petrol <sup>15</sup>	tCO <sub>2</sub> eq	2.29	0.00	0.00
LPG <sup>16</sup>	tCO <sub>2</sub> eq	3.03	0.00	0.00
Diesel <sup>17</sup>	tCO <sub>2</sub> eq	98.47	105.03	163.31
Refrigerants <sup>18</sup>	tCO <sub>2</sub> eq	ND	ND	44.25
TOTAL EMISSION SCOPE 1	tCO <sub>2</sub> eq	1,648.81	1,422.94	1,879.90
TOTAL EMISSIONI SCOPE 1 net offsetting	tCO <sub>2</sub> eq	1,648.81	105.03	207.56

14. The conversion factors used are derived from the “Table of national standard parameters for monitoring and reporting greenhouse gases,” 2023 (ISPRA, Ministry of Environment and Energy Security).  
15. The conversion factors used are derived from the “Table of national standard parameters for monitoring and reporting greenhouse gases,” 2023 (ISPRA, Ministry of Environment and Energy Security).  
16. The conversion factors used are derived from the “Table of national standard parameters for monitoring and reporting greenhouse gases,” 2023 (ISPRA, Ministry of Environment and Energy Security).  
17. The conversion factors used are derived from the “Table of national standard parameters for monitoring and reporting greenhouse gases,” 2023 (ISPRA, Ministry of Environment and Energy Security). It should be noted that in 2024 LATI improved the calculation of its Scope 1 and Scope 2 emissions by including diesel emissions from the vehicle fleet of its European branches, adopting the operational control approach as defined by the GHG Protocol.  
18. In 2024 LATI also included fugitive emissions from refrigerants in the emissions calculation. The conversion factors used for the calculation are taken from DEFRA GHG conversion factors 2024.



Projects	Project Type	Location	Link to the project	Standard	% Crediti
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 Parco Campo dei Fiori (Varese), restoring forest ecosystems devastated by a storm in 2020. Currently, the contribution to the works in Parco Campo dei Fiori is combined with a certified project in India, which allows local women to purchase clean energy products such as solar lamps and water filters. Combined climate projects include solar energy in Karnataka, Uttar Pradesh and Maharashtra, India.	<a href="https://projects.climatepartner.com/it/1423">https://projects.climatepartner.com/it/1423</a>	India + Italy	VERs + Regional Commitment	30%
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 tonnes per year, but also improves the local economy by creating jobs, attracting investment, improving infrastructure, and stabilizing the regional power grid. Furthermore, the success of the project demonstrates the potential of wind energy, inspiring similar initiatives in the future.	<a href="https://projects.climatepartner.com/it/1645">https://projects.climatepartner.com/it/1645</a>	India	Gold Standard	70%
					100%



The **Campo dei Fiori nature conservation project** in Varese afforded LATI the opportunity to actively contribute to the local territory through an ambitious redevelopment and environmental protection project aimed at countering 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 over 370 hectares of woodland, and 2020’s Storm Alex, when winds upwards of 110 km/h uprooted large numbers of trees and compromised entire swathes of woodland. These events highlighted the fragility of the territory and the need for targeted interventions to restore the ecosystem balance.

The **Campo dei Fiori Varese** project, supported by Climate Partner and regional funding, involves a series of actions including the removal of dead and damaged trees, soil restoration and the planting of new tree species. Work is planned on an area of approximately 8.94 hectares, with the removal of over 3,500 compromised trees. At the same time, 5,000 new trees and shrubs will be planted, divided into 10 circular modules designed to reduce visual impact and promote biodiversity. The species selected include silver fir, yew, downy oak, turkey oak, beech and mountain ash, all chosen for their ability to adapt to local climatic conditions.



In accordance with the directives of the Single Environmental Authorization (AUA), LATI also conducts annual measurements of pollutants dispersed into the atmosphere, including nitrogen oxides (NOx) and volatile organic compounds (VOCs). The data collected demonstrate a **low level of concentration of pollutants**, thanks to the use of advanced air extraction systems and environmental abatement devices, which are constantly monitored and controlled.

GRI 305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions				
Type	Unit of measure	2022	2023	2024
NOx	t	0.468288	0.486792	0.666432
N <sub>2</sub> O	t	0	0	0
SO <sub>2</sub>	t	0	0	0
CH <sub>4</sub>	t	0	0	0
VOC	t	2.619936	1.394712	2.905056
PM <sub>10</sub>	t	0	0	0
Other	t	0	0	0
TOTAL	tCO <sub>2</sub> eq	3.088224	1.881504	3.571488



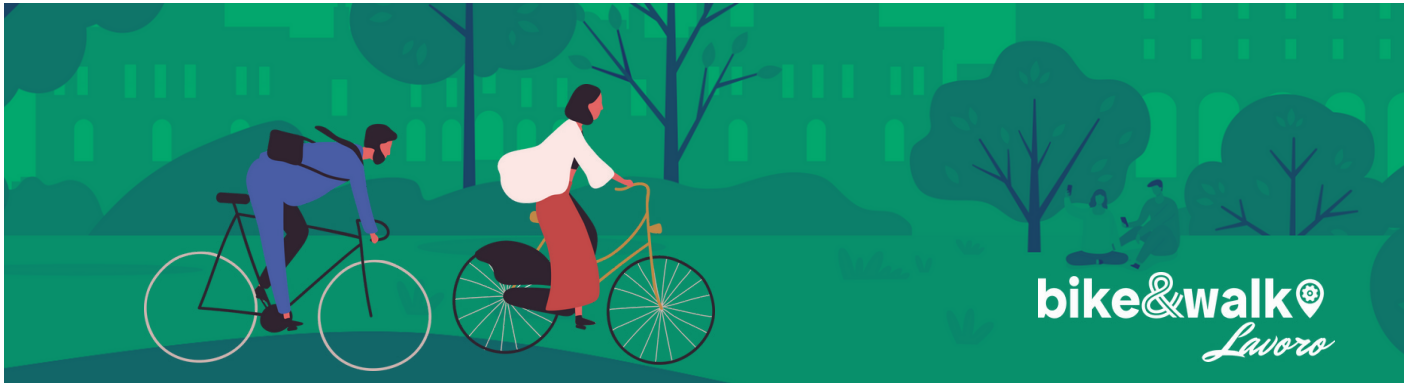
**MO.VE.ON project for light mobility**

As part of the process of measuring Scope 3 emissions related to the home-to-work journeys of its people, LATI joined the **MO.V.E.O.N (Mobilità Leggera In Valle Olona) Bike&Walk project**. The project, funded by the Cariplo Foundation and the Region of Lombardy, aims to develop a **sustainable mobility laboratory in the Olona Valley**, with the goal of completing the regional bicycle and pedestrian corridor to the border with the metropolitan city of Milan.

By using a questionnaire and conducting focus groups, LATI took a deep dive into in tandem with its project partner, the Università Insubria di Varese wants to investigate the geographical characteristics of its employees’ home-to-work commutes

and their habits to develop **light mobility strategies**. In 2024 LATI also took part in the **challenge launched by the MO.V.E.O.N Bike&Walk project**, encouraging employees to **reach their workplace using alternative means of transport to cars**. The Company organised **three days of light mobility**, encouraging staff to travel to the Gornate Olona office without using a car, apart from carpooling.

The initiative proved an interesting opportunity to **experiment with and raise awareness** of the opportunities and benefits of light mobility choices.



**MOVE ON**

LATI aderisce al progetto **“MOVE ON - mobilità sostenibile”**, in collaborazione con la Provincia di Varese, l’Università dell’Insubria e vari Enti del nostro territorio.

**Ti proponiamo una sfida: raggiungi la sede di Gornate Olona senza auto o moto.** (Scopri i vari suggerimenti e alternative a questo [link](#)).

Per aumentare le opzioni per raggiungere Gornate, abbiamo predisposto un servizio-navetta con auto elettrica che sarà disponibile in due punti di raccolta, la sede di Vedano Olona e la stazione di Venegono Inferiore, ma ricorda: per arrivare ai punti di ritrovo dovrai usare la mobilità sostenibile!

**Come funziona?**

Scegli una data tra quelle proposte e **iscriviti almeno due giorni prima cliccando sui bottoni o inquadrando il QR code**

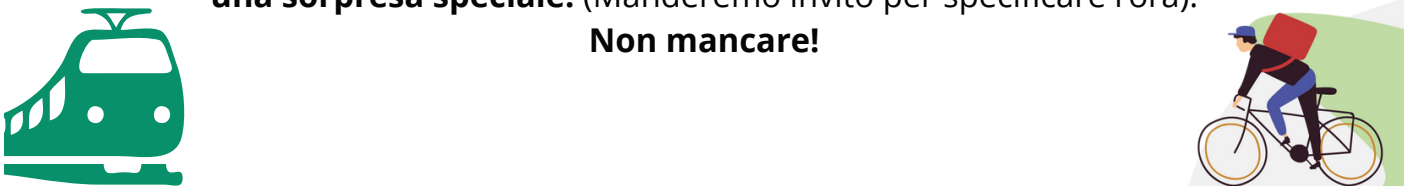
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- Nella data definita, **raggiungi la sede di Gornate entro le 10.00**; se desideri usufruire del servizio navetta, fatti trovare alla portineria di Vedano o alla stazione di Venegono Inferiore entro le 9.30
  - Ti aspettiamo alle 10.00 in sala corsi per un momento di condivisione e una ricca colazione!
  - Alle 11.00 potrai riprendere il tuo mezzo o tornare con il nostro transfer per continuare la tua giornata lavorativa.
- (Le ore impegnate per questo esperimento saranno retribuite).

A conclusione del progetto ci troveremo tutti la **mattina del 7 novembre per una sorpresa speciale**. (Manderemo invito per specificare l’ora).  
**Non mancare!**





## 4.2.2 Water

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

The use of water is a key feature of LATI’s operations, although the company does not use water in its 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 is drawn 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** (Law Decree 152/2006).

**Water consumption trends generally appear to be constant.**

**Analysis of water withdrawal and discharge data for 2024 led to the following observations:**

- the increase in water withdrawal from third-party sources is related to increased production and the installation of a new flow meter at the Vedano Olona production site, which allowed for a more accurate measurement of consumption compared to the previous year.
- in the case of surface water, the increase in water discharges takes into account the increase in first rain recorded in the two-year period 2023-2024 at the Gornate Olo-

na production site. Third-party water data also reflects the accuracy of data collection thanks to the installation of the new flow meter for water measurement.

It should also be noted that, in light of the variation in data regarding the volumes of water present in the first rain run-off tanks, in 2024 LATI launched a **study to measure its water footprint** to identify the best ways to improve water consumption efficiency throughout the production process.

LATI’s concern for the environment is also demonstrated in its attention to monitoring stress levels in geographical areas of water resource withdrawal, using the [Water Risk Atlas del World Resources Institute](#). In 2024 the tool, indicated by the GRI standard as an authoritative and reliable tool for the evaluation of water-stressed areas, once more highlighted how the **risk of water stress for the LATI focus area appears to be medium-low**.

GRI 303 - 3 Water withdrawal				
Source	Unit of measure	2022	2023	2024
Groundwater	ML	7.01	4.77	4.70
Third-party waters	ML	51.86	22.72	35.91
<b>Total water withdrawal</b>	<b>ML</b>	<b>58.87</b>	<b>27.49</b>	<b>40.61</b>

GRI 303 - 4 Water discharge <sup>19</sup>				
Discharge	Unit of measure	2022	2023	2024
Shallow waters	ML	10.84	37.06	35.82
Third-party waters	ML	48.14	18.49	26.49
<b>Total water discharge</b>	<b>ML</b>	<b>58.98</b>	<b>55.55</b>	<b>62.31</b>

GRI 303 - 5 Water consumption				
Source	Unit of measure	2022	2023	2024
Total water withdrawal	ML	58.87	27.49	40.61
Total water discharge	ML	58.98	55.55	62.31
<b>Total water consumption</b>	<b>ML</b>	<b>-0.11</b>	<b>-28.06</b>	<b>-21.70</b>

19. It should be noted that the Company does not use steam in its production process.



# 4.2.3 Waste

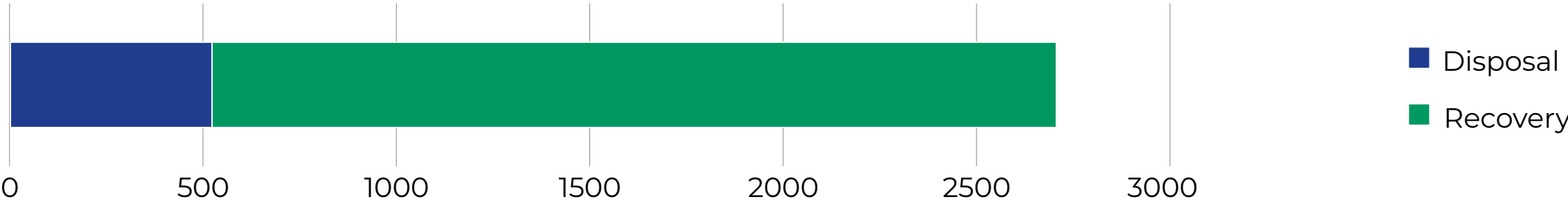
GRI 306-1 | GRI 306-2 | GRI 306-3 | GRI 306-4 | GRI 306-5

## 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 waste
Own activities	Production	Dying	Treatment	Production of dehydrated dry sludge
Own activities	Production	Dying	Degassing	Liquid sludge production
Own activities	Production	Maintenance	Machinery maintenance	Production of metal waste, bins, etc
Downstream	Sales	Post-consumer	Placing on the market	End of life of the products sold

## Classification by type of waste destination 2024





In line with the increase in production, in 2024 the **total waste produced was 9% higher compared to 2023. 75% of the total waste consists of plastic waste, mixed packaging and wooden packaging, which the company sends in its entirety for recovery.**

GRI 306-3 Waste generated				
	Unit of measure	2022	2023	2024
Total waste produced	ton	2,808.35	2,478.05	2,698.07
of which plastic waste	%	39%	38%	44%
of which mixed packaging	%	10%	8%	8%
of which wooden packaging	%	20%	25%	24%

The circularity of resource management is one of LATI’s greatest challenges, both in the product design phase and in waste management. In fact, the goal is not only to reduce

the production of waste, but also to maximize its recovery and to limit its impact on the environment. From this point of view, LATI has a **virtuous approach**. In fact, as illustrated below, in 2024, LATI allocated **81% of the waste produced to recovery, while 19% was allocated for disposal<sup>20</sup>**, increasing the total quantity of waste sent for recovery by 2% compared to 2023.

