



Sustainability Report

2024

TESYA S.p.A.

Registered office and Headquarters:

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Share Capital Euro 6,364,300 fully paid-in

Chamber of Commerce Milan Monza Brianza Lodi Companies Register,

Tax Code and VAT No. 00156280026



Sustainability Report

2024

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Letter to the Stakeholders

2024 was a year of major progress for the TESYA Group operationally and in terms of sustainability, as it consolidated its identity as a responsible, innovative and long-term-focused industrial enterprise. Within a complex and ever-evolving global environment, the Group has continued to follow the TESYA EVOLUTION 2025 business plan, as it further strengthens - including through new acquisitions - and focuses on technological innovation, operational excellence, and environmental sustainability.

The commitment to sustainability is an ethical duty and a strategic growth lever for the TESYA Group. The Group in 2024 accomplished its objective of joining the United Nations Global Compact, consolidating its commitment to achieving the Sustainable Development Goals of the United Nations 2030 Agenda through the numerous ESG initiatives outlined below.

The **TESYA DECARBONIZATION 2030** plan, which focuses on reducing climate-changing emissions, promoting actions to improve energy efficiency, water management, waste disposal and the circular economy. Major progress was also seen on the social front in 2024, such as the adoption of the Group's Human Rights Policy, which consolidated its formal commitment to the protection of people and the promotion of a fair and inclusive work environment, the Great Place to Work certification,



Lino Tedeschi

Chairman and CEO
of the TESYA Group

which confirmed the quality of the professional environment, and the "Back to Your Future" project, an initiative focused on remotivating young people who are not studying or working, which gave concrete form to the Group's commitment to contribute to the growth of the communities in which it operates.

The TESYA Group in 2024 also continued to invest in training, safety and technological innovation, cognizant of the fact that continuous improvement and a drive for excellence are the keys to successfully tackling challenges and opportunities. We highlight the STARTech training programs (for young technicians), the training of Group managers and the improved career planning, particularly for high-potential young people. A total of 147,000 hours of training were provided during 2024, providing concrete evidence of the Group's commitment in these areas.

The TESYA Group confirms its commitment to responsible evolution, prioritizing the strengthening of operational efficiency, the development of internal expertise, to accelerating the digital transformation and to growth. The goal remains to make a positive, lasting and shared impact by promoting a development model based on innovation, talent and a strong sense of responsibility to people, communities and the environment.

2024 in brief

THE TESYA GROUP

More than
90

Years of
experience



>€1.764b

2024
Revenues



€1.274b

Net Capital
Employed



15

Countries



128

Branches

>32k

Rental fleet



>40k

Monitored assets



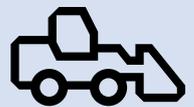
>1k

Mobile workshops



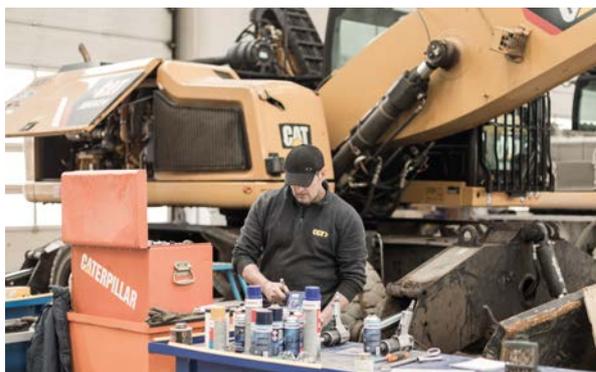
>8k

Units sold per year



>5M

Spare parts delivered per year



GOVERNANCE SECTION

44%

Female presence on the **Board of Directors** of the parent company TESSYA S.p.A.

No established cases of corruption in 2024



SOCIAL SECTION

3,785

Workforce at 31.12.2024



+9%

Workforce compared to 2023



147k

total hours

approx. 39 hours per capita provided in the year

Training



ISO 45001 certification

CGT, CLS, Finanzauto, STET, Teknoxgroup Hrvatska, Teknoxgroup Srbija, Teknoxgroup Macedonia

OHSAS 18001 certification

Teknoxgroup Srbija

ISO 9001 certification

CGT, Finanzauto, Teknoxgroup Srbija, Teknoxgroup Hrvatska, Teknoxgroup Macedonia, Teknoxgroup Slovenija, XIBER

ENVIRONMENTAL SECTION

20.7

MWh/pp

Overall **energy intensity**

44.5

MWh/€m revenue

4.5

MWh/pp

Energy intensity for **electric power and district heating**

9.6

MWh/€m revenue



+216%

Renewable energy consumption vs 2023

-34%

tCO₂eq **Scope 1 and Scope 2** emissions per €m revenue vs 2021

73%

Waste **recycled**

2.1

m³/€m

0.99

m³/pp

Water intensity

ISO 14001 certification

CGT, Finanzauto, Teknoxgroup Srbija, Teknoxgroup Hrvatska, Teknoxgroup Macedonia

ISO 50001 certification

Finanzauto

ISO 20121 certification

CGTE

UNI CEI 11352 ESCO Certification

XIBER



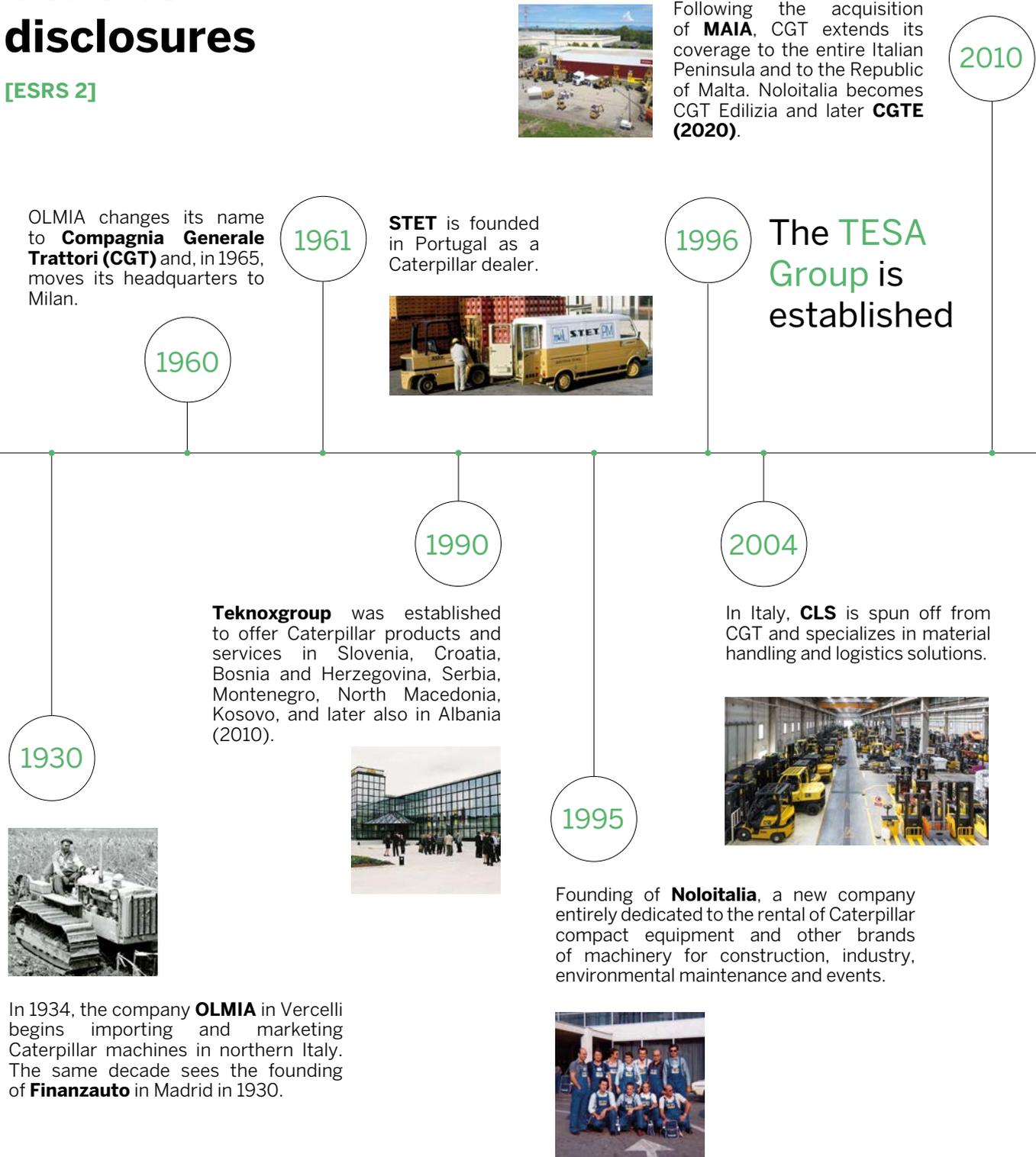
General
Disclosures



01. TESSA'S APPROACH TO SUSTAINABILITY

General disclosures

[ESRS 2]



The TESA Group expands its presence in the Iberian Peninsula with the acquisition of **Finanzauto** in Spain and of **STET** in Portugal.

2018

2020

The Group consolidates and brings together all its companies under a new identity with strong shared values: **TESYA**.

2023

The TESSYA Group acquires through CLS the Belgian company **Alax Automation** (specializing in automation for various sectors) and establishes **XIBER Energy Solutions**, which operates in the field of energy transition. The latter acquires **Zanotti Energy Group**, a company with a focus on photovoltaics.



2013

CGT adds the DAF dealership in 2008 and in 2013 spins off this business into the new entity **CGT Trucks**, dedicated to the sale and rental of industrial vehicles.



2022

The TESSYA Group acquires through CGTE the Spanish rental company **Emerent**, based in Asturias.



2025

Alayan is born, an organization integrating TESSYA Group companies operating in the **Rental Services** industry.

2024

CLS acquires **Degrosolutions**, the distributor of Mitsubishi forklifts in Italy, while iMation, CLS's business unit dedicated to logistics automation, becomes **Dymation**. Spain's **Alquiler Maquinaria Soluciones** and Italy's **Strutture**, companies operating in the rental business, join the Group.

2021

Finanzauto acquires **Energyst**, now **Alayan Rental**, an electrical supplies rental company based in Madrid. CGTE acquires GM noleggi, a provider of solutions for various industries. CLS acquires **Alfaproject.net**, a specialist in intralogistics optimization.

Strategy, business model and value chain

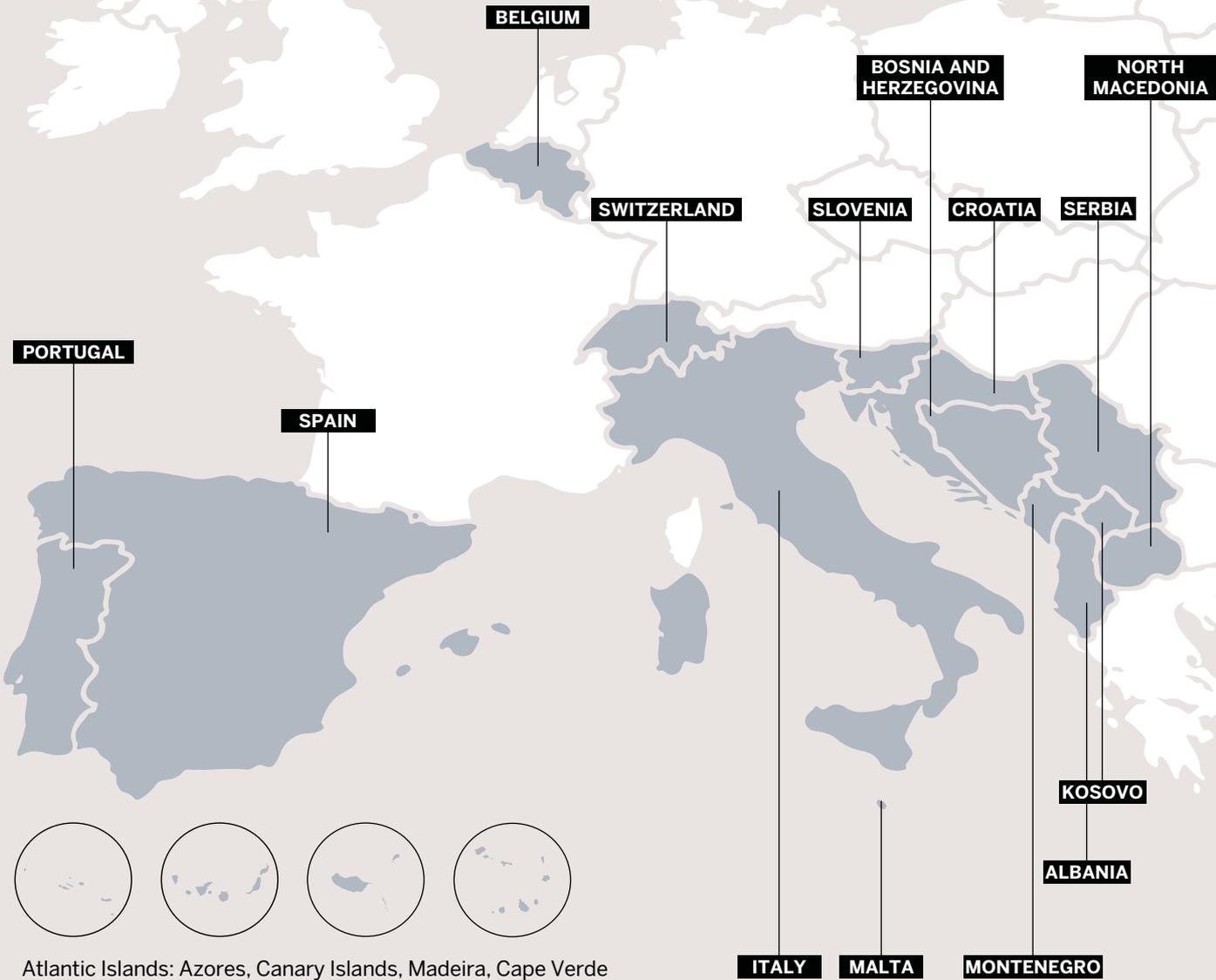
[SBM-1] The TESYA Group has for more than **90 years** set itself apart as an international leader in providing tailored B2B integrated solutions to a range of industries, including construction, site management, marine propulsion, warehousing and logistics, recycling, large event organization, power generation and mechanics, and the energy transition.

The Group's long history is marked by continuous growth, evidenced today by the international presence and operations of its member companies in 15 countries, including Portugal, Spain, Italy, Belgium, Switzerland, Cape Verde, and parts of South-East Europe. The continuous evolution of the Group has been possible - and continues to be - thanks to TESYA's DNA: a clear, strategic vision, a pervasive entrepreneurial outlook, and a significant ability to adapt to different contexts, anticipating and adapting to the needs of its customers.

TESYA continued in 2024 to expand its presence through the acquisition of new operating companies. In particular, CLS S.p.A. completed, effective from January 1, 2024, the acquisition of Degrosolutions S.r.l., a company specializing in the sale, rental and technical service of forklifts. Furthermore, in Q4 2024, CGTE S.p.A. established Alayan Emerent Maquinas e Equipamentos LDA in Portugal to develop the rental business in the country. Finally, TESYA acquired the companies Alquiler Maquinaria Soluciones S.L. in Spain and Struture S.r.l. in Italy, both of which operate in the rental of products and systems complementary to the Group's current market offerings.