**The circularity of manufacturing 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**.



20. The classification of the destination of waste is based on Law Decree 152/06, which distinguishes the destination of waste as 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	2022	2023	2024
Total non-hazardous waste	ton	2,139	1,881	2,125
Preparation for reuse	ton	-	-	0
Recovery	ton	2,139	1,881	2,125
Other	ton	-	0	0
Total hazardous waste	ton	85	76	59
Preparation for reuse	ton	-	-	0
Recovery	ton	85	76	59
Other	ton	-	-	0
Total waste diverted from disposal	ton	2,225	1,957	2,183

GRI 306 - 5 Waste directed to disposal				
	Unit of measure	2022	2023	2024
Total non-hazardous waste	ton	488	365	270
Incineration with energy recovery	ton	-	-	0
Incineration without energy recovery	ton	-	-	0
Landfill	ton	488	365	270
Other	ton	0	0	0
Total hazardous waste	ton	96	156	245
Incineration with energy recovery	ton	-	-	0
Incineration without energy recovery	ton	-	-	0
Landfill	ton	96	156	245
Other	ton	-	-	0
Total waste directed to disposal	ton	584	521	515



## 4.2.4 Biodiversity

### The Operation Clean Sweep® Programme

In 2019, LATI joined the international **Operation Clean Sweep®** (OCS) programme, launched by the European Plastics Converters (EuPC) and Plastics Europe associations to encourage and harmonise measures to prevent the dispersion of plastic granules in the environment. The OCS® programme aims to achieve “**zero**” **granule dispersion, protecting the environment and surrounding ecosystems**. Achieving this goal entails the quest for a safe, clean and efficient workplace through the management and removal of resources and materials that can be dispersed into the working environment, especially in areas in direct contact with water networks. As per the OCS® Procedure, the fundamental principles of the programme 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, over time LATI has organised internal training events to share and disseminate the guideline principles and best practices of the programme, developed a **specific operational internal procedure** which identifies simple and **effective solutions to**

**reduce granule dispersion during the production process**, as well as methods to manage any accidental spillage of granules. Among these, in addition to **intensifying the routine cleaning** of areas inside and outside the production facilities, in the area where waste and production scraps are stored, LATI has introduced a **drain filtering system** to prevent the release of granules into the sewerage system.

[OCS® Policy HERE](#)

### Reduced dispersion of dust, fumes and vapours

To pursue this goal, LATI has also **upgraded its systems for the reduction of pollutants** generated during the production process, **separating the dust, fumes and vapour extraction systems**. 2023 saw the installation of the first part of the abatement system dedicated to the extraction of dust generated during the extrusion process. This system reduces dust dispersion and improves workplace health and safety.

In 2024 saw completion of a project to divide the pollutant abatement system will be completed through the commissioning of the fumes and vapour collection system





## 4.2.5 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 2024 the company used **31,230 tons** of raw materials including granules, flakes, fibres, powders, reinforcements, mineral fillers and additives. Although this

figure is down on previous years due to the economic climate, LATI continues to invest in **materials originating from mechanical or chemical recycling**. Today the **percentage of recycled material stands at 5 percent of total materials used**.

In addition, **4 tons of process materials** and **789 tons of packaging** were used, of which 77% came from renewable

sources. LATI employs a **circular approach in reducing packaging for incoming raw materials**. Examples of this approach include a project to **expand the company’s silos** to allow storage of larger quantities of bulk raw materials and the prioritizing of large containers to reduce the use of packaging. The company has also reduced the weight of its **shipping packaging** to achieve a lower thickness and produces **customized bags** in-house to reduce waste.

### GRI 301-1 Materials used by weight or volume<sup>21</sup>

Materials used by weight or volume				
	Unit of measure	2022	2023	2024
Raw material	t	37,793	28,922	30,437
Process materials	t	6	6	4
Packing materials	t	1,015	791	789
Total	t	38,814	29,719	31,230

Non-renewable materials				
	Unit of measure	2022	2023	2024
Raw material	t	37,638	28,871	30,345
Process materials	t	4	4	2
Packing materials	t	196	177	180
Total	t	37,838	29,053	30,527

Renewable materials				
	Unit of measure	2022	2023	2024
Raw material	t	155	51	92
Process materials	t	2	2	2
Packing materials	t	818	614	609
Total	t	975	666	703

21. Data have been recalculated over the three-year period as the company has improved its process for tracking and verifying consumed materials.



GRI 301-2 Recycled input materials used<sup>22</sup>

	Unit of measure	2022	2023	2024
Total recycled input materials used	t	1.965,15	1.498,31	1.467,48
Total input materials used	t	38.813,51	29.718,99	31.230,11
Percentage of input materials recycled used	%	5%	5%	5%

Conflict Minerals Policy

LATI policy adheres voluntarily to adoption of the principles of the U.S. “Dodd-Frank Wall Street Act, Section 1502” federal law, by implementing a series of preventive and communication actions across the supply chain. LATI requires suppliers of the key raw materials used in the manufacture of its products to formally declare the absence of problematic metals and minerals and their compounds.



22. Data have been recalculated over the three-year period as the company has improved its process for tracking and verifying consumed materials. With regard to recycled and renewable raw materials, it should be noted that LATI requires Product Declarations from its suppliers, which allow for an accurate assessment of the quantity and nature of the materials used in the production process.



## 4.2.6 Research and innovation

The development and production of innovative products with a positive impact lie at the heart of LATI's Sustainability strategy. The company's mission is to create engineered technical thermoplastic compounds that ensure both durability and maximum safety.

Hence the specific focus of LATI's R&D function on the following three areas in 2024:

### 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. The SAbYNA project: safe and sustainable products

Project funded as part of the Horizon 2020 EU call for bids. The aim of the project was to select the best strategies for the design and development of safer nanocomposites.

### 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.





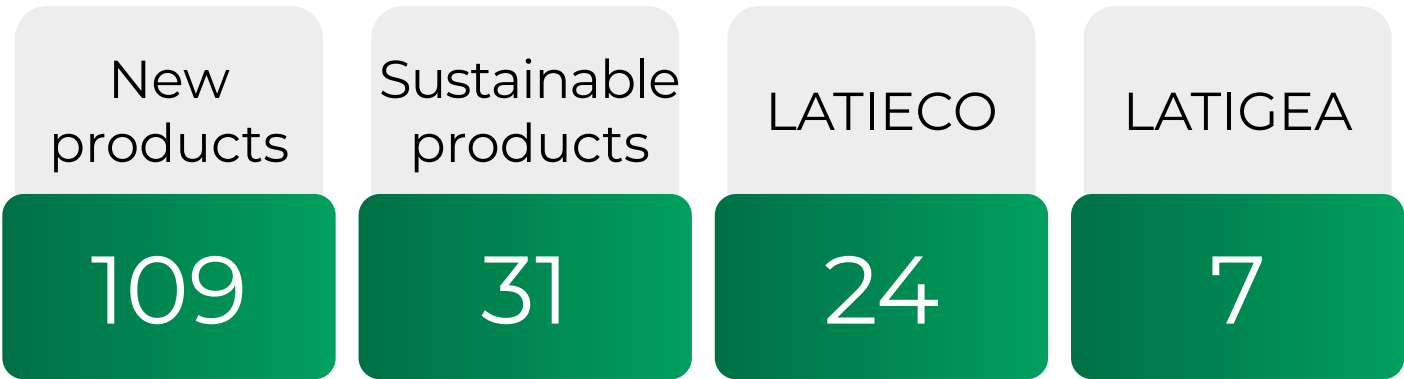
Sustainability and product innovation

During 2024, LATI’s R&D team launched a total of **104 new projects**. These projects are divided between those responding to specific customer requirements and those designed to improve existing activities or to develop materials to meet new needs, regulations or emerging market trends. Over the past three years, particular attention has been paid to projects dedicated to **research and development in sustainable compounds**. Of the projects initiated, **109 were coded as products**. The main topics addressed by the R&D department in 2024 were: sustainability, the 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 special products. Below is a breakdown of the main categories and number of projects in 2024 followed by LATI’s R&D department.



Development of sustainable solutions: LATIECO e LATIGEA

As part of 24 projects to develop sustainable solutions using recycled or renewable raw materials, in 2024 LATI implemented 31 codifications out of a total of 109 codifications.



The **LATIECO** product family, which includes products containing **raw materials totally or partially obtained by mechanical recycling or chemical recycling**, was expanded with **24 new products**, reaching a total of **72 product codes**.

[Check out the LATI technical webinars here.](#)

**LATIGEA** products feature a **wide range of environmentally friendly compounds based on renewable source polymers** ranging from bio-based and biodegradable materials (e.g., PLA) to bio-based-non-biodegradable polymers (such as PE and particular PA). In 2024, LATI coded **7 new LATIGEA products, reaching a total of 50 product codes**.

The reliability of the **quality of LATIGEA products** and

their environmental sustainability were also confirmed by the **renowned international laboratory TÜV Austria**, which awarded “**Ok Biobased**” certification to the LATIGEA B01 L/07 GRIGIO:2865 formulation, with a four-star rating TÜV’s analyses confirmed that LATIGEA B01 L/07 GREY:2865 has a composition **originating wholly from renewable sources** thanks also to the addition of natural wood flour from sustainable forests.

Development of materials for the Automotive Sector

In 2024, LATI concentrated on the development of new products for the automotive sector with a particular focus on sustainable materials, **self-lubricating PTFE-free materials, and self-extinguishing materials for use in the electrification systems of EV or hybrid vehicles**. The recent IATF 16949 certification, the reference standard for quality in 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.

Development of PFAS-free materials: LATILUB

LATILUB self-lubricating products are designed to reduce friction and wear between moving parts. In 2024, in collaboration with the Politecnico di Milano, **a study was launched to develop innovative PFAS-free compounds**. During the year, various formulations were tested to optimise friction and wear resistance, with promising results for further development.



### Materials for 3D printing

The range of 3D printing products offered by the LATI3Dlab division was expanded with new self-extinguishing products, with specific functionalities or reinforced with special fibres. In 2024, 25 projects were launched to meet the needs of both filament printing and the deposition process that originates directly from granules.

In 2024, LATI3Dlab dedicated itself to 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 thermoplastic

shielding materials with 3D printing from granules. This technology allows for the creation of bespoke, precise components in the quantities required, without waste and without the use of lead, in a safe and sustainable manner.

#### **LATI3Dlab: advanced materials for 3D printing**

In 2024, LATI launched a website dedicated to LATI3Dlab, the company's R&D division focused on developing "AM" materials for filament and granule 3D printing. Created in 2019, LATI3Dlab works on innovative solutions for FFF technology, with materials that guarantee mechanical resistance, dimensional stability and easy workability. Every day, the team develops new materials for industrial applications and for the maker world.

Find out more at [www.lati3dlab.com](http://www.lati3dlab.com)

#### **Culture of sustainable use of plastic materials: lati's technical webinars in 2024**

##### **PTFE-free materials for self-lubrication: not only UHMWPE**

In the context of sustainability and innovation, LATI is addressing the challenges related to PFAS (per- and polyfluoroalkyl substances) in the field of self-lubricating plastic compounds. These materials, used in multiple industrial applications, offer high tribological performance by reducing friction and wear. However, the growing attention to environmental and health issues has led LATI to undertake an in-depth study of PFAS, analysing alternative solutions to guarantee the safety and sustainability of its products. Through its dedicated webinar, LATI shared how it is addressing the issue and the solutions adopted for PFAS-free self-lubricating compounds.