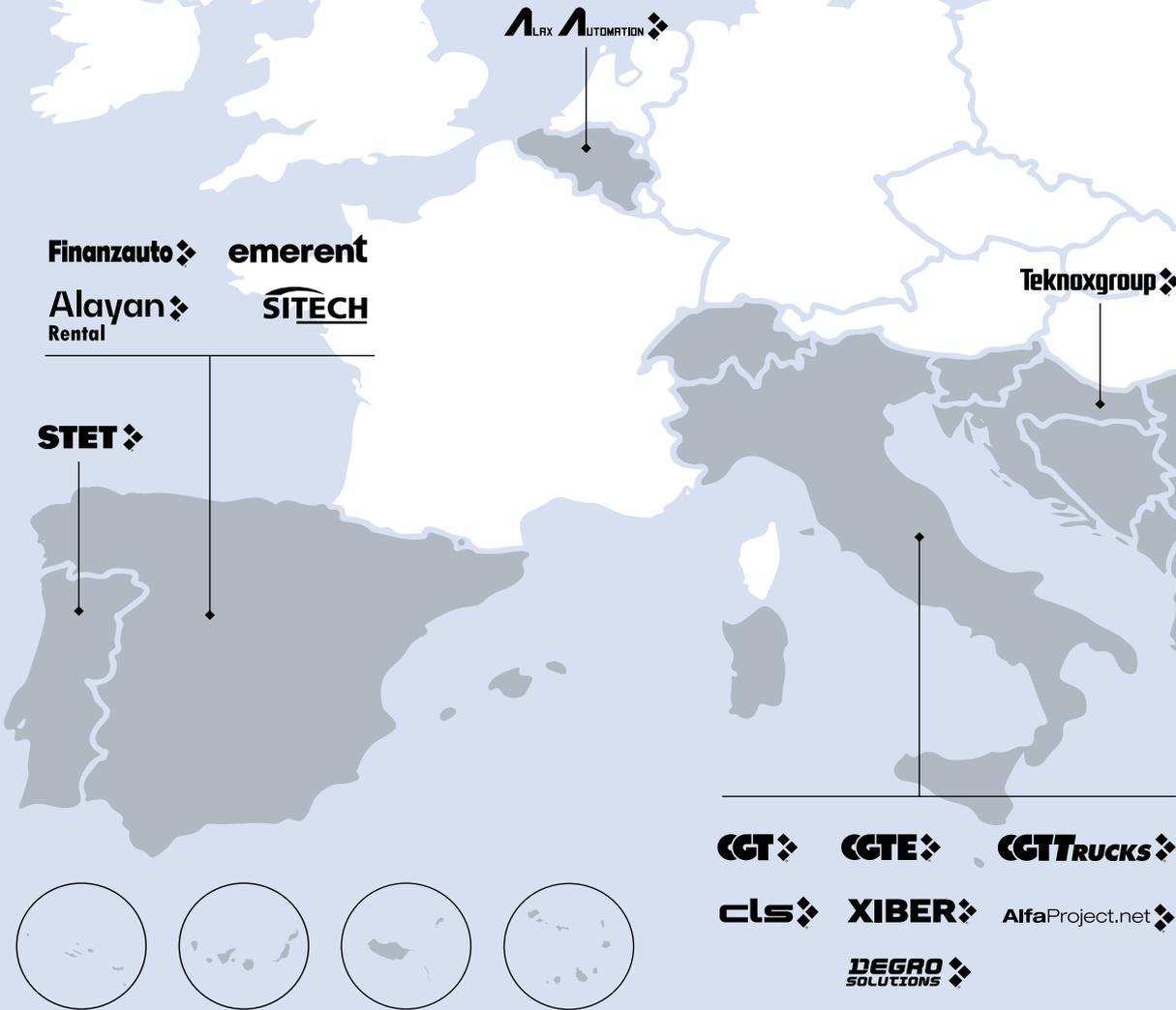
The parent company TESYA S.p.A. today controls, directly or indirectly, **27 companies**¹, boasting a Europe-wide network of **128 branches** working to ensure the best customized solutions for every industry and customer. The Group's success is made possible through the work of its 3,785 employees, united by the common goal of generating value. All TESYA staff are committed to promoting on a daily basis the growth of the people and companies they work with and to generating a positive impact on the communities in which the Group operates, pillars of the value system.

1. The companies Alquiler Maquinaria Soluciones S.L., Spain; Struture S.r.l., Italy and Alayan Emerent Maq. e Equip. LDA, Portugal, as acquired at the end of 2024, were excluded from the scope of the 2024 Sustainability Report.





100%		CGT S.p.A. Vercelli, Italy		
100%		CGT Trucks S.p.A. S.G. Mil.se (MI), Italy		
100%		CGTE S.p.A. Varedo (MB), Italy	▶ 100%	Exclusivas de Maquinaria y Equipos S.L. Riaño Langreo, Spain
			▶ 100%	<i>Out of scope</i> Alayan Emerent Maq. y Equip. LDA Portugal
100%		CLS S.p.A. Segrate (MI), Italy	▶ 100%	Degrosolutions S.r.l. Arzignano (VI), Italy
			▶ 51%	Alfaproject.net S.r.l. Milan, Italy
			▶ 100%	Alax Automation B.V. Herentals, Belgium
70%		CAYMO Maintenance S.L. El Astillero, Spain		
100%		Finanzauto S.A. Arganda del Rey, Spain	▶ 99.8%	STET S.A. Priol Velho, Portugal
			▶ 100%	Alayan Rental S.L.U. Arganda del Rey, Spain
			▶ 100%	Tecno. Guiado de Maq. S.L.U. Arganda del Rey, Spain
100%		XIBER Energy Solutions S.r.l. Vimodrone (MI), Italy		
100%		Teknoxgroup S. A. Mendrisio, Switzerland		
	▶ 100%	Teknoxgroup Shqiperi Sh.p.k Tirana, Albania	▶ 100%	Teknoxgroup Slovenija d.o.o. Grosuplje, Slovenia
	▶ 100%	Teknoxgroup Srbija d.o.o. Vrcin, Serbia	▶ 100%	Teknoxgroup Crna Gora d.o.o. Podgorica, Montenegro
	▶ 100%	Teknoxgroup Kosovo I.l.c. Fuschë Kosovë, Kosovo	▶ 100%	Teknoxgroup d.o.o. Grosuplje, Slovenia
	▶ 100%	Teknoxgroup Hrvatska d.o.o. Zagreb, Croatia	▶ 100%	Teknoxgroup B.H. d.o.o. Sarajevo, Bosnia
	▶ 100%	Teknoxgroup Macedonia d.o.o.e.l. Skopje, Macedonia		
100%	<i>Out of scope</i>	Alquiler Maquinaria Soluciones S.L Spain		
100%	<i>Out of scope</i>	Strutture S.r.l. Italy		

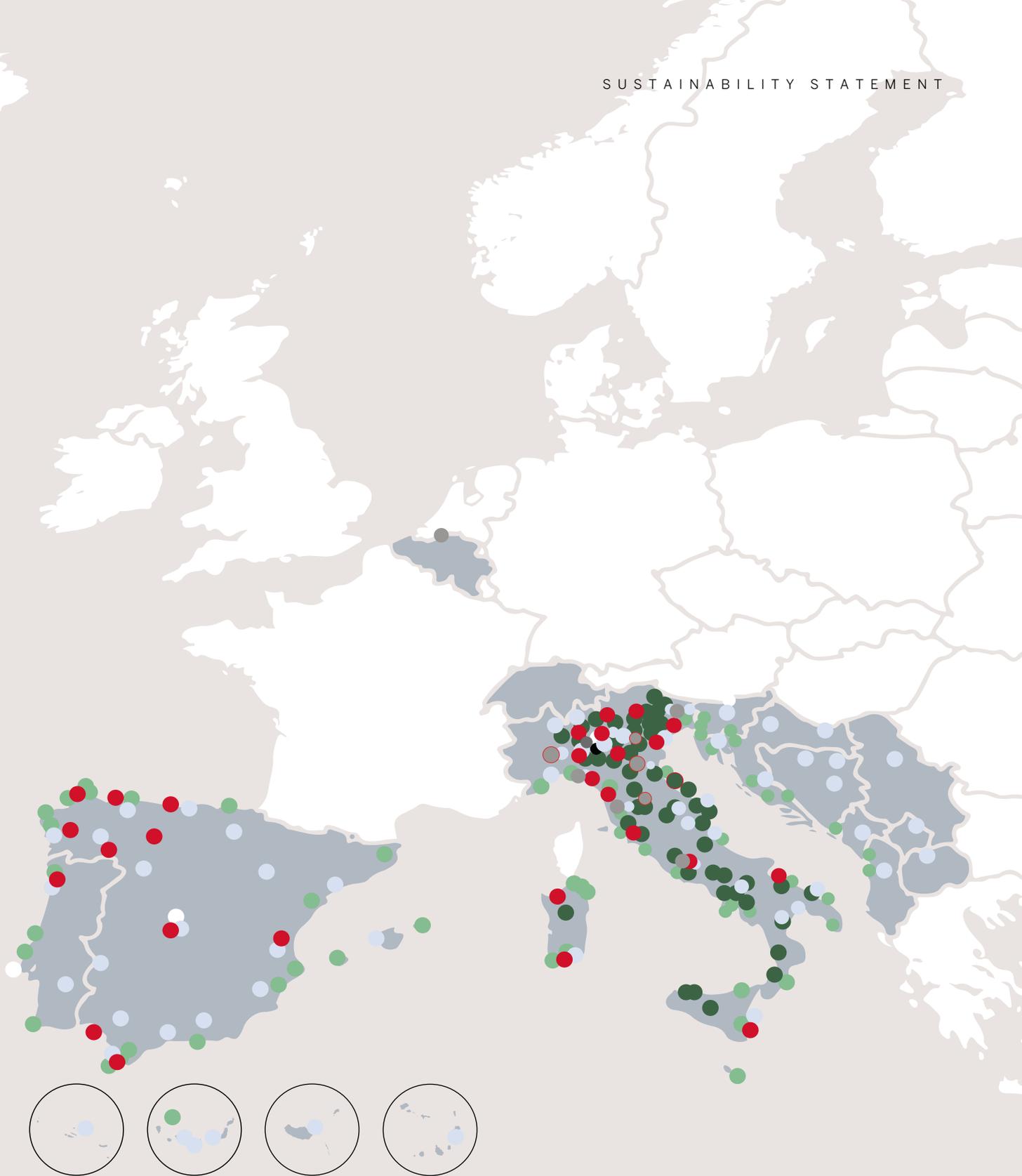


Atlantic Islands: Azores, Canary Islands, Madeira, Cape Verde

The Group is also supported by **4 logistics hubs** and a network of **70 authorized workshops** for direct technical service of marine engines. TESYA's network also consists of **90 concessionary companies** (Second Level Dealer) for sales and service of compact machines. Finally, **4 international partnerships** with collaboration agreements or joint ventures have been established to extend the offerings of Group companies in geographic areas where TESYA is not present. This extensive network ensures the offer of a full range of products, services and solutions in all market segments in which the Group operates.