[Webinar HERE \(PTFE - free\)](#)

#### **LATI for electromagnetic shielding**

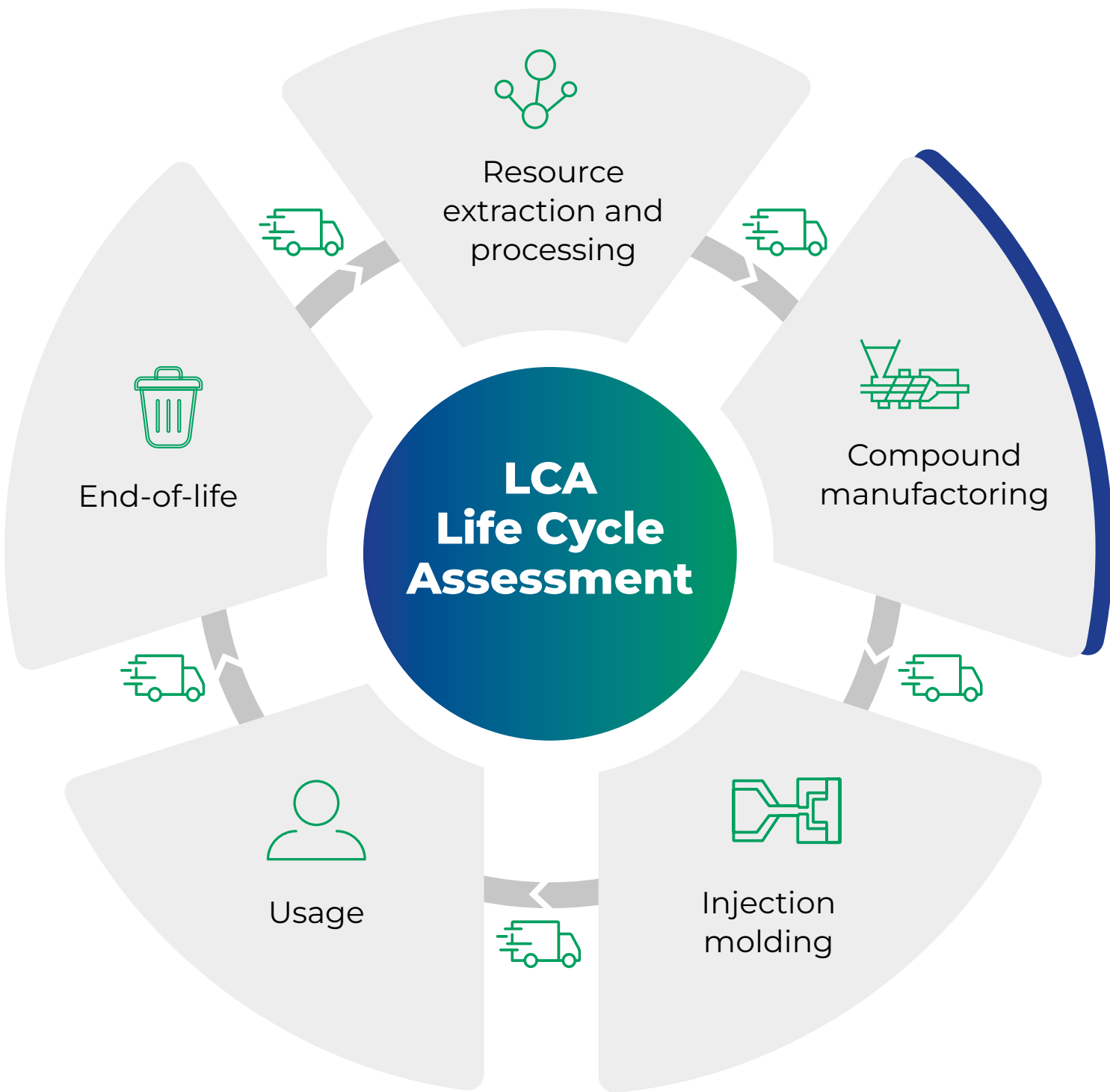
LATI offers advanced solutions for electromagnetic compatibility (EMC) with its LATISHIELD compounds, designed to protect devices from electromagnetic interference. These materials, presented during the webinar [LATISHIELD: Advanced Plastic Solutions for Electromagnetic Shielding](#), combine effective shielding with the typical advantages of engineering polymers, making them ideal for electronics, automotive, and industrial applications.

#### **Recycle and Repair: sustainability according to LATI**

During 2024, Luca Posca, Group Technical Assistance & Marketing Director of LATI, held an in-depth webinar on topics such as Design for Recycling (D4R) and Repair to Recycle (R2R), the development of innovative and sustainable materials by LATI such as the LATIECO range, and new 3D printing technologies. [Webinar HERE \(Recycle and Repair\)](#)



Lifecycle analysis of lati compounds



In 2022, LATI launched a three-year Ph.D. program 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.

This research project promises to be a pathfinder for the scientific and industrial sectors in quantifying the **environ-**

**mental impacts of high-performance plastic materials** and in **formulating new plastic mixes** that could contribute to the reduction of environmental impacts and the creation of sustainable products.

In 2024, research findings were presented at the 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).

Lastly, and following the development of the supplier portal in 2023, LATI launched the **Carbon Footprint Supplier Portal** in 2024 for the collection of primary data on the carbon footprint of its raw materials. Analysis of the results obtained revealed the complexity of involving the supply chain for a single data point. In collaboration with other company departments, LATI decided to proceed with the evaluation of a supplier-request portal capable of handling diverse ideas for collaboration, including the sustainability of raw materials. This will allow for the unified management of different requests and will rise to the challenge of involving the company's suppliers.



### **SAbyNA project: safe and sustainable products**

**SAbyNA** is a scientific research project on nanomaterials, funded by the European Community under the Horizon 2020 programme. Its aim is to develop a user-friendly **IT platform** to facilitate the **risk assessment and control of nanomaterials** (NMs and NEPs) and their **manufacturing processes** from a **Safe-by-Design** perspective.

Thanks to its long experience in managing EU research projects, LATI's R&D department was selected as the **leader of the industrial partners** involved.

In addition to coordinating the project partners and activities, LATI offered its support in the implementation of:

- **materials and processes** (3D printing – one of the case studies selected).
- **validation testing of the tool** with the support of environmental analyses and characterization of the impact of the process and of the nanotechnological product created, from both the toxicological and sustainability points of view.

During 2023, LATI also collaborated with academic partners on the preparation of various contents for presentation at international conferences, as well as the preparation of a draft scientific paper. The company had the opportunity to present the project results at the **NanoInnovation international conference**.

Following the presentation of the project's findings at various international conferences, the project concluded in 2024 with the publication of a scientific article entitled *“Safe(r)-by-design principles in the thermoplastics industry: guidance on release assessment during manufacture of nano-enabled products”*.

In 2024, LATI obtained Horizon Europe funding for the European project DESIDERATA. This four-year project (2025-2029) features LATI as an industrial partner. The main objectives are the formulation of safer, more sustainable compounds for injection moulding and 3D printing applications, and the creation of PFAS-free materials for 3D printing.





# 4.3 Social impact

## Key topics

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

## SDG



## Highlights 2024

-  People  
327
-  Women managers  
24%
-  Hours of training  
+10%





LATI recognizes the importance of its **civil 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.



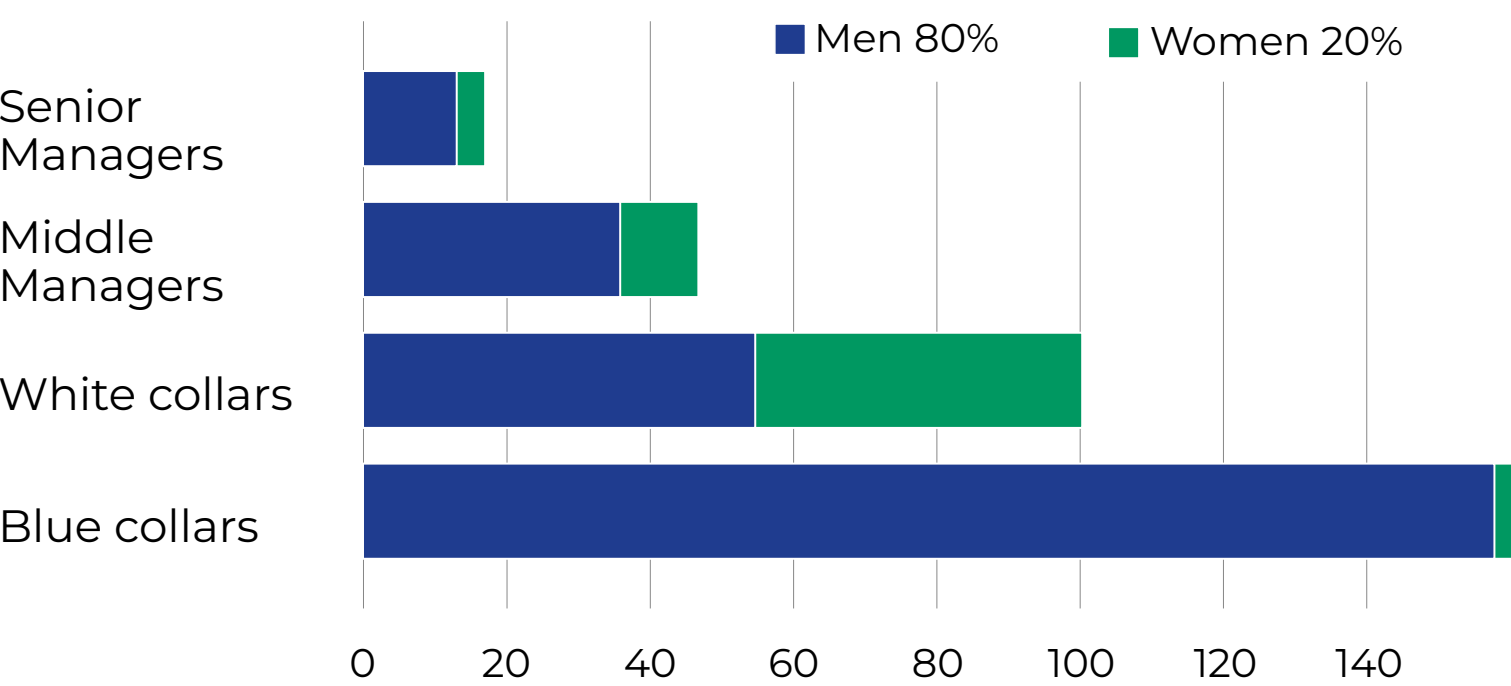


# 4.3.1 LATI People

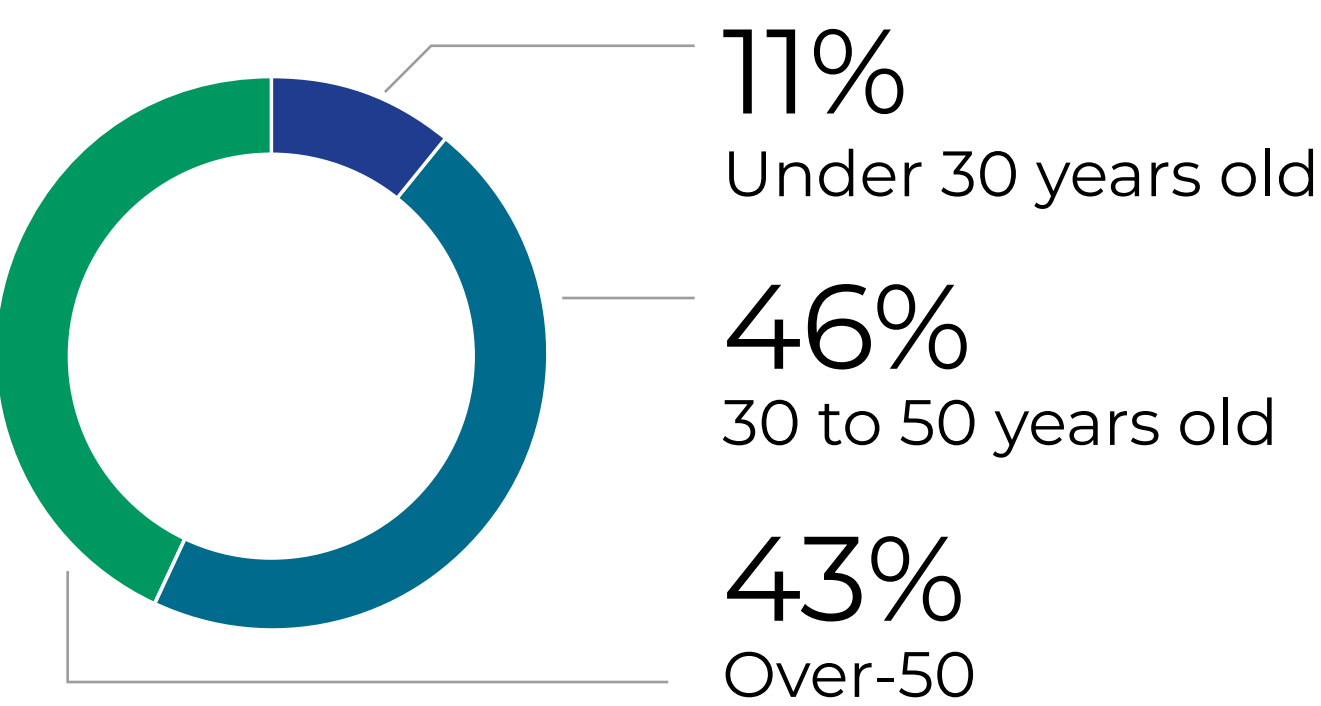
GRI 2-7 | GRI 2-8 | GRI 2-30 | GRI 405-1

Despite the constant challenges of the socio-economic back-drop.LATI, in keeping with its corporate culture, maintains the **centrality of its people’s wellbeing and organizational development.**  
As of December 31<sup>st</sup>, 2024, the total number of LATI Group employees was **327 people<sup>23</sup>** of whom **20%women** and **80% men.**

Breakdown of LATI People 2024



People by age group in 2024



23. Compared to the company’s Sustainability Reports prior to 2024, it should be noted that the data presented in this chapter have been recalculated for the entire 2022-2024 period due to the extension of the reporting scope. The reporting scope includes employees at the Italian headquarters in Vedano Olona and Gornate Olona, at branches in Europe (France, Germany, Spain, Slovakia, Sweden) and at subsidiaries located in China, the UK and the USA. It should be noted that the USA subsidiary has no dependent employees.