The TESYA Group's leadership in its target markets is based on its extensive presence in Europe, the use of innovative technologies, and solid expertise in its various business sectors. Thanks to these distinctive factors, the Group companies are able to offer a wide range of design and consulting services, new and used sales, technical assistance, and performance monitoring and optimization. In addition, to offer the best solutions to its customers, the Group works with global leaders for the products offered, such as: Caterpillar, DAF, Komptech, Sandvik, Mitsubishi (since 2024, previously Hyster), MAFI, HSM, Agilox, Versabox and Yaskawa and Pronar.

The transactions, in the four macro-sectors in which TESYA operated in 2024, secured **consolidated revenues of Euro 1,764 million**. The largest sector is **earthmoving, construction and building**, which accounts for 70% of consolidated revenues. This is followed by **power generation** (21%), **material handling** (7%) and **industrial vehicles** (2%).



Atlantic Islands: Azores, Canary Islands, Madeira, Cape Verde

LEGENDA

- CAT Dealer
- Logistics Hub
- Alax Automation
- CGTE
- Second-level dealer
- Alfaproject.net
- Emerent
- AMD
- CLS
- Alayan Rental
- CGT Trucks
- XIBER

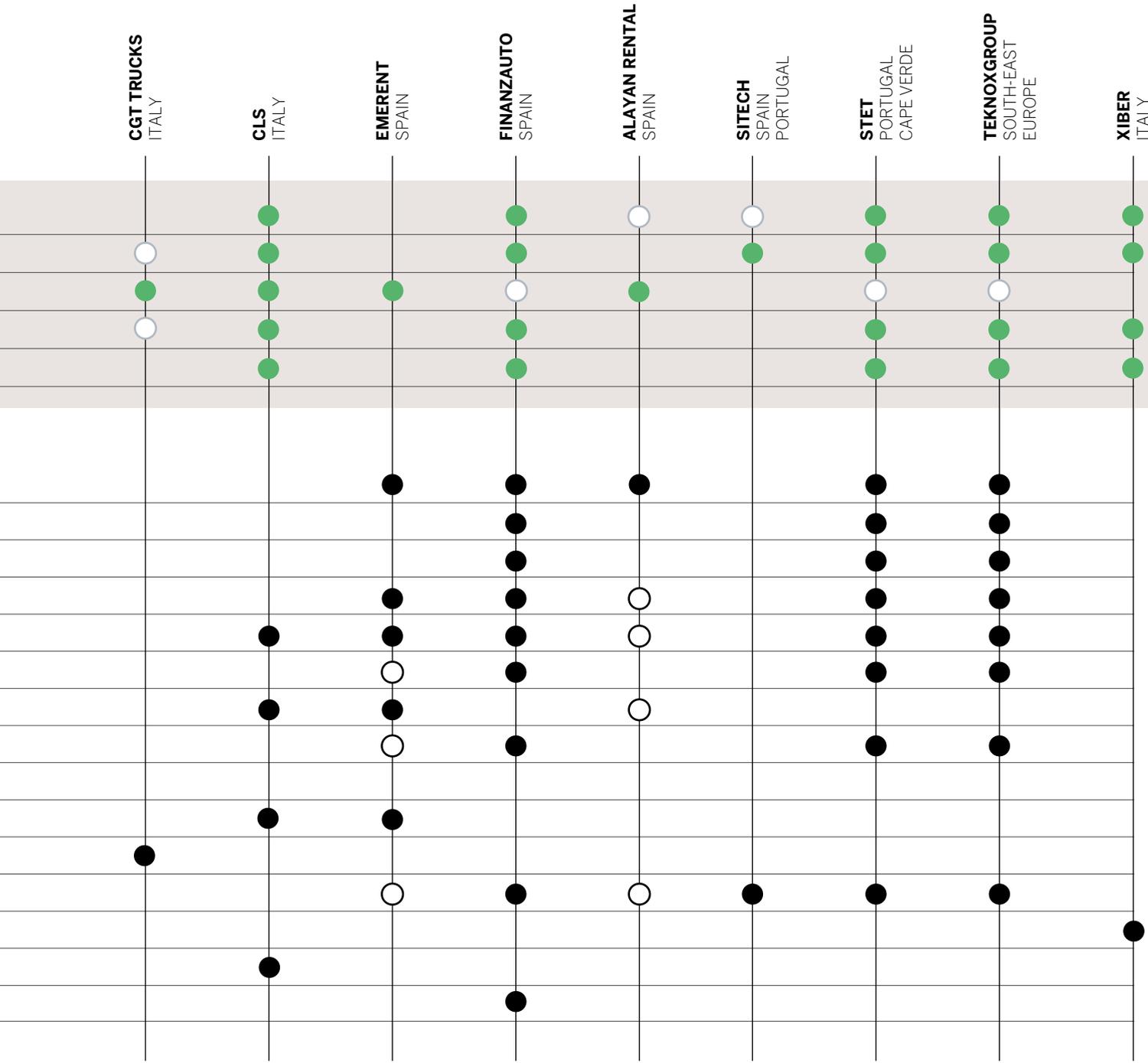
● ● Core activities ○ ○ Secondary activities

Services Offered

	ALAX AUTOMATION BELGIUM	ALFAPROJECT.NET ITALY	CGT ITALY	CGTE + AMS + STRUTTURA ITALY SPAIN
Design and consulting	●	●	●	●
Sales (new and used)			●	
Rental			●	●
Technical assistance			●	●
Remote monitoring and performance optimization	●	●	●	

Product Categories

	ALAX AUTOMATION BELGIUM	ALFAPROJECT.NET ITALY	CGT ITALY	CGTE + AMS + STRUTTURA ITALY SPAIN
Electric power generation motors			●	●
Mechanical power generation motors			●	
Worksite machines (mining and infrastructure)			●	
Construction machinery and equipment			●	●
Machines for special applications (waste)			●	●
Road paving machines			●	○
Lifting machines				●
Crushing and sifting machines			●	○
Machines and equipment for events				●
Intralogistics machines and equipment				●
Industrial vehicles				
3D systems			●	○
Energy transition				
Warehouse automation	●	●		
Garden maintenance machines			●	●
Modular constructions				●



OUR BUSINESS MODEL

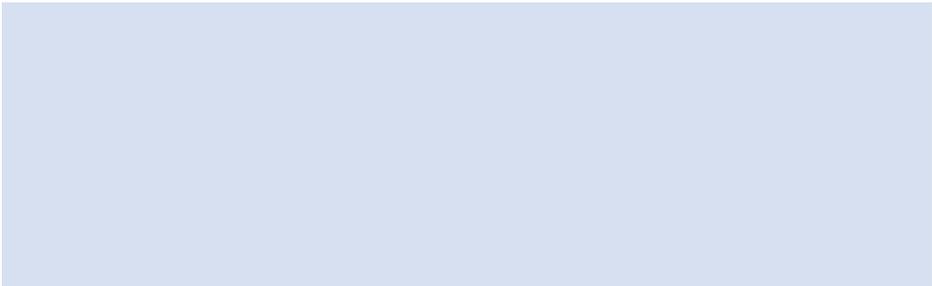
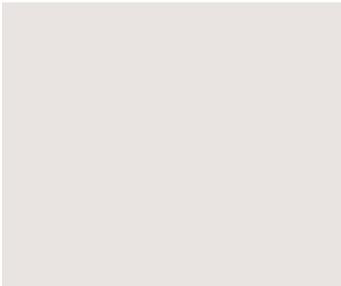
The TESYA Group's operating model is based on offering integrated and innovative solutions that create value for industrial customers. Four main categories of resources are employed by the Group companies:



The Group's day-to-day activities are carried out according to a **responsible and ethical operating vision**, shared and pursued by all its member companies. Respect for the principles of legality, integrity, transparency, fairness, environmental protection, health and safety is the foundation of TESYA's way of working, which promotes virtuous behavior and ensures a safe, stimulating and responsible working environment.