Although the thermoplastic materials sector traditionally attracts more men, especially in manufacturing, LATI is firmly committed to **promoting equal opportunities and valorising inclusion** at all levels. As demonstrated by the achievement of UNI PdR 125:2022 gender certification, the company recognizes the importance and value of **balanced**

**gender representation in leadership positions** and is actively committed to fostering this balance. The data, in fact, confirm an **increase in the number of women in management and leadership roles**.

Within LATI's organisational structure, multiple generations interact and collaborate:**43% of LATI's employees are over 50 years old**, while **46% are aged between 30 and 50**. Considering the twin factors of retirements and organizational growth, LATI has enrolled several **under-30s** in recent years. Since 2022, **the share of employees aged under 30 has grown from 7% to 11%**.

The tables below detail the composition of the workforce by job title, gender and age over the three-year period 2022-2024.

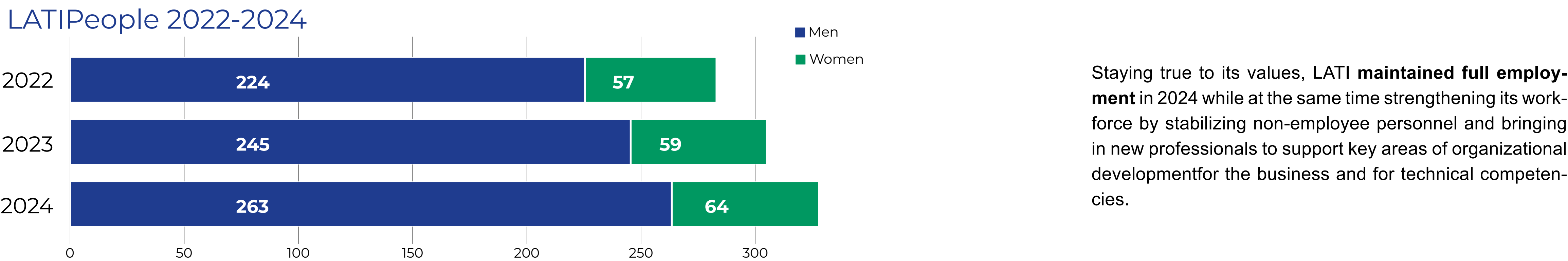
GRI 405-1 Diversity of governance bodies and employees- employment contract and gender																			
2022				2023										2024					
Employees category	Unit of measure	Men		Women		Total		Men		Women		Total		Men		Women		Total	
Senior managers	number	13	76%	4	24%	17	6%	12	75%	4	25%	16	5%	13	76%	4	24%	17	5%
Middle Manages	number	35	80%	9	20%	44	16%	34	74%	12	26%	46	15%	36	77%	11	23%	47	14%
White collars	number	54	56%	43	44%	97	35%	54	56%	42	44%	96	32%	55	54%	46	46%	101	31%
Blue collars	number	122	99%	1	1%	123	44%	145	99%	1	1%	146	48%	159	98%	3	2%	162	50%
Total	number	224	80%	57	20%	281	100%	245	81%	59	19%	304	100%	263	80%	64	20%	327	100%
of which belonging protected categories	number	13	5%	2	1%	15	5%	13	4%	2	1%	15	5%	13	4%	2	1%	15	5%



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

		2022			2023			2024		
Employees category	Unit of measure	Men	Women	Total	Men	Women	Total	Men	Women	Total
Senior managers		76%	24%	6%	75%	25%	5%	76%	24%	5%
under 30 years old	%	0%	0%	0%	0%	0%	0%	0%	0%	0%
30-50 years old	%	29%	0%	2%	25%	0%	1%	24%	0%	1%
over 50 years old	%	47%	24%	4%	50%	25%	4%	53%	24%	4%
Middle Manages	%	80%	20%	16%	74%	26%	15%	77%	23%	14%
under 30 years old	%	0%	0%	0%	0%	0%	0%	0%	0%	0%
30-50 years old	%	41%	14%	9%	41%	17%	9%	43%	17%	9%
over 50 years old	%	39%	7%	7%	33%	9%	6%	34%	6%	6%
White collars	%	56%	45%	35%	56%	44%	32%	54%	46%	31%
under 30 years old	%	6%	6%	4%	5%	6%	4%	2%	8%	3%
30-50 years old	%	26%	22%	16%	28%	21%	15%	28%	21%	15%
over 50 years old	%	23%	17%	14%	23%	17%	13%	25%	17%	13%
Blue collars	%	99%	1%	44%	99%	1%	48%	98%	2%	50%
under 30 years old	%	7%	0%	3%	14%	0%	7%	15%	1%	8%
30-50 years old	%	40%	1%	18%	42%	1%	20%	41%	1%	21%
over 50 years old	%	53%	0%	23%	43%	0%	21%	42%	0%	21%
Total	%	80%	20%		81%	19%		80%	20%	





GRI 2-7 Employees - region and gender <sup>24</sup>																			
2022								2023								2024			
Region	Unit of measure	Men		Women		Total		Men		Women		Total		Men		Women		Total	
Italy	number	206	81%	47	19%	253	90%	227	83%	48	17%	275	90%	244	82%	54	18%	298	91%
Europe	number	13	76%	4	24%	17	6%	13	76%	4	24%	17	6%	13	81%	3	19%	16	5%
Extra Europe	number	5	45%	6	55%	11	4%	5	42%	7	58%	12	4%	6	46%	7	54%	13	4%
Total	number	224	80%	57	20%	281	100%	245	81%	59	19%	304	100%	263	80%	64	20%	327	100%

24. 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 and subsidiaries Extra Europe have entered into contractual agreements directly with the Company.



In witness of the company’s care for its people, LATI pre-  
fers **stable and long-lasting working relationships**. In  
fact, **97% percent of the company’s employees are hired**

**on permanent contracts**. In addition, although the major-  
ity of personnel in Italy and abroad are hired on full-time  
contracts, LATI also guarantees the possibility of activating

**part-time employment contracts** with a view to greater  
work-life balance<sup>25</sup>.

GRI 2-7 Employees - region, gender and employment contract										
		2022			2023			2024		
	Unit of measure	Men	Women	Total	Men	Women	Total	Men	Women	Total
Permanent	number	223	53	276	243	54	297	259	57	316
Italy	number	206	47	253	226	48	274	243	52	295
Europe	number	13	4	17	13	4	17	13	3	16
Extra Europe	number	4	2	6	4	2	6	3	2	5
Temporary	number	1	4	5	2	5	7	4	7	11
Italy	number	0	0	0	1	0	1	1	2	3
Europe	number	0	0	0	0	0	0	0	0	0
Extra Europe	number	1	4	5	1	5	6	3	5	8
Total employees	number	224	57	281	245	59	304	263	64	327

25. N.B. there are no workers with employment contracts featuring non-guaranteed hours.



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

		2022			2023			2024		
	Unit of measure	Men	Women	Total	Men	Women	Total	Men	Women	Total
Full time	numero	223	52	275	244	54	298	262	61	323
Italy	number	205	42	247	226	43	269	243	51	294
Europe	number	13	4	17	13	4	17	13	3	16
Extra Europe	number	5	6	11	5	7	12	6	7	13
Part time	number	1	5	6	1	5	6	1	3	4
Italy	number	1	5	6	1	5	6	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 employees	number	224	57	281	245	59	304	263	64	327

In addition, as regards other types of contracts, LATI currently has **46 personnel** with **non-employee contracts** exclusively within the Group’s Italian offices. Of these, 87% are 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, as demonstrated by the fact that in **2024 LATI converted 21 temporary positions into permanent contracts**.

**Every year, the company also welcomes a considerable number of talented internship students**, not only

from **top Italian universities and ITS-Higher Technical Institutes**, but also from **foreign institutes**. Interns include a **PhD student** at Varese’s University of Insubria, who is carrying out his **doctoral research** in collaboration with LATI<sup>26</sup>.

26. For more details of the PhD research at the University of Insubria please consult [paragraph 4.2.6 Research and Innovation](#).



GRI 2-8 Workers who are not employees

		2022						2023						2024					
Region	Unit of measure	Men		Women		Total		Men		Women		Total		Men		Women		Total	
Italy	number	66	89%	8	16%	74		50	93%	4	9%	54		46	96%	2	4%	48	
Administered	number	61	100%	0	0%	61	82%	42	100%	0	0%	42	78%	40	100%	0	0%	40	83%
Stage	number	3	27%	8	73%	11	15%	5	56%	4	44%	9	17%	3	60%	2	44%	5	10%
Other collaboration	number	2	100%	0	0%	2	3%	3	100%	0	0%	3	6%	3	100%	0	0%	3	6%
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	66	89%	8	11%	74		50	93%	4	7%	54		46	89%	2	11%	48	



## New hires and turnover

GRI 401-1

LATI is committed to attracting and hiring people with diverse backgrounds and skills. As per organisational procedure for the selection process, in pursuing gender equality during the 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. This approach aims to promote an **inclusive work environment** that reflects the varied array of perspectives and talents in society. To conduct selection processes effectively and transparently, LATI has adopted specific recruitment guidelines that define selection steps, methods for preparing and conducting interviews and the evaluation, feedback and record-keeping process.

In addition, in 2024, LATI introduced the **internal job posting process** to promote the **growth of its people** and to foster a **fair and inclusive work environment** that reflects the diversity of outlooks and talents present in the Company. LATI publishes new job openings on the company intranet to grant every individual the access to new professional opportunities, in line with the organisation’s needs.

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 2024, **35 new people** were hired, as compared with the departure of 13 employees - mainly due to retirement. New hires and terminations regarded LATI’s Italian branches. Amongst the new hires, **36% were aged under 30** while **13% came from the 30-50 age group**.

**LATI-in: the company’s onboarding path**

LATI pays scrupulous attention to the onboarding process, organizing **dedicated annual training events for new hires**. LATI-in serves to **orientate new people** though a series of meetings to help new hires to get to know:

- **LATI’s business and products.**
- all the **company’s functions** and the respective interlocutors.
- the company’s main **cross-functional and technical projects**.





GRI 401-1 New employee hires and employee turnover

		2022			2023			2024		
Specific	Unit of measure	Men	Women	Total	Men	Women	Total	Men	Women	Total
under 30 years old	number	8	4	12	14	1	15	8	5	13
30-50 years old	number	9	3	12	19	3	22	18	2	20
over 50 years old	number	2	2	4	1	0	1	2	0	2
Total new hires	number	19	9	28	34	4	38	28	7	35
Hiring rate by gender	%	8%	16%	10%	14%	7%	13%	11%	11%	11%
Hiring rate by age	%									
under 30 years old	%	57%	67%	60%	54%	17%	47%	30%	56%	36%
30-50 years old	%	9%	11%	10%	17%	10%	16%	15%	6%	13%
over 50 years old	%	2%	9%	3%	1%	0%	1%	2%	0%	1%



GRI 401-1 Termination and employee turnover

		2022			2023			2024		
Specific	Unit of measure	Men	Women	Total	Men	Women	Total	Men	Women	Total
under 30 years old	number	1	0	1	0	0	0	1	1	2
30-50 years old	number	1	2	3	1	1	2	4	0	4
over 50 years old	number	8	2	10	9	1	10	6	1	7
Total terminations	number	10	4	14	10	2	12	11	2	13
Termination rate by gender	number	4%	7%	5%	4%	3%	4%	4%	3%	4%
Termination rate by age	%									
under 30 years old	%	7%	0%	5%	0%	0%	0%	4%	11%	6%
30-50 years old	%	1%	7%	2%	1%	3%	1%	3%	0%	3%
over 50 years old	%	7%	9%	7%	8%	4%	8%	5%	4%	5%



## 4.3.2 Inclusion and equal opportunities

The value of inclusivity at LATI is manifested in the company's ongoing 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**. Outstanding milestones achieved by the Company in 2024 include:

### UNI/PdR 125:2022 gender equality certification

LATI's achievement of UNI PdR 125:2022 Gender Equality in 2023 and renewed in 2024 is a concrete demonstration **of the company's attention to the valorisation of the uniqueness of its people**. The Certification features a set of quantitative and qualitative performance indicators (KPIs) that measure the level of implementation of **policies and procedures** in favour of **equal career opportunities and fair pay**. It also documents the dissemination of training and awareness activities on issues such as inclusivity and respect, the promotion of initiatives in favour of parenthood, work-life balance and the psycho-physical wellbeing of workers.

### Find your voice with Women in Plastics

In 2024, LATI offered its female employees the opportunity to participate in a course on **public speaking and effective communication** promoted by **Women in Plastics**, an association that since 2024 has **brought together professional women who work in the plastics sector to disseminate the culture of gender equality and diversity**. The aim of the course, sponsored by LATI, was to improve their soft communication skills through coaching methods developed for TED and Toastmasters International, applying psychology, marketing and neuroscience.



### Webinars with the Fondazione Libellula

In line with its ongoing commitment to the promotion of inclusion and gender equality, which are perennial components of the company's DNA, LATI annually organizes moments of reflection and sharing with the Fondazione Libellula, an Italian non-profit organization committed to the prevention of gender violence and the promotion of inclusion in the workplace. In 2024, the following webinars were organized:

- **A Certain Kind of Respect:** The webinar, held on International Women's Day, focused on recognising ways to improve relationships by learning to acknowledge personal boundaries and recognise consent.
- **Violence at your Fingertips:** a round table to discuss and recognise digital forms of gender violence, unbiased communication, and signs of digital violence, to promote an inclusive environment and the safe use of technology.

LATI also distributed to all its people the **L.E.I. (Work, Fairness, Inclusion) survey** by the Fondazione Libellula, to contribute to the census of female workers' experiences



and their perceptions of discrimination, motivation, career paths, the use of time and the relationship with money. The results were presented at a dedicated event in which LATI participated as a speaker.

### **Diversity & Inclusion: a relay initiative to support young people's theses**

In 2024, LATI was the first company to promote the **Diversity & Inclusion initiative: a relay initiative to support young people's theses**. The initiative, proposed by LIUC – Università Cattaneo in collaboration with the LIUC Alumni graduates association, seeks to raise awareness among businesses and younger generations of the topic of Diversity & Inclusion through the awarding of a scholarship.

The project seeks to involve organisations across Italy in a veritable relay race of giving. Participating organisations will be invited to make a donation and to recommend other potential donors sensitive to the issue of Diversity & Inclusion. The initiative aims to reward undergraduate and doctoral theses that stand out for their originality and depth of contribution to the topic, thus promoting a culture of diversity, equality, fairness and inclusive business practices. By supporting this project, LATI not only seeks to promote an inclusive corporate culture, but also contributes to nurturing emerging talent to build a more creative, brilliant and innovative future.





### 4.3.3 People’s wellbeing

GRI 402-1 | 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.

The company supports and promotes the wellbeing of employees within and outside the organization **through its #LATI4u welfare programme**. Activities to support employee wellbeing cover various areas: attention to nutrition with awareness-raising initiatives, organization of in-company fitness classes, psychological support, cultural visits, scholarships, conventions for enrolment in summer camps for children and discounts with various businesses and gyms<sup>27</sup>. In witness of its commitment, every year since 2014 LATI has obtained the **Lombardy Region Workplace Health Promotion Award**. The project, promoted by ATS Insubria in tandem with Confindustria Varese and local trades unions, seeks to make companies more sustainable workplaces, capable of improving people’s health and promoting a healthier lifestyle among employees through concrete activities.

#LATI4U



#### Health

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



#### Nutrition

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



#### Discount and finances

- Assistance 730
- Agreements
- Insurances
- Timeswap Platform



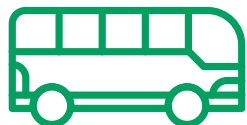
#### Sport culture and volunteering

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



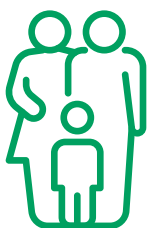
#### Work life Balance

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



#### 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

27. LATI offers the same benefits to all its employees, with the exception of the life assurance cover offered to management.

\*Services available in the Welfood platform



In 2024, LATI’s welfare programme focused on initiatives to support the **psycho-physical wellbeing** of its employees, with a particular emphasis on parenting. The company’s main initiatives are detailed below.

**Initiatives dedicated to parenting**

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 Policy, 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.**

In 2024, to bolster support to families, LATI introduced **10 days of company-paid paternity leave**, on top of the 10 days of compulsory leave provided by INPS (Istituto Nazionale della Previdenza Sociale) as required by Italian law. The effectiveness of the initiative was borne out in 2024 by the increase in the number of employees who took advantage of paternity leave.

Overall, during the year, **19 LATI Italia employees took parental leave**, with a return-to-work rate of 95% and a retention rate of 225%. The number of people taking parental leave and the hours used have increased compared to the previous two-year period, reflecting the generational

change that the company is undergoing. The tables below show the number of people who took parental leave in Italy in the three-year period 2022-2024, alongside the breakdown of hours by type of leave.





GRI 401-3 Parental leave <sup>28</sup>										
		2022			2023			2024		
	Unit of measure	Men	Women	Total	Men	Women	Total	Men	Women	Total
Italian employees that were entitled to parental leave <sup>29</sup>	number	206	47	253	227	48	275	244	54	298
Employees that took parental leave	number	3	1	4	7	1	8	15	4	19
Employees that returned to work in the reporting period after took parental leave <sup>30</sup>	number	3	1	4	7	1	8	15	3	18
Employees that returned to work after took parental leave that were still employed 12 months after their return to work	number	3	1	4	7	1	8	15	3	18
Return to work rates <sup>31</sup>	%	100%	100%	100%	100%	100%	100%	100%	75%	95%
Retention rates <sup>32</sup>	%	ND	ND	ND	233%	100%	200%	214%	300%	225%

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

29. The number of employees who were entitled to parental leave coincides with the total number of employees in Italy.

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

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

32. The retention rate is calculated as follows: (Employees who returned to work after taking parental leave and remained employed for 12 months after their return / 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	2022			2023			2024		
		Men	Women	Total	Men	Women	Total	Men	Women	Total
Total parental leave in Italy	hours	32	194	226	536	96	632	1779	2875	4654
Parental leave	hours	16	192	208	16	96	112	592	728	1320
Mandatory maternity leave	hours	0	0	0	0	0	0	0	1976	1976
INPS New Fathers' leave	hours	16	0	16	520	0	520	608	0	608
Additional New Fathers' leave from the company	hours	0	0	0	0	0	0	357	0	357
Breastfeeding leave	hours	0	2	2	0	0	0	222	171	393

In addition to leave, LATI supports its parent employees through a range of different initiatives:

- **WELCOME BABY:** The company offers its employees a **welcome kit for newborns** and a **voucher** to use on the company’s **welfare platform**.
- **WHEN IS A PARENT BORN?:** This LATI initiative, in tandem with the Il Melograno Maternity and Birth Information Centre and Confindustria Varese offers all new parents the opportunity to benefit from 3 post-natal home visits. These visits take the form of activities to support the paren-

tal relationship and bonding processes such as practical and educational care, help with organising 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.

- **CYCLE OF MEETINGS “VIRTUAL COMPATIBILITY. SOCIAL GENERATIONS”:** two events, “Connecting with Today’s Youth” and “Reality in the Digital Age”, organised

by LATI in 2024 to analyse and discuss the new realities of communication amongst teenagers, together with experts from the Associazione l’Aquilone, a local social cooperative engaged in educational and social initiatives, and Varese News. The aim of these meetings was to promote better connections between different generations to create a more cohesive society, where young people can bring their innovation and freshness, while older people can draw on their experience to orient young people’s aspirations and desires, while also understanding their rationale.



**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**, and their families and friends the opportunity to access **4 individual consultations** with a professional, choosing from a wide range of **wellbeing services**. Amongst these, in addition to the services already available via the platform with psychologists, caregivers, parenting advisers, nutritionists, sports coaches, 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 organised a series of three virtual meetings, the **Wellbeing Webinars**, to explore issues related to wellbeing and work-life balance, including ‘**Adaptability and Flexibility. Key Skills for Change**’, ‘**Nutrition and the Immune System**’ and ‘**Hyperconnected and Balanced**’.





## 4.3.4 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 **2024 LATI increased mandatory training hours by 10%** compared to 2023, providing a total of **7,581.50 hours and reaching** an average of **23.19 hours per person**.

As stipulated in the organisational procedure dedicated to training, the Human Resources 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 organisation. This tool is essential for monitoring and ensuring that every employee has the necessary skills to perform their duties safely and effectively. The Competency

Frameworks identify the skills required for each role within the organisation 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

		2022			2023			2024		
Employment contract	Unit of measure	Men	Women	Total		Men	Women	Total		Men
Senior managers	hours	247.50	98.00	345.50	126.70	109.80	236.50	145.00	71.50	216.50
Middle managers	hours	978.50	217.00	1,195.50	721.00	386.50	1,107.50	749.00	266.00	1,015.00
White collars <sup>33</sup>	hours	2,479.50	1,609.00	4,088.50	1,866.75	1,251.75	3,118.50	1,739.00	1,487.50	3,226.50
Blue collars	hours	2,896.00	20.00	2,916.00	2,426.25	8.00	2,434.25	3,050.00	73.50	3,123.50
Total training hours	hours	6,601.50	1,944.00	8,545.50	5,140.70	1,756.05	6,896.75	5,683.00	1,898.50	7,581.50
Average hours of training per year by employee	hours	29.47	34.11	31.65	20.98	29.76	22.69	21.61	29.66	23.19

33. The training hours for apprentices were included within the training hours of the white collars staff qualification.



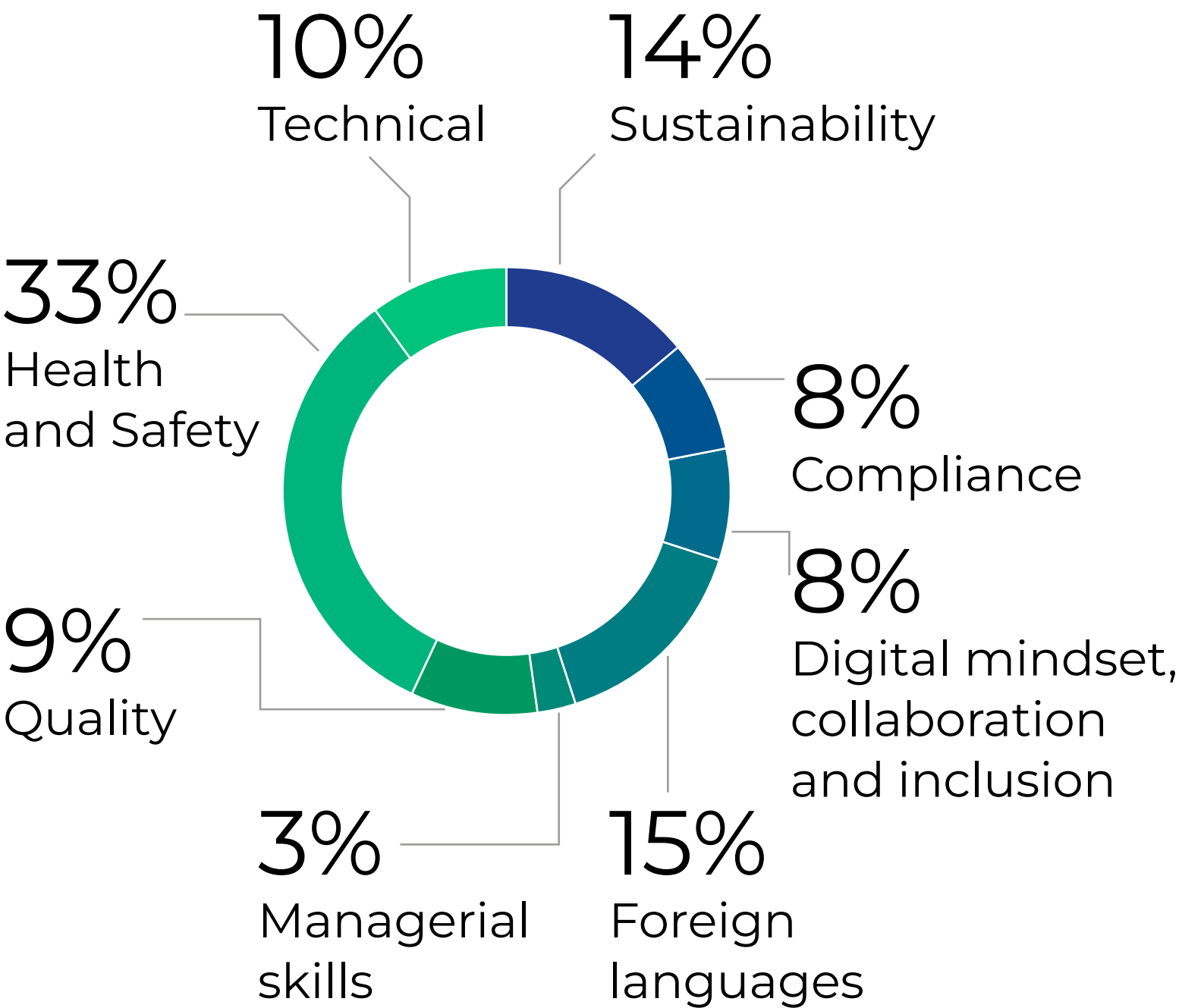
- Sustainability:** courses dedicated to training in ESG (environmental, social and governance) issues.
- **Compliance:** courses on corporate regulations and legal obligations (e.g., cybersecurity, 231, privacy).
  - **Digital mindset, collaboration and inclusion** with a specific focus on:
    - **DE&I:** 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 skills:** refresher courses in work team management, useful people management tools and behaviours.
  - **Quality:** refresher courses and/or training on issues relat-

ed to product and process quality, quality monitoring tools and voluntary certification systems in place in 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 related to LATI materials, processes and products or role-specific skills.

In addition to providing mandatory training, LATI also encourages **self-learning** through the **My LATI Space** platform and highlights training opportunities offered by **associations of which LATI is a member**, such as the **ELITE network** of Borsa Italiana ELTE, the **Italian Foreign Trade Association and Confindustria**, the association that represents manufacturing and service companies in Italy. LATI also schedules optional webinars each year to explore issues related to wellbeing and inclusion

2024 traning hours by topic area



34. For more details regarding the optional webinars on wellbeing and inclusion topics, see [paragraph 4.3.3 Training and development](#)



### Boost Your Talent con My LATI Space

In 2022 LATI introduced MY LATI Space: a platform dedicated to the development and training and of all its people in favour of self-learning of the most widespread competencies. The My LATI Space platform allows for:

- an improved **learning experience** and maintenance of the database of competencies.
- a **multi-channel learning** experience
- a systematic approach to **processes and assessment** and reinforcement of a **culture of feedback** to motivate people and to wholly fulfil their potential.
- Stimulation of the sense of belonging and community.

Thanks to an **extensive library of courses and training pills**, employees can develop their **professional and personal skills**. The platform also permits access to all the **technical webinars** held throughout the year by LATI's in-house faculty, as well as **thematic webinars** dedicated to health and wellness.