The Group measures the results generated through:

- Operating/financial parameters**
e.g., revenues, ROIC and ROE
- Organizational parameters**
e.g., workforce growth, turnover, skill development, health
- Parameters concerning customer satisfaction and perception of TESYA and its operating companies**



INPUTS

Financial resources

- Share capital
- Investments
- Debt capital

Physical-structural resources

- 15 countries
- 28 companies
- 128 branches
- 4 logistics hubs, 90 authorized workshops and 60 dealerships
- Wide range of innovative solutions

Human resources

- Diversity of the more than 3,700 employees in Europe
- High-level technical and specialized skills
- Experience and integrity
- Health and safety

Stakeholder relations

- Partnerships with associations
- Relationships with the key TESSA Group Stakeholders

Natural resources

- Renewable energy
- Energy from fossil sources

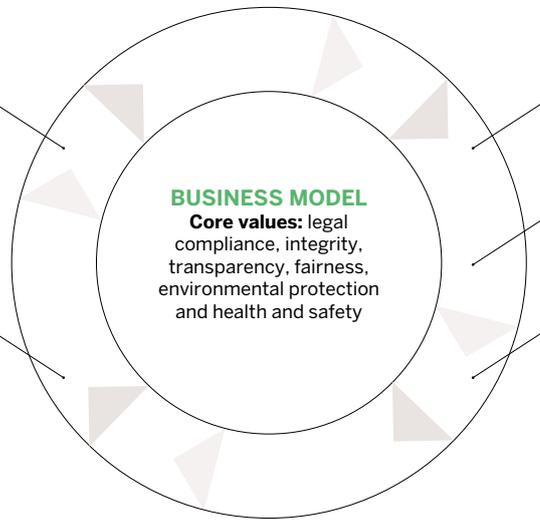
Technical assistance

Design and consulting

Remote monitoring and performance optimization

Sale (new and used)

Rentals



OUTPUTS

For the TESSA Group

- Growth in turnover (€1.764 billion in 2024)
- Invested capital of €1.274 billion in 2024
- High talent attraction and retention (+9% workforce in 2024)
- Strong growth of its people through training projects

For customers

- High-quality products and services
- 32,000 assets in rental fleet
- >5 million parts delivered in 2024
- Establishment of ongoing partnerships and trust
- Customer satisfaction

For communities

- Contributing to community well-being through various projects, including collaborations with schools and universities to support young talent
- Membership of associations

For the environment

- Reduction of emissions
- Developing projects to foster circularity

OUTCOME

Impact on prosperity



Impact on the environment



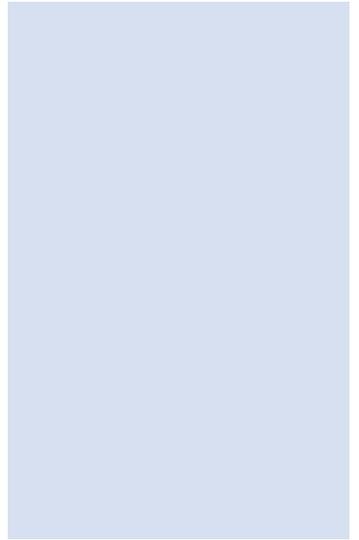
Impact on people



Impact on governance

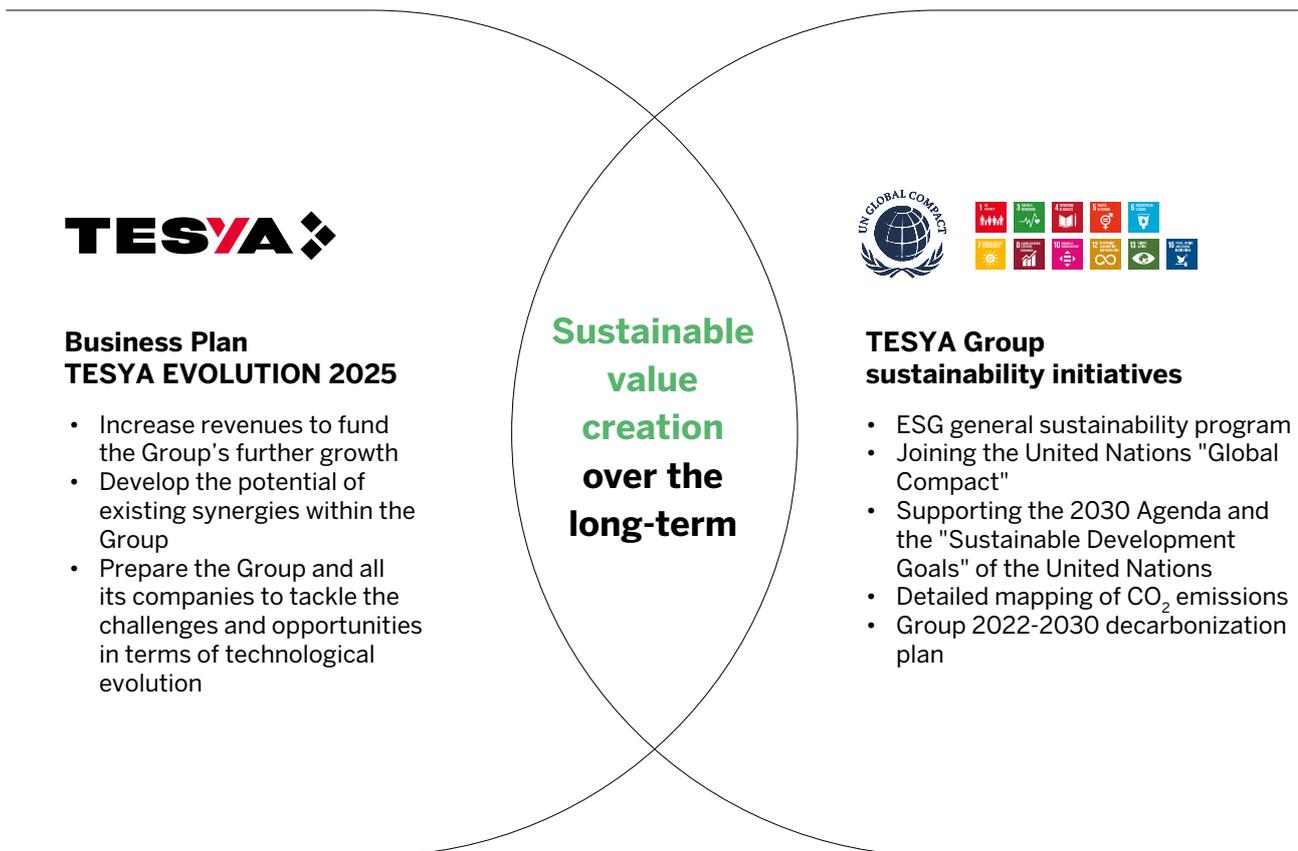


In addition, the Group had already by 2023 conducted an analysis to identify which Sustainable Development Goals (SDGs) it can contribute to through its initiatives and commitments, as set out by the United Nations in Resolution A/RES/70/1 and the "Agenda 2030" document. Starting with the monitoring of its sustainability performance reported in this document, TESSYA verified that the positive impact generated for Stakeholders and the environment in which it operates contribute to the achievement of a number of the **SDGs**.



SUSTAINABILITY FOR THE TESYA GROUP

The **TESYA Group**, as specified in its mission statement, is committed to integrating sustainability-driven choices and actions into its business strategy, contributing to the creation and sharing of long-term value. For TESYA, shared value arises from the intersection of the economic-financial sphere and the sustainability sphere:



In advancing its path toward sustainability, TESYA follows an approach to progressively increase and formalize commitments, resources, and efforts devoted to environmental, social, and good governance initiatives in order to steadily improve its sustainability performance and anticipate regulatory obligations.

This ambition is combined with the growth and development priorities outlined in the **TESYA EVOLUTION 2025 business plan**, already approved in 2022, whose goals are:



The plan includes the major sustainability goals, and specifically:

- **The drafting of an integrated action plan** that embraces and integrates environmental, social, and governance (ESG) responsibility, beginning with the identification of priority areas where the TESSA Group can make a difference. For each of these, the Group is committed to progressively setting challenging goals, concrete actions, and transparent and shared progress review processes;
- **The annual publication of the Group's consolidated Sustainability Report**, anticipating changes in the regulatory environment. Although the Group is not subject to regulatory requirements for financial year 2024, it has voluntarily chosen to embark on a path of compliance with the principles and requirements of the Corporate Sustainability Reporting Directive (CSRD) and the new European Sustainability Reporting Standards² (ESRS). Consistent with its values and a long-term vision focused on transparency and sustainable value creation, TESSA launched an initial reporting exercise based on these standards in 2024, with the goal of progressively integrating them as required by the regulations;
- **The creation and dissemination of a Group-wide sustainability culture**, starting with raising awareness of sustainability issues among those identified as Sustainability Reporting Officers for each of the Group companies (Op.Co. Focal Points).