### Onboarding and on-the-job training

LATI attaches great importance to the training of new hires, people under job rotation and employees who are switching roles. It does so through specific programmes:

- **The “LATI-In” training course for new hires:** 12 hours of technical and cross-disciplinary training to learn about the world of LATI, the company's values, strategies, policies and guiding principles, materials and products, and process innovations. The course is run once a year and involves all employees who have joined the company in the last 12 months, including those on temporary contracts.
- **“LATI Tech Starter Pack”:** an onboarding programme, introduced in 2024 in English, and designed specifically for coworkers in branches and subsidiaries. LATI Tech is divided into:
  - 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.
- **On-the-job training:** training provided by qualified internal staff to master the activities that will be the responsibility of the newly hired or newly assigned employee.





### Privacy and data protection: awareness and responsibility

Among the courses dedicated to compliance, LATI involved all its employees in a refresher course on the General Data Protection Act with the aim of **sharing best practices and behaviours to be observed when processing personal data**. In addition, for those who interact with external parties and process sensitive data in their daily work, an additional training session was organised to explain standard procedures and to examine case studies so as to prevent errors.

### InterGENERational wealth

To address the **challenge of intergenerational change**, in 2024 LATI organised the training initiative 'Intergenerational Wealth' for all LATI People. The aim of this two-hour course was to create an opportunity for dialogue between the different generations that interact and collaborate within the company, providing tools to enhance intergenerational uniqueness and promote the continuous growth of our company.

To ensure that different values, experiences, needs and approaches do not give rise to conflict, it is essential that there be intergenerational inclusion and collaboration in the workplace, generating a fertile cultural exchange.

Lastly, the Code of Ethics was also presented during the course, sharing the updates incorporated with the 2024 revision.

### Sustainability@LATI

LATI deems it essential to promote widespread training on sustainability issues to develop competencies that are aligned with an ever-changing business environment. To this end, in 2024, 1,069 hours of training on sustainability were delivered, involving all employees across the company. The main initiatives in 2024 are listed below:

- **The circular economy and eco-design:** part of the Impact team, a cross-functional working group dedicated to LATI's sustainability initiatives, participated in a training course on the circular economy, which plays a key role in the company's business strategy. With the support of an external expert, the impacts of the circular economy on business processes and their implications for the automotive sector were analysed. Through case studies and practical workshops, particular attention was paid to the circular economy model of eco-design in the product life cycle.

- **Sustainability for LATI. ESG criteria and corporate projects:** segueing from 2023, in 2024 LATI involved its entire factory workforce in a dedicated sustainability training course. The aim was to illustrate the importance of sustainability in the current context, highlighting social impacts and economic challenges, and providing a clear definition of ESG (Environmental, Social and Governance) criteria with practical company-related examples.

- **Sustainability & EcoVadis:** to celebrate achieving the Platinum rating, an internal webinar was organised to explore the details of the report and to share projects and activities in the field of environmental and social sustainability in 2024.

### Technical webinars

LATI organises **training courses and webinars** for its employees and customers to share technical knowledge and to raise awareness among stakeholders of the **sustainable culture of plastics**. In 2024, the internal faculty held the webinar **Recycle and Repair: Sustainability According to LATI** on innovative and sustainable processes and industrial recycling strategies. The webinar addressed the topics of Design for Recycling (D4R) and Repair to Recycle (R2R), the Digital Product Passport and new 3D printing technologies. During the webinar the new LATIECO range was also presented, alongside innovations in the field of flame retardants and other ongoing projects.



# 4.3.5 Competencies and performance

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. In line with these drivers, in 2023 LATI **updated the model** by involving top management and people managers in a series of workshops. The aim of these work groups was to integrate the company's values and statutory Common Benefit goals into the performance management system, while also supporting the evolution of the right mindset. The process brought about a **simplification and renewal** of the previous model, with the definition of 5 "soft" competencies. For individuals, the process involves self-assessment and subsequent sharing and discussion with their manager.

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.







The model, therefore, describes the **behaviours expected of people** within the organization, guides **change** and fosters **collaboration** between functions. A distinctive element and constant feature of the model is the attention paid to the **value of inclusion**, which LATI deems an integral part of **how** work should be done and a **fundamental element in achieving the company’s strategic objectives**.

In 2024, LATI applied the revised competencies model to its annual appraisal process. As stipulated in the Organisational Procedure for Competency Appraisal, all full and part-time employees carry out an **annual self-assessment of their competencies** via the My LATI Space platform. Following **appraisal by their line manager**, a **feedback meeting** is held between the employee and the manager.

**NuoviLATI: Guidelines for Hybrid Working**

NuoviLATI is the Company’s project dedicated to the **reorganization of offices** and the evolution of **work practices** to foster **digital development, organizational collaboration, and work-life balance**.

In the **Guidelines for Hybrid Working**, a model that has been enacted within the company for years, with the possibility of taking advantage of hybrid working without any limit on days. The **five pillars** of the **hybrid work mindset** identified by LATI, based on the values of interdependence and trust, are:

- **In-person or remote:** activities drive the choice of workplace.
- **Meetings:** meetings are a positive experience to advance a project, for networking, and to share ideas.

- **Engagement:** sound hybrid working is based on shared and consistent dynamics of updating and alignment.
- **Interpersonal relationships:** the cultivation of relationships, dialogue and conviviality makes the organization flourish.
- **Connectivity:** the proper use of communication tools and channels bolters the ability to generate results.

Through the implementation of these guidelines, LATI aims to strengthen its **model of hybrid working and work-by-objectives**, promoting employees’ work-life balance, and collaboration amongst colleagues.



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 valorisation of professionalism.

The procedure of **appraisal by objectives** includes the **MBO Management by Objectives system geared to managers** and the **individual performance appraisal sy-**

**stem** 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 empowering 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 2024 LATI 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 2022-2024.

GRI 404-3 Percentage of employees receiving regular performance and career development reviews <sup>35</sup>										
		2022			2023			2024		
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%	89%	93%	94%	94%	93%	94%	100%	96%
White collars	number	13%	21%	16%	16%	13%	20%	20%	41%	30%
Total	Number	24%	37%	26%	22%	22%	36%	22%	53%	28%

35. 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 demonstrates LATI’s **working approach based on objectives aligned with the company’s strategic growth pillars**. Between 2022 and 2024, LATI increased the percentage of managers and employees who receive performance appraisals. The goal-setting system developed over time by the company is not based on hierarchy,

but rather on **meritocracy and encouraging the individual’s autonomy to work on projects outside their own job description**.

Lastly, in addition to its performance management system, LATI **awards all employees an annual Performance Bo-**

**nus** 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 studies and benchmark surveys carried out with the help of external consultants, LATI has redefined 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 organisation**.



## 4.3.6 Community and local territory

### Social volunteering projects with the non-profit renato piatti onlus foundation

Since 2018, LATI has supported 2018 the initiatives of the **Renato Piatti Foundation**, 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 to support their families.

In 2024, LATI once again supported the **Renato Piatti Foundation by taking part in the 2024 Milan Marathon relay race** to raise funds for the ‘Champions of Solidarity’ campaign in support of children with disabilities and autism.

### VECTORSport: talent beyond limits

On June 22nd, 2024, LATI took part, alongside several other local companies, in the ‘VectorSport: Talent Beyond Limits’ Day, an event organised by Vector, a historic transport company and Benefit Company in the province of Varese, to **raise awareness of the inclusion of people with disabilities in the workplace**. The aim of the day was to stimulate in-depth reflection on the integration and employment of people with disabilities in the workplace, using sport as a vehicle for inclusion. A team from LATIPeople had the opportunity to

try their hand at various activities, including sitting volleyball and a blindfolded lunch, putting inclusion and diversity at the centre of the event. The proceeds from the day were donated to Real Eyes Sport, a non-profit amateur association committed to promoting, organising and supporting social sports activities related to the world of disability.

### Corporate Golden Donor FAI (Italian Environmental Fund)

Since 2020 LATI reaffirmed its support as 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 its collaboration with FAI, LATI organizes annual guided tours for employees and their families to one of the Foundation’s cultural heritage sites. In 2024 the company organised a guided tour of Villa Panza, and the adjoining exhibition of Wolfgang LAIB, for employees, families and friends.

### IO DO UNA MANO (let me lend a hand)

Since 2020 IO DO UNA MANO has been the Italian chapter of the worldwide organization of digital volunteers, **e-Nable**, whose mission is to **create, 3D-print and deliver free customized aids to help children and young people with no hands or arms due to congenital malformations, diseases or accidents**.





Since 2021 LATI has supported IO DO UNA MANO through its **plastic materials know-how** for research into materials suitable for 3D printing and the design of aids, with the goal of creating unique pieces to enable children to independently perform daily life activities, or to play sports or a musical instrument.

At its annual Commercial Seminar, in 2023 LATI partnered IO DO UNA MANO to organize a **social team-building** initiative open to all employees. The goal was not only to encourage teamwork, but also to give employees first-hand experience of assembling 3D-printed aids.

### 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-to-work alternation and internships<sup>36</sup>, in 2024 LATI once again contributed to various **educational initiatives by sharing and disseminating the sustainable plastics culture**. The most significant initiatives are listed 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

36. For more details, please consult [Paragraph 4.3.1 of LATI People](#).



### Music in our hearts

In 2024, to coincide with its Annual Commercial Seminar, LATI organized a **social dinner in collaboration with La Musica del Cuore**, a non-profit voluntary organization that uses music and theatre to promote education in self-love and body acceptance. During the event, founder Giorgia Testa shared her personal story of courage and resilience, marked by numerous operations to correct congenital heart defects. The aim was to share with employees the importance of inclusion, empowerment and attention to mental and physical well-being. During the event, founder Giorgia Testa shared her story of courage and redemption, which involved numerous surgical procedures to correct heart defects.





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.

**Building the future with Rete Giunca**

LATI supported the orientation programme for adolescents of Rete Giunca, Italy’s first corporate welfare network, by hosting the initial day of the programme at its headquarters and then following up on all the subsequent stages in person and remotely.

**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 specialisations 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. In 2024 the Company contributed **32 hours of training on the technical characteristics of thermoplastic materials and product and process sustainability.**

**Green school**

In 2024, LATI joined Green School Italia, the **support and certification programme for schools committed to education for sustainable development.** LATI offered its training contribution on the sustainable culture of plastics. A Green School places sustainability at the heart of its educational activities, creating the skills, knowledge, values

and mindsets needed to proactively tackle the challenges of ecological transition and climate change. Green School Italia certification is in line with UNESCO’s Green School Quality Standards and contributes to the goal of UNESCO’s Greening Education Partnership (GEP), which aims to have at least 50% of schools in every country become Green Schools by 2030.





# 4.3.7 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

LATI deems the protection of health and safety a core element of its business. Since 2020 LATI has voluntarily implemented and certified the **Occupational Health and Safety Management System (OHS)**, in accordance with the **ISO 45001:2018 International Standard**.

The Management System covers all employees and non-employees at the Vedano Olona and Gornate Olona production sites and all activities carried out within the work cycle (research, development, production, sales and technical support for thermoplastic compounds).

The employer is responsible for the implementation of all phases of the risk assessment process and appoints a Special Delegate for Safety, the Environment and Energy

to oversee health and safety matters. He or she is assisted by the Prevention and Protection Service Manager, the Company Physician, managers, supervisors and Workers' Safety Representatives.

As stipulated in the specific procedure, the company's **Prevention and Protection Service** identifies the hazards present within the work cycle, analysing and mapping all its phases and all equipment, machinery and facilities present in each workplace, and assesses workers' exposure to risk. This serves to implement all necessary measures for the elimination or mitigation of such hazards and risks and to identify improvement objectives to progressively increase safety levels within the company.

The **Risk Assessment Document (RAD)**, drawn up and updated in accordance with Law Decree 81/2008, establishes the methods for identifying hazards and assessing all risks to the health and safety of workers. In line with UNI PdR 125:2022 certification, in 2023 LATI **incorporated a section dedicated to gender-related risks in its Risk Assessment Document**. This was a concrete step towards comprehensive attention to the wellbeing and safety of the company's employees.

To ensure continuous improvement, LATI **encourages its workers to follow predefined procedures for reporting the presence of hazards** to the duly appointed Workers' Representative for Safety and the Prevention and Protection Service Manager.

LATI also has an active occupational medicine service, for





which the company has appointed a dedicated Company Physician.

As per the stipulations of Law Decree 81/2008, the Company Physician participates in risk assessment by regularly visiting workplaces and monitoring the health status of all workers through medical examinations during working hours, as provided for in the health monitoring plan.

As regards to quantitative data on injuries<sup>37</sup>, a total of **6 work-related injuries without serious consequences or fatalities** were reported in 2024. As for non-employees, a total of 2 work-related injuries were recorded, with a recordable accident rate of approximately 7%. The number of injuries involving employees in the reporting year was 4, with the rate of 1.61% representing a decrease compared to previous years and below the target of 4%<sup>38</sup>. In addition, it should be noted that in the **three-year period 2022-2024, no cases of occupational illnesses or diseases were recorded.**

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

GRI 403-9-a Work-related injuries - employees <sup>39</sup>				
	Unit of measure	2022	2023	2024
Number of hours worked	hours	411,681	438,778	496,086
Fatal injuries	number	0	0	0
Accidents with serious consequences	number	0	0	0
Recordable injuries	number	5	4	4
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	%	2.43	1.82	1.61

37. 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.

38. 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.

39. The data and information reported refer only to the Italian locations of Vedano Olona and Gornate Olona.



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

	Unit of measure	2022	2023	2024
Number of hours worked	hours	107,371	69,017 <sup>40</sup>	54,579 <sup>41</sup>
Fatal injuries	number	0	0	0
Accidents with serious consequences	number	0	0	0
Recordable injuries	number	3	5	2
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	%	6%	14%	7%

Exoskeletons

In 2024, LATI introduced two industrial exo-skeletons in the preparation and mixing department at Gornate Olona as part of its commitment to innovation and continuous process optimisation.

Designed to physically support operators during the lifting and transport of loads, these devices reduce the risk of musculoskeletal injuries and fatigue at the end of the working day. To ensure maximum benefits and safety, the RSPP provided training sessions on the correct methods of use and practical training for the safe and efficient use of the devices. The exoskeletons help to ensure a healthy working environment by reducing the costs related to injuries or inefficiencies.

40. The significant reduction in working hours is due to company closures as a result of falling production.  
41. The reduction in hours worked recorded in 2024 compared to 2023 is attributable to the hiring of not-employee workers as employees. For further details, see [paragraph 4.3.1 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. 2024 also saw an increase in **training courses** to raise awareness, including through practical examples, of the risks and proper behaviours to adopt to protect personal safety and that of others.

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.

Worker involvement is an integral part of all activities, initiatives and projects that may have Health and Safety impacts. LATI is likewise mindful of **compliance with health and safety measures across the value chain**.

The company also involves its **suppliers** and **contractors**,

not only for implementation of the cooperation and coordination measures expressly stipulated by current regulations, but also to disseminate best health and safety practices. In addition, through the **Procurement Management Procedure**, before entering the company each contractor is qualified on the basis of documentary compliance with Health and Safety Management System requirements. In practice, LATI regularly **checks the technical and professional suitability of its contractors**, in accordance with the Contract Management Procedure for the implementation of the cooperation and coordination measures stipulated by Italian Legislative Decree 81/08, to promote sound health and safety practices. Any non-compliance is reported before access is granted, and entry to the company is only permitted once the issue has been resolved. Furthermore, during the verification phase, the company’s QHSE and Gender Equality policies are shared with the contractors.

**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.





# 4.4 Impacts of economic-productive activities

Key topics

- Business Ethics
- Responsible and transparent management of the value chain
- The creation of sustainable economic value

Risk-based thinking

SDG

8 DECENT WORK AND ECONOMIC GROWTH

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

Highlights 2024

Sales  
148,3 ML €

Ebidta  
8,9 ML €

ESG - linked financing on total  
90%



Despite the highly uncertain macroeconomic outlook, 2024 was marked for LATI by a **partial recovery in demand**, driven by the need for transformers to replenish their production lines to sufficient levels after the sharp reduction

in inventories between 2022 and 2023. This phenomenon was particularly evident for products supplied to customers operating in the household appliances sector. Although the sector recorded sales of household appliances at the same

levels as 2023, **LATI recorded a significant increase in volumes sold**. By contrast, supplies to automotive customers remained weak due to the all too familiar crisis in that sector.

In 2024 LATI **continued to pursue its strategic objectives**, focusing on the development of new applications for its special materials, and introducing many new solutions to the market. These include an increasingly comprehensive range of sustainable products, and continued investments in specific product certifications. The company also maintained its drive to expand its presence beyond Europe, with missions focused on Asia and North America.

Investments in digitalisation had a growing impact on business processes, promoting automation and efficiency, while investments in the expansion and modernisation of production capacity at the Gornate Olona site continued in 2024.

The review of the strategic plan has confirmed the validity of our objectives, and the economic feasibility of the investment plan reformulated in the 2025-2026 Strategic Plan. In line with the Strategic Plan, LATI likewise confirms the consistency of the 2025-2026 plan with the objectives and economic-financial feasibility of the investment plan.





# 4.4.11 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 point of view, the economic value generated by the company in 2024 amounted to approximately € 148.1 million against € 144.8 million distributed.

The table below details the direct economic value generated and distributed over the three-year period 2022-2024.

GRI 201-1 Economic value directly generated and distributed				
	Unit of measure	2022	2023	2024
ECONOMIC VALUE GENERATED	€	226,874,772	148,168,683	149,941,279
Revenues from sales	€	213,098,207	152,500,346	147,954,495
Changes in inventories	€	9,626,463	-6,639,705	552,388
Other income	€	4,150,102	2,308,042	1,434,396
ECONOMIC VALUE DISTRIBUTED	€	209,695,735	132,700,331	144,803,446
Personnel costs	€	20,287,258	20,205,030	22,400,572
Supplier cost	€	184,277,047	110,307,676	115,867,267
Lenders' remuneration	€	500,836	969,998	1,024,150
Public administration	€	4,023,805	317,757	2,453,012
Shareholder Remuneration	€	555,000	851,000	3,004,400
Investments in the community	€	51,789	48,870	54,045
ECONOMIC VALUE RETAINED	€	17,179,037	15,468,352 <sup>42</sup>	5,137,833 <sup>43</sup>

42. The economic value retained in 2023 does not include the change in raw material inventories at a cost of €8.7 million  
43. The economic value retained in 2024 does not consider the change in raw material inventories for a revenue of €4.6 million.



The table highlights how suppliers and employees are the stakeholder categories who attract the lion’s share of distributed economic value. They are followed by financial institutions, shareholders and the Public Administration. In addition, as established in LATI’s third **common benefit objective, the company also annually distributes a share of its value to the community and local territory through donations and sponsorships.**

To complete the table above, the contributions received are shown below.

GRI 201-4 Financial assistance received from government

Provider	Contribution received	Causal
MEF - Revenue Agency	217,480.00	Credito R&S&I – L. 160/2019
MEF - Revenue Agency	227,358.00	Investiment tax credit
FONDIRIGENTI	12,500.00	Training Support (art.31)





## 4.4.2 Investments

2024 saw the continuation of the **long-term “Torbissima” industrial project geared to industrial and logistical development with a view to expansion and the rationalisation of resources.**

With respect to **operational projects** under the umbrella of **Industry 4.0**, in 2024 LATI achieved the following results:

- **Outbound Logistics:** thanks to collaboration with the new **external logistics partner** initiated in 2022, LATI has completed the transfer of outbound logistics, thereby improving its **customer service** and the **storage security of its materials**. The innovative warehouse is fully digitalised and has a comprehensive range of fire prevention features.
- **Smart Factory:** in 2024 LATI continued its **4.0 path of structural and technological evolution**, redefining the production process and data collection methods, with process reviews and computerisation of the factory through the use of the **IoT (Internet of Things) system** for all production areas.
- **Lean Manufacturing:** in 2024 LATI consolidated its **Lean Manufacturing approach** to its factories to **reduce waste and improve process efficiency**.

### Cybersecurity

The cybersecurity enhancement strategy continued through the:

1. delivery of **specific courses** for all users of IT systems, to raise awareness **of the most common risks and of best practice behaviours** to protect themselves.
2. introduction of an **Internet navigation control system** to block access to dangerous or non-work-related sites, also active on laptops not connected to the company network.
3. release of a **two-step authentication system** for company user VPN connections to reduce the risk of access by third parties who have fraudulently obtained credentials.
4. activation of **backup systems** for e-mail and data contained in Teams.
5. expansion of the **vulnerability checking system** for all company IT hardware, including on-premises servers, cloud servers and all PCs, including laptops.
6. performance of regular **Vulnerability Assessments** to ensure timely assessments of the status of IT security.





In addition to these initiatives, also saw major **investment projects in Technology and Innovation** with a view to renewing and expanding the company's manufacturing facilities:

1. **Expansion of manufacturing capacity:** through the installation of a new mixing area, **two new state-of-the-art extrusion lines** equipped with an innovative raw material feeding system and a completely redesigned end-of-line. The new production area was completed with an in-line homogenisation system for finished products and an automated packaging system that will allow the generation of complete pallets in bags and octabins. In 2024, LATI completed the installation and start-up testing phase for its new production facilities.

2. **Transfer of production from the historical Vedano Olona site to Gornate Olona:** to achieve the objective of creating a single innovative and efficient production site, in 2023 LATI formulated a concept to examine possible options for relocating production to the Gornate Olona site. The mooted solution was the creation of a **new production area** to host production lines from the Vedano site, as well as other newly acquired lines.

3. **Implementation and improvement of general services at the Gornate Olona production site:** to accompany the dedicated project for the relocation of the Vedano Olona production site and the expansion of production volumes,

LATI designed and installed new equipment to support production, paying particular attention to improving the environmental and energy impacts of the Gornate Olona plant. In 2024, a new extraction and abatement system was installed to remove dust generated during the extrusion process. The aim was to improve the working environment and to reduce the size of areas classified according to European ATEX (ATmosphere EXplosive) regulations. In addition, a new extraction line was implemented to capture the fumes generated during the extrusion phase of high-productivity lines, equipped with an in-line fume washing system and water filtration. To complete the project, a system was installed and started up to extract the vapours generated during the compound cooling phase, significantly improving the environmental conditions around the extrusion line.

4. Research and development of production processes for the continuous improvement of efficiency: during 2024, the new spaghetti cutting system was doubled, increasing line capacity and uptime, and reducing maintenance downtime. With the collaboration of specialist suppliers, specific tests were conducted on innovative equipment for the production of special materials that are difficult to manage during the extrusion phase. In 2024, a new automatic cutting system for highly loaded compounds was installed, permanently replacing the old submerged cutting system. At the end of the year, a new optical sorter for the finished product was delivered, which will eliminate any black specks generated during extrusion. This will be launched in the first quarter of 2025.

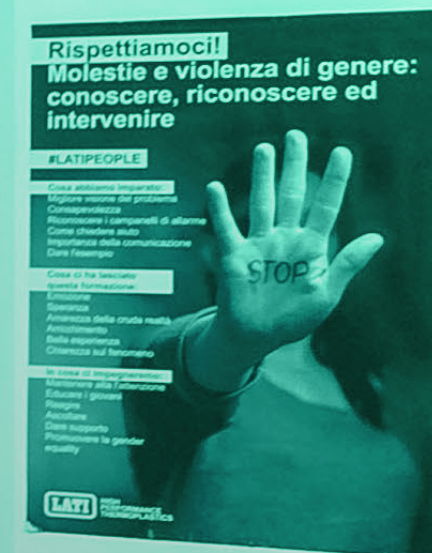
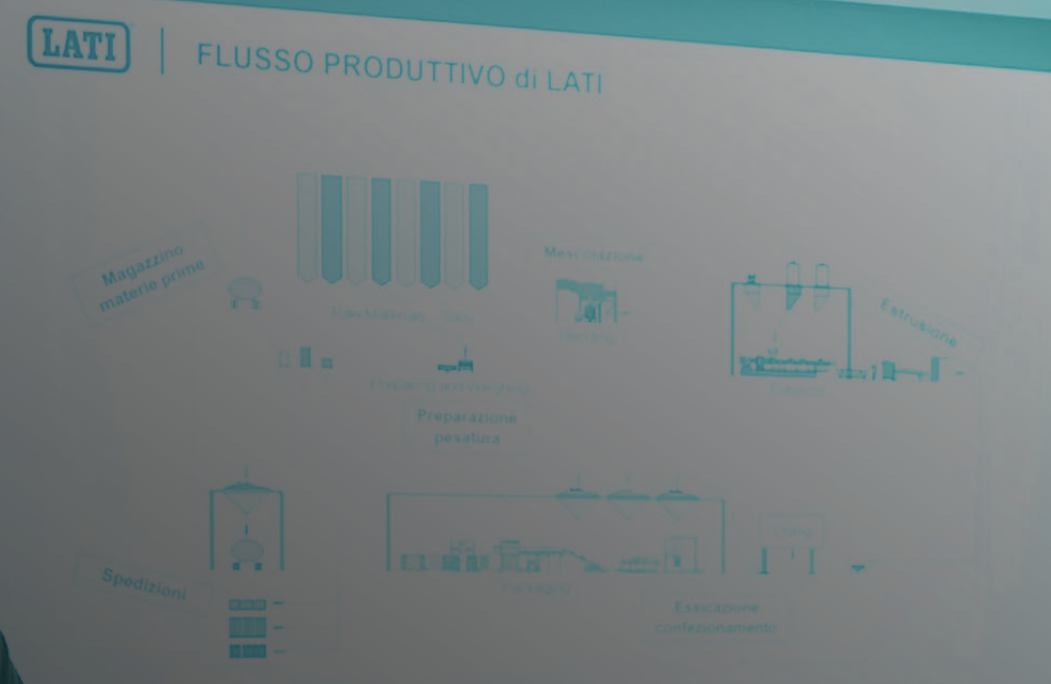
### ESG Linked Loan

Thanks to its excellent sustainability performance, LATI secured **six ESG-linked loans** from its financial partners. These funds are intended to support the company's long term investment plan, which is geared to the **renewal of production facilities and processes**. The financing criteria are closely aligned with LATI's investment strategies, which focus on the following themes:

- **The circular economy:** to optimize the treatment of production scraps.
- **Decarbonization:** to reduce the CO<sup>2</sup> emissions generated by production.



**LATI** HIGH PERFORMANCE THERMOPLASTICS  
PUSHING PERFORMANCE OF THERMALLY CONDUCTIVE COMPOUNDS ONE STEP FORWARD



# 5. Drafting principles



# Note on methodology

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

## Reporting principles

The 2024 Sustainability Report of Lati Industria Termoplastici S.p.A. (hereinafter also referred to as “LATI”) marks the fourth year of reporting in line with the approach that the company has established for the updating and ever greater 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 goal 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 of the information contained in LATI’s 2024 Sustainability Report has been broadened compared to previous editions. It includes the company’s headquarters, located in Vedano Olona and Gornate Olona, its European branches, the subsidiaries of LATI Group in China, the United Kingdom and America.