2. Sustainability reporting standards developed by the European Financial Reporting Advisory Group (EFRAG) under a mandate from the European Commission, which define the sustainability reporting requirements for companies subject to the Corporate Sustainability Reporting Directive (CSRD).

JOINING THE UNITED NATIONS "GLOBAL COMPACT"

During 2024, the TESSYA Group also concluded its journey to join the United Nations **"Global Compact"**, formalizing its commitment to achieving the concrete goals stemming from the 10 core principles promoted by the initiative.

The principles of the Global Compact are linked to topics focusing on Human Rights, Labor, Environment, and Anti-corruption, which should be integrated into daily activities, policies, and corporate procedures as best practices to ensure responsible stewardship of people and the environment.

THE GROUP'S VALUE CHAIN

TESSYA's **upstream value chain** consists of an indirect and a direct aspect. The former relates to the procurement of raw materials, such as steel, iron, aluminum, tires, electronic components, and plastic materials, needed by OEMs for the production of various finished products, which Group companies buy, market, rent, and repair. The latter - the direct aspect - on the other hand, consists of all substances and materials needed for maintenance and technical service activities, such as lubricating oils, paints, mechanical tools, etc.

The Group's **own operations** consist of:

The **design, sale or rental** of integrated solutions: machinery, equipment, plant.



Technical service activities, which the Group provides through its network of highly specialized technicians, consisting of a range of services that ensure the proper operation, maintenance, and repair of machinery, equipment, and plant.

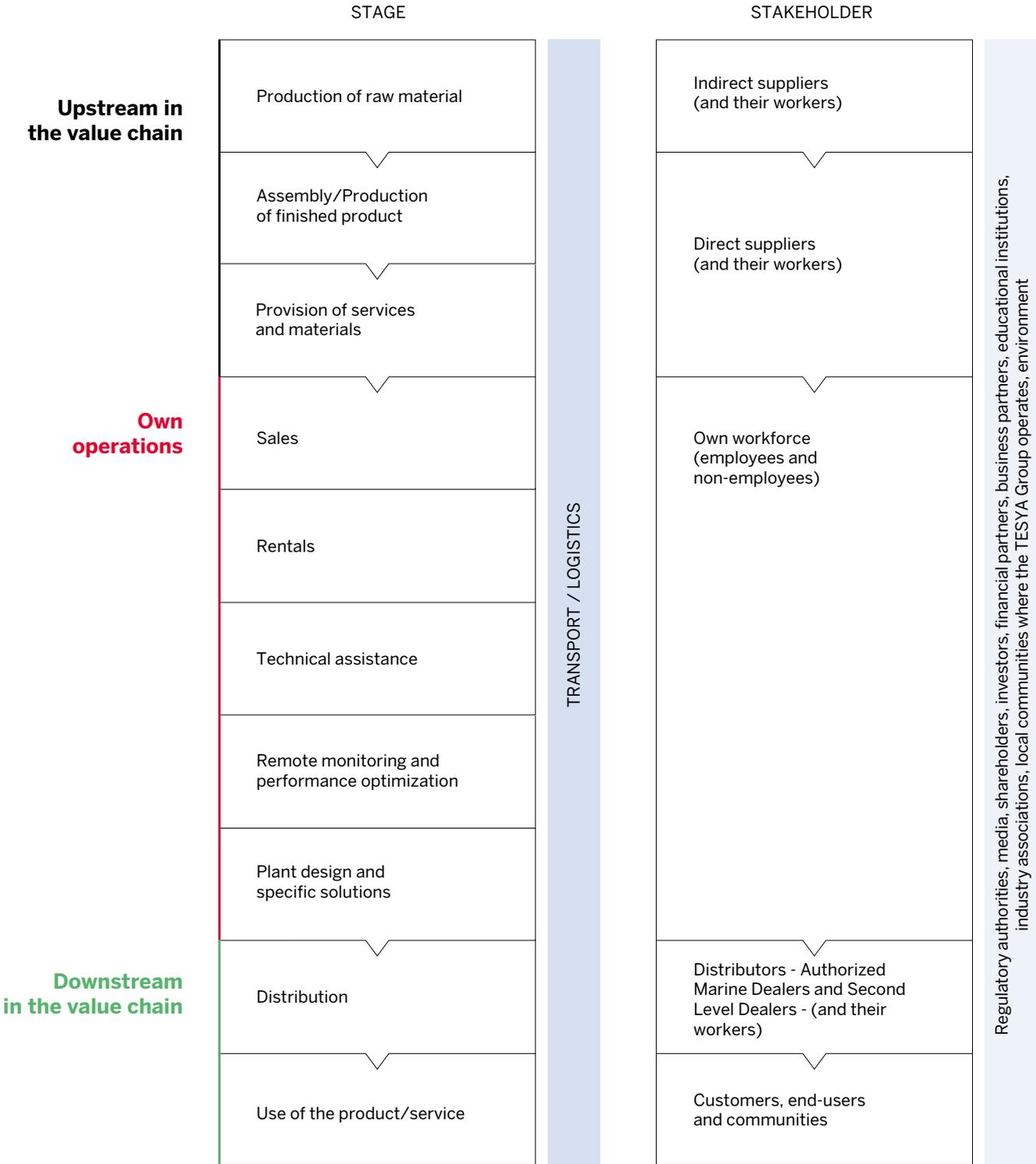


Remote monitoring and performance optimization, which allows real-time monitoring of machine and plant conditions via sensors and the detecting of any anomalies or inefficiencies.



Predictive analytics, which has its basis in machinery monitoring activities, enables diagnostic processes to detect faults and malfunctions in advance. Scheduling necessary maintenance reduces maintenance costs and maximizes operational efficiency.





Downstream in the value chain, TESSA's widespread authorized distributors enable the Group to offer an additional level of proximity and service at customer and end-user locations.

Stakeholder engagement

[SBM-2] Active listening and discussion with Stakeholders or those potentially impacted by Group activities are an integral part of the responsible approach adopted by TESSYA. Open dialogue and transparency in relations with Stakeholders are crucial to understanding their expectations, needs and priorities, and to be able to respond effectively to any critical issues. At the same time, constant listening ensures the Group's success over time and enables it to anticipate changes arising from internal and external contexts through the improvement of employees' daily actions and the consolidation of relations in general with Stakeholders over the long term.

The Group in 2024 expanded and integrated the context analysis it began in 2022, identifying with greater granularity the categories of Stakeholders along its value chain and applying the most appropriate ways of engaging each of them. The ultimate goal, with a view to continuous improvement, is to integrate the perspectives of the key Stakeholders in the value chain within the company's strategic thinking and choices.



EMPLOYEES

Engagement takes place on the internal communication platform (Conecta) through specific campaigns that seek to foster constant and transparent communication.

At the same time, questionnaires on organizational health, sense of belonging, and climate - such as the **"2024 Great Place to Work Survey"** - are used.

In recent years, the program for assessing and developing the performance and individual potential of human resources has also been strengthened in order to identify talents and enhance their skills. Finally, the TESSYA Group periodically promotes events, such as roadshows, workshops, and branch meetings, which seek to strengthen the bond between employees and corporate culture.



CUSTOMERS

Direct customer involvement provides a strategic opportunity to establish constructive dialogue and gather information to support the growth and development of the TESSYA Group. Various initiatives - such as trade fairs, open houses, conventions, and conferences - have been promoted for this purpose that allow for both presenting the industrial solutions offered and actively listening to customers, gathering feedback on their needs, expectations, and perceptions. In addition, the Group is actively engaged in communication through social networks, which increasingly provides an opportunity for virtual meetings and a more direct and motivating mode of communication.



SUPPLIERS

Exhibitions, conventions, and conferences enable the TESSYA Group to strengthen partnership ties with its suppliers and work toward mutual growth.

These events allow people to grow their networks and foster the emergence of closer collaborations through the sharing of innovative ideas, best practices, and the opportunity to develop new and different solutions.



SHAREHOLDERS AND LENDING INSTITUTIONS

Shareholders and lending institutions are involved through periodic meetings to discuss and evaluate company performance, needs, strategies, and development plans. These meetings also help develop trust, improve alignment regarding long-term goals and market opportunities, and facilitate discussion of the Group's development potential.



LOCAL COMMUNITIES

The TESYA Group makes financial contributions to initiatives to support development and well-being in the local area. To do so it promotes - among other projects - active collaboration with Technical and Vocational High Schools, providing training and growth opportunities for young people, as further described in the following chapters. Talent & Career Days are another important opportunity for dialogue offered by the Group. These help young talent join the workforce and contribute to the growth of communities and the Group itself.



PROJECT PARTNERS

Project partners are involved through initiatives and technical collaborations that are essential for sharing expertise, new perspectives and innovative solutions.