To ensure completeness and compatibility of information, LATI has recalculated the human resources data for 2022 and 2023, including subsidiaries within the scope of reporting, unless otherwise specified in the footnotes. With regard to non-employee workers, the reporting scope refers exclusively to personnel present at the Company’s Italian offices.

## Reporting process and methods

The document, prepared by the Quality, Environmental Health and Safety Organisational Unit in cooperation with all company functions, was approved by LATI’s Board of Directors on March 31<sup>st</sup>, 2025. The data and information

reported refer to the reporting year ended December 31<sup>st</sup>, 2024 (January 1<sup>st</sup>, 2024 to December 31<sup>st</sup>, 2024). To provide a comparison of variances over the three-year period 2022-2024, data and information for the financial years 2022 and 2023 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.

Any such restatements are duly disclosed and explained 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 reported in the relevant disclosures. It should also be noted that the materiality analysis carried out in 2023 in accordance with GRI 3: Material Topic was also analysed and confirmed by LATI for 2024, since no variations emerged compared to the previous year. For a more detailed understanding of the process, please refer to Section 3.5 ‘Materiality Analysis’.

LATI’s 2024 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 further information on this Sustainability Report, please contact: [sustainability@it.lati.com](mailto: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 2024 to 31st December 2024.
Use of GRI 1	GRI 1- Foundation 2021
Relevant GRI industry standards	There are no relevant GRI industry standards yet

STANDARD GRI	DISCLOSURE	LOCATION	OMISSION		NOTE
			requirement(s) omitted	reason	explanation
General Disclosures					
GRI 2 - General Disclosures 2021	2-1 Organizational details	12			
	2-2 Entities included in the organization’s sustainability reporting	12, 131			
	2-3 Reporting period, frequency and contact point	131			
	2-4 Restatements of information	131			Revisions of information are given within the text or as a footnote.
	2-5 External assurance	131			
	2-6 Activities, value chain and other business relationships	34, 35, 36, 37, 38, 39			
	2-7 Employees	13, 14, 89, 91, 94, 95, 96			There are no workers with employment contracts featuring non-guaranteed hours
	2-8 Workers who are not employees	97			
	2-9 Governance structure and composition	16, 17, 18, 19, 20			



STANDARD GRI	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	17				
	2-11 Chair of the highest governance body	18				
	2-12 Role of the highest governance body in overseeing the management of impacts	22				
	2-13 Delegation of responsibility for managing impacts	22				
	2-14 Role of the highest governance body in sustainability reporting	22				
	2-15 Conflicts of interest	24,25				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	18				
	2-17 Collective knowledge of the highest governance body	19, 22				



STANDARD GRI	DISCLOSURE	LOCATION	OMISSION			NOTE
			requirement(s) omitted	reason	explanation	
General Disclosures						
GRI 2: General Disclosures 2021	2-18 Evaluation of the performance of the highest governance body	19				
	2-19 Remuneration policies	19				
	2-20 Process to determine remuneration	116				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, 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	DISCLOSURE	LOCATION	OMISSION			NOTE
			requirement(s) omitted	reason	explanation	
General Disclosures						
GRI 2: General Disclosures 2021	2-23 Policy commitments	23, 24, 27				
	2-24 Embedding policy commitments	23, 24, 27	Part of the indicator	Information unavaible	The Company has not established structured processes for integrating policy commitments	
	2-25 Processes to remediate negative impacts	23, 24, 27, 28				
	2-26 Mechanisms for seeking advice and raising concerns	24, 25				
	2-27 Compliance with laws and regulations	24, 25				No incidents of non-compliance with laws and regulations were reported during the reporting period.
	2-28 Membership associations	31, 32				
	2-29 Approach to stakeholder engagement	47, 48, 49, 50				
	2-30 Collective bargaining agreements	94				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	DISCLOSURE	LOCATION	OMISSION			NOTE
			requirement(s) omitted	reason	explanation	
Material topics						
GRI 3: Material Topics 2021	3-1 Process to determine material topics	51, 52				
	3-2 List of material topics	53, 54, 55, 56				
THE CREATION OF SUSTAINABLE ECONOMIC VALUE						
GRI 3: Material Topics 2021	3-3 Management of material topics	51-56, 126-129				
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	126				
	201-4 Financial assistance received from government	127				
RESPONSIBLE AND TRASPARENT MANAGEMENT OF VALUE CHAIN						
GRI 3: Material Topics 2021	3-3 Management of material topics	51-56, 40-41				
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	41				



STANDARD GRI	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	40				
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	40				
BUSINESS ETHICS						
GRI 3: Material Topics 2021	3-3 Management of material topics	24-26, 51-56, 126-129				
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	26				
	205-2 Communication and training about anti-corruption policies and procedures	110				
	205-3 Confirmed incidents of corruption and actions taken	26				
RISK BASED THINKING						
GRI 3: Material Topics 2021	3-3 Management of material topics	24-28, 51-56, 126-129				



STANDARD GRI	DISCLOSURE	LOCATION	OMISSION			NOTE
			requirement(s) omitted	reason	explanation	
Material topics						
GRI 2: General Disclosures 2021	2-25 Processes to remediate negative impacts	24, 25, 26, 27, 28				
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data					In 2024, no reports were recorded regarding customer privacy violations and loss of their data by third parties and regulatory entities..
IENVIRONMENTAL FOOTPRINT						
GRI 3: Material Topics 2021	3-3 Management of material topics	51-56, 77				
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	77				
	303-2 Management of water discharge-related impacts	77				
	303-3 Water withdrawal	77				
	303-4 Water discharge	77				
	303-5 Water consumption	77				



STANDARD GRI	DISCLOSURE	LOCATION	OMISSION			NOTE
			requirement(s) omitted	reason	explanation	
Material topics						
ENVIRONMENTAL FOOTPRINT						
GRI 3: Material Topics 2021	3-3 Management of material topics	51-56, 69-76				
GRI 302: Energy 2016	302-1 Energy consumption within the organization	70				
	302-3 Energy intensity	70				
GRI 305: Emissioni 2016	305-1 Direct (Scope 1) GHG emissions	71				
	305-2 Energy indirect (Scope 2) GHG emissions	71				
	305-4 GHG emissions intensity	72				
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	73				



STANDARD GRI	DISCLOSURE	LOCATION	OMISSION			NOTE
			requirement(s) omitted	reason	explanation	
Material topics						
CIRCULAR ECONOMY						
GRI 3: Material Topics 2021	3-3 Management of material topics	51-56, 78-80, 82-83				
GRI 301: Materials 2016	301-1 Materials used by weight or volume	82				
	301-2 Recycled input materials used	83				
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	78				
	306-2 Management of significant wasterelated impacts	78				
	306-3 Waste generated	79				
	306-4 Waste diverted from disposal	80				
	306-5 Waste directed to disposal	80				



STANDARD GRI	DISCLOSURE	LOCATION	OMISSION			NOTE
			requirement(s) omitted	reason	explanation	
Material topics						
SAFEGUARDING BIODIVERSITY						
GRI 3: Material Topics 2021	3-3 Management of material topics	51-56, 81				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	35-36, 51-56, 84-88				
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	36				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	36				In 2024, no non-compliance with regulations and/or voluntary codes regarding health and sa
GRI 417: Marketing and Labeling 2016	417-1 Requirements for product and service information and labeling	36				
	417-2 Incidents of non-compliance concerning product and service information and labeling	36				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	36				It should be noted that there were no unconfirmed marketing communication incidents in 2024.



STANDARD GRI	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	51-56, 91-100, 101-102, 103-107			
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	99, 100			
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	103			LATI offers the same benefits to all its employees, with the exception of the life assurance cover offered to management.
	401-3 Parental leave	105			
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, 91, 92, 93			
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken				In 2024, no incidents of discrimination were reported.



STANDARD GRI	DISCLOSURE	LOCATION	OMISSION			NOTE
			requirement(s) omitted	reason	explanation	
Material topics						
PEOPLE DEVELOPMENT						
GRI 3: Material Topics 2021	3-3 Management of material topics	51-56, 108-112, 113-116				
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	108, 109				
	404-2 Programs for upgrading employee skills and transition assistance programs	110				
	404-3 Percentage of employees receiving regular performance and career development reviews	115				
WORKPLACE HEALTH AND SAFETY						
GRI 3: Material Topics 2021	3-3 Management of material topics	51-56, 120- 123				
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	120				
	403-2 Hazard identification, risk assessment, and incident investigation	120				



STANDARD GRI	DISCLOSURE	LOCATION	OMISSION			NOTE
			requirement(s) omitted	reason	explanation	
Material topics						
GRI 403: Occupational Health and Safety 2018	403-3 Occupational health services	120				
	403-4 Worker participation, consultation, and communication on occupational health and safety	121				
	403-5 Worker training on occupational health and safety	123				
	403-6 Promotion of worker health	123				
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	123				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	120				
	403-9 Work-related injuries	121				
	403-10 Work-related ill health	122				



STANDARD GRI	DISCLOSURE	LOCATION	OMISSION		NOTE
			requirement(s) omitted	reason	explanation
Material topics					
CORPORATE CITIZENSHIP					
GRI 3: Material Topics 2021	3-3 Management of material topics	51-56, 117-119			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	51-56, 86, 117-119			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-fmauditaly@kpmg.it](mailto:it-fmauditaly@kpmg.it)  
PEC [kpmgspa@pec.kpmg.it](mailto:kpmgspa@pec.kpmg.it)

**(This independent auditors' report has been translated into English solely for the convenience of international readers. Accordingly, only the original Italian version is authoritative.)**

## **Independent auditors' report on the sustainability report**

*To the board of directors of  
LATI Industria Termoplastici S.p.A.*

We have been engaged to perform a limited assurance engagement on the 2024 Sustainability report (the "sustainability report") of the LATI Industria Termoplastici Group (the "group").

### **Directors' responsibility for the sustainability report**

The directors of LATI Industria Termoplastici S.p.A. (the "parent") are responsible for the preparation of a sustainability report in accordance with the "Global Reporting Initiative Sustainability Reporting Standards" issued by GRI - Global Reporting Initiative (the "GRI Standards").

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

They are also responsible for defining the group's objectives regarding its sustainability performance and the identification of the stakeholders and the significant aspects to report.

### **Auditors' independence and quality management**

We are independent in compliance with the independence and all other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (the IESBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

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





**LATI Industria Termoplastici Group**

*Independent auditors' report*

*31 December 2024*

### ***Auditors' responsibility***

Our responsibility is to express a conclusion, based on the procedures performed, about the compliance of the sustainability report with the requirements of the GRI Standards. We carried out our work in accordance with the criteria established by "International Standard on Assurance Engagements 3000 (revised) - Assurance Engagements other than Audits or Reviews of Historical Financial Information" ("ISAE 3000 revised"), issued by the International Auditing and Assurance Standards Board (IAASB) applicable to limited assurance engagements. This standard requires that we plan and perform the engagement to obtain limited assurance about whether the sustainability report is free from material misstatement.

A limited assurance engagement is less in scope than a reasonable assurance engagement carried out in accordance with ISAE 3000 revised, and consequently does not enable us to obtain assurance that we would become aware of all significant matters and events that might be identified in a reasonable assurance engagement.

The procedures we performed on the sustainability report are based on our professional judgement and include inquiries, primarily of the company's personnel responsible for the preparation of the information presented in the sustainability report, documental analyses, recalculations and other evidence gathering procedures, as appropriate.

Specifically, we performed the following procedures:

- 1 analysing the reporting of material aspects process, specifically how the reference environment is analysed and understood, how the actual and potential impacts are identified, assessed and prioritised and how the process outcome is validated internally;
- 2 comparing the financial disclosures presented in the "Key figures at a glance" and "Economic value generated and distributed" sections of the sustainability report with those included in the parent's financial statements;
- 3 understanding the processes underlying the generation, recording and management of the significant qualitative and quantitative information disclosed in the sustainability report.

Specifically, we held interviews and discussions with the parent's management personnel. We also performed selected procedures on documentation to gather information on the processes and procedures used to gather, combine, process and transmit non-financial data and information to the office that prepares the sustainability report.

Furthermore, with respect to significant information, considering the group's business and characteristics:

- at parent and subsidiaries level:
  - a) we held interviews and obtained supporting documentation to check the qualitative information;
  - b) we carried out analytical and limited procedures to check, on a sample basis, the correct aggregation of data in the quantitative information;
- we visited the Vedano Olona and Gornate sites, which we have selected on the basis of their business, contribution to the key performance indicators and location, to meet their management and obtain documentary evidence, on a sample basis, supporting the correct application of the procedures and methods used to calculate the indicators.





**LATI Industria Termoplastici Group**

*Independent auditors' report*

*31 December 2024*

### **Conclusion**

Based on the procedures performed, nothing has come to our attention that causes us to believe that the 2024 sustainability report of the LATI Industria Termoplastici Group has not been prepared, in all material respects, in accordance with the requirements of the GRI Standards.

Varese, 23 May 2025

KPMG S.p.A.

(signed on the original)

Paolo Rota  
Director of Audit





**HIGH  
PERFORMANCE  
THERMOPLASTICS**

## **HEADQUARTER**

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

 +39 0332.409111


 +39 0332.409307

 [www.lati.com](http://www.lati.com)

 [info@lati.com](mailto:info@lati.com)

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