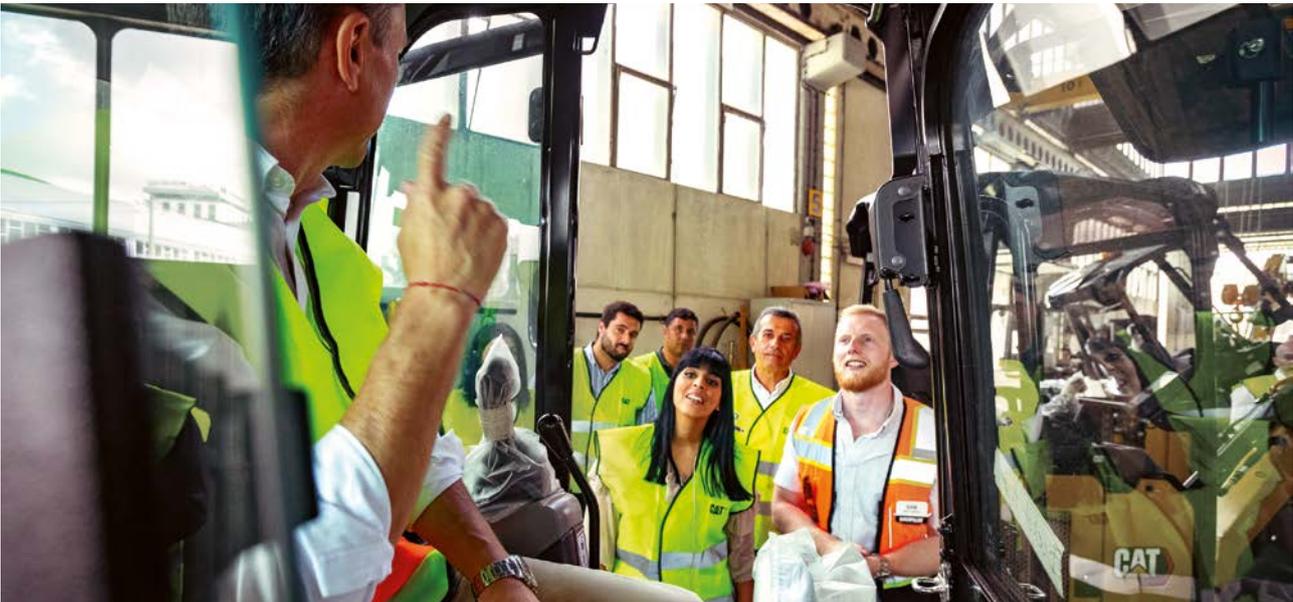
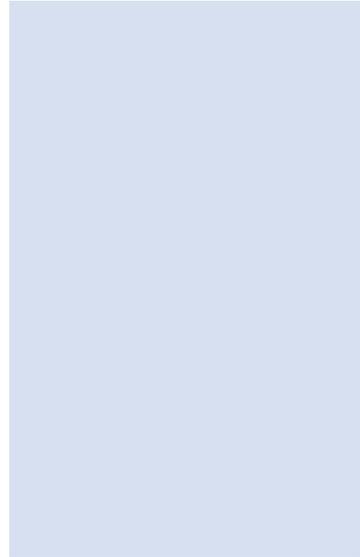
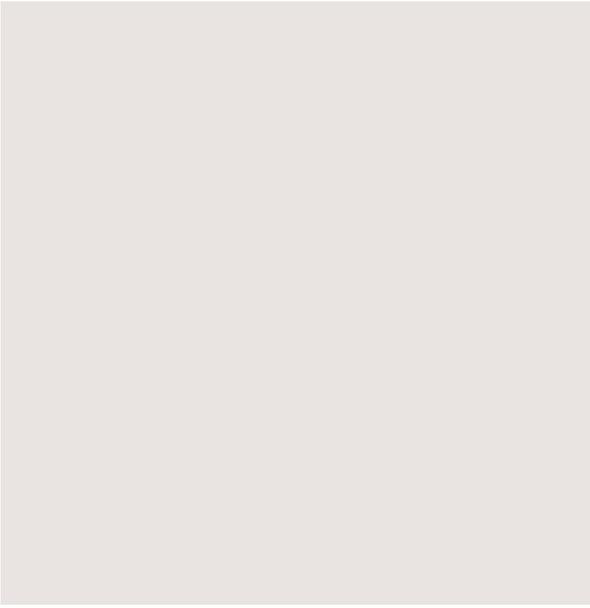
PUBLIC SECTOR

Relations with the public sector are conducted as directed by the entities in question and are managed in a structured manner that complies with the requirements of the applicable standards.



List of Associations in which Group companies participate

CLS	  
CGT	     
CGTE	
CGT Trucks	
XIBER Energy Solutions	
Teknoxgroup Slovenija	
Teknoxgroup BH	  
Teknoxgroup Hrvatska	 
Teknoxgroup Crna Gora	
Teknoxgroup Srbija	  
Teknoxgroup d.o.o.	
Teknoxgroup Kosovo	
Teknoxgroup Shiqperi	
Finanzauto	     
	     
	     
	   
STET	
TESYA	



Materiality analysis

[IRO-1] With the introduction of the Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS), materiality analysis has evolved into the concept of **double materiality**, which refers to two aspects: impact materiality and financial materiality.

Impact materiality consists of identifying the material **impacts** that the organization may have externally (on the environment, community, people); these impacts may be positive or negative, actual or potential, and the assessment must take into account the Group's entire value chain, as described above.

Financial materiality, meanwhile, seeks to identify relevant **risks and opportunities** that affect the TESSA Group's economic/financial performance, e.g., cash flows, business development capacity, and cost of capital.

To describe both aspects of materiality, the impact materiality analysis conducted by TESSA in 2023 in line with the GRI Universal Standards 2021 was supplemented with the financial materiality perspective, in line with the methodology described below:

01

UNDERSTANDING THE CONTEXT

To better understand the context in which TESSA operates, analyses were conducted considering the Group's main peers, business partners, and customers. Macro-trends identified by industry studies and references defined by some of the leading ESG rating agencies were also considered and, finally, regulatory frameworks were thoroughly assessed. The Group's activities, the key characteristics of its value chain and corporate documentation were then taken into account.

02

IDENTIFYING CURRENT AND POTENTIAL IMPACTS, RISKS, AND OPPORTUNITIES

The findings of the context analysis enabled the development of a longlist of possible risks and opportunities and the topics, sub-topics and sub-sub-topics covered by the ESRS. The list was supplemented

with material impacts identified as part of the impact materiality analysis conducted in 2023 and with additional new impacts highlighted by the context analysis. Every impact identified was associated with a risk and/or opportunity where necessary, also considering the characteristics of the Group's activities, the countries in which it operates and its value chain.

ASSESSMENT AND DETERMINATION OF MATERIAL IMPACTS, RISKS, AND OPPORTUNITIES

03

The assessment of risks and opportunities was submitted to the Group's *Steering Committee* with the involvement of the heads of the environmental, social, and governance areas. As in 2023, employees were also involved as internal Stakeholders, while customers, banks, universities, and industry associations were considered external Stakeholders.

The assessment of impacts, risks, and opportunities (IROs) considered both their origin, i.e., whether they derive from the Group's own operations or from the upstream and/or downstream value chain, and their time horizon, distinguishing between short, medium, or long term³.

Impacts were assessed considering the probability of occurrence (for potential impacts), and the significance of the impact considering its scale, scope and irremediable character (the latter only for negative impacts). Scale is defined as the extent of the benefit generated by a positive impact or the severity of a negative impact, scope represents the extent of the impact, and irremediable character indicates the extent to which a negative impact can be remedied.

Risks and opportunities were assessed considering the probability and intensity of the financial effect, using both quantitative and qualitative metrics to enable effective evaluation.

IROs were assessed as "inherent", i.e., excluding any mitigation measures or safeguards adopted by the Group. Once the assessment scores were obtained, the IROs were represented in two heatmaps to visualize their placement and determine their significance based on the materiality threshold, defined in relation to the medium-high and high materiality areas.

3. The TESSA Group considered the time horizons to be aligned with those under the ESRS: the short term is within a year of the following report, the medium term up to five years after the end of the short term and long term beyond five years.

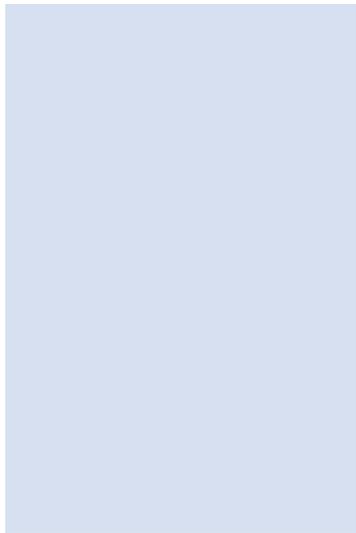
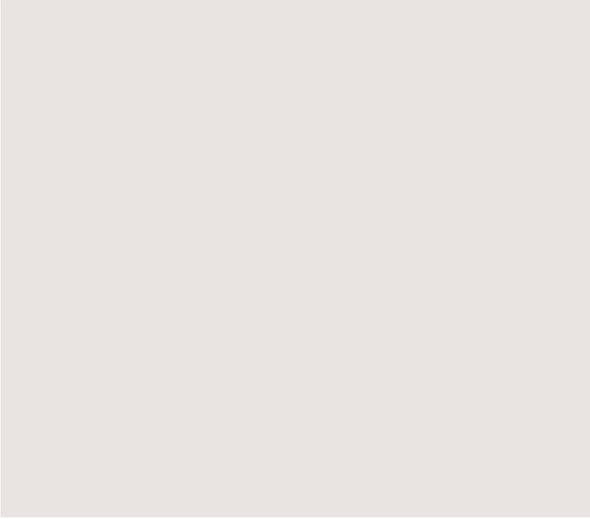
Material impacts, risks and opportunities and their interaction with strategy and business model

[SBM-3] The assessment of environmental IROs emphasized the growing importance of **climate change**, which had already been identified in 2023. There continue to be negative impacts from greenhouse gas emissions, climate risks, and possible effects on Group operations but there are also opportunities related to supporting the energy transition through more sustainable power generation solutions and consumption reduction and optimization. The material topics of **pollution, water**, and **circular economy** are also confirmed, particularly in relation to the sub-topics of resource utilization, waste management, and the circularity of machinery and equipment through reconditioning and reuse projects.

Meanwhile, social issues continue to receive increasing attention, particularly as regards **equal treatment** and **equal opportunities for employees**. Aspects related to **staff training, development** and **engagement** are material, as are those related to **occupational health and safety**. In parallel, the topic of workers along the value chain is assuming increasing significance, with a specific focus on respecting their human rights. Finally, the TESSA Group pays special attention to customers and end-users: in this area, material aspects are those related to their health and safety, the quality of service provided, and satisfaction levels.

In terms of governance, **management of relationships with suppliers** is a new material topic for the Group. Issues relating to **corporate culture, ethics** and **integrity** are once again material, while aspects relating to **misconduct or incidents of corruption and protecting whistleblowers** have become increasingly significant. The Group has always valued these aspects, which are reflected in its daily actions. Unlike in 2023, aspects of **cybersecurity** and **digitization** topics are reported within the social section of this document.

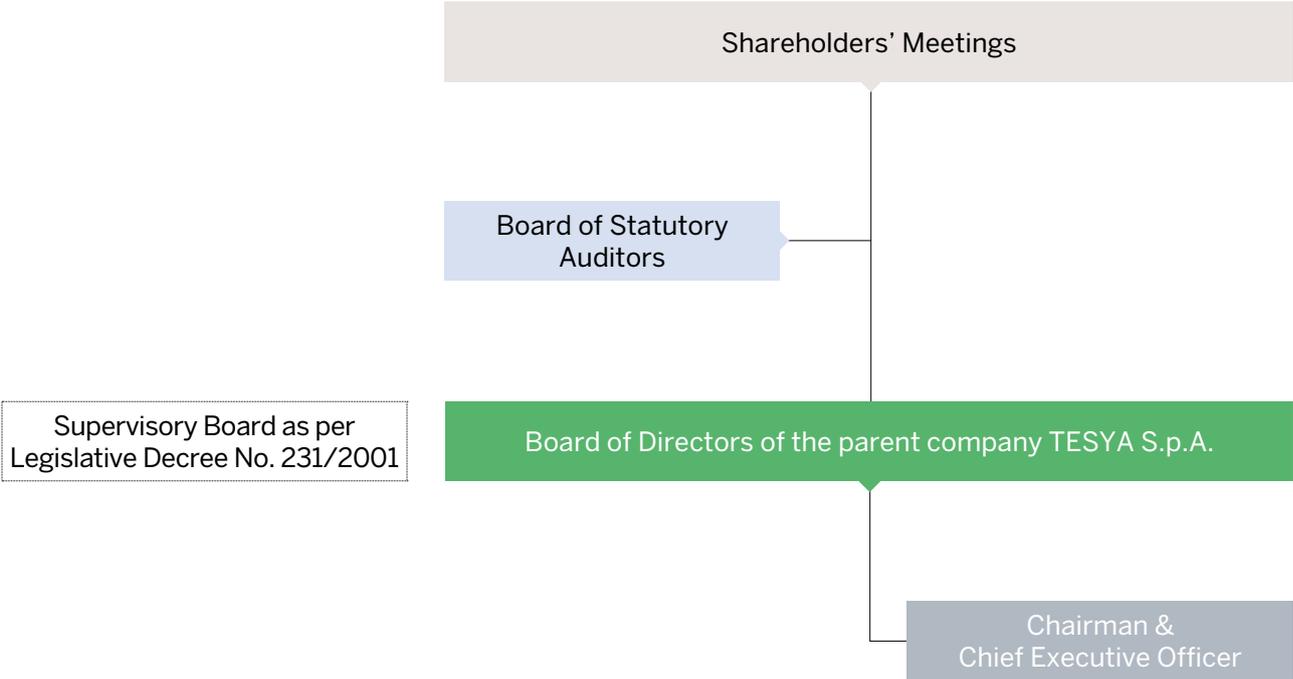
For details of the list of **51 impacts, risks, and opportunities** that are relevant to TESSA, see the Appendix.



TESYA GROUP GOVERNANCE MODEL

[GOV-1] The TESYA Group recognizes the importance of an adequate governance model in effectively performing its activities. The TESYA Group's governance is designed with the ultimate goal of promoting transparency, efficient decision-making, risk management, and regulatory compliance, and to protect all Stakeholders affected by the Group's activities. TESYA commits to operating in full compliance with the applicable regulations, internal rules, and ethical principles that guide its daily action, as described in the Code of Ethics, contributing to the generation of sustainable value and promoting shared values and culture at every organizational level.

The parent company TESYA S.p.A.'s governance model, and that of its subsidiaries, follows the provisions of each company's By-Laws and adopts a traditional structure. Each company's Shareholders' Meeting appoints the members of the Board of Directors (BoD) based on the rules specified in the By-Laws. Each Director's term lasts three years in Italy and six years in Spain, while local regulations apply in the other countries in which the Group operates. The mandate ends with the Shareholders' Meeting approving the budget for the last year of their tenure. A Board of Statutory Auditors is in place at the Group's Italian joint-stock companies, or those with another legal form where required by law.



BOARD OF DIRECTORS

The parent company TESSYA S.p.A.'s Board of Directors comprises nine members, including one executive and four independent members; the latter represent 44% of the total. 56% of the Directors are men and 44% are women⁴.

TESSYA's Board of Directors is responsible for both the ordinary and extraordinary management of the Company, assigning operational proxies and functional powers to the Chief Executive Officer. Beyond its day-to-day responsibilities (e.g., drafting and approving the annual and consolidated financial statements, strategic oversight, approving business plans and budgets, and monitoring performance against set targets), the Board of Directors also oversees strategies relating to the sustainability goals set and reviews the Sustainability Report. The Chairman and Chief Executive Officer also played an active role in shaping the sustainability strategy as a whole, and gave impetus to the preparation of the TESSYA DECARBONIZATION 2030 plan in particular.

Overall, the Directors have robust experience and skills in the legal, sustainability, communications, and strategy fields. This wealth of knowledge reinforces the Board's ability to effectively guide the Group's strategic direction.

The composition of the TESSYA S.p.A. Board of Directors is as follows:

4. According to the Principal Adverse Impacts (PAI) indicator defined in the Commission Delegated Regulation (EU) 2022/1288 supplementing Regulation (EU) 2019/2088 (Sustainable Finance Disclosure Regulation - SFDR), the ratio of women to men (gender diversity ratio) is 80%.

LINO TEDESCHI Chairman & Chief Executive Officer	SARA TEDESCHI Vice-Chairman	CARLOTTA TEDESCHI Director
SILVIA BÖHM Director	STEFANO SEGRE Director	FENNEMIEK GOMMER Director
GUIDO TESTA Director	RICCARDO MONTI Director	CLAUDIO MERENGO Director

Executive Independent

BOARD OF STATUTORY AUDITORS

Where the law or the By-Laws require it, Italian companies must appoint a **Board of Statutory Auditors**. This body is responsible for supervising the company's compliance with the principles of proper administration and the adequacy of its organizational, administrative and accounting structure, along with its compliance with the law and the principles of the By-Laws. Shareholders elect Statutory Auditors every three financial years, and the supervisory body consists of five Statutory Auditors, including the Chairman, two Statutory Auditors, and two Alternate Auditors.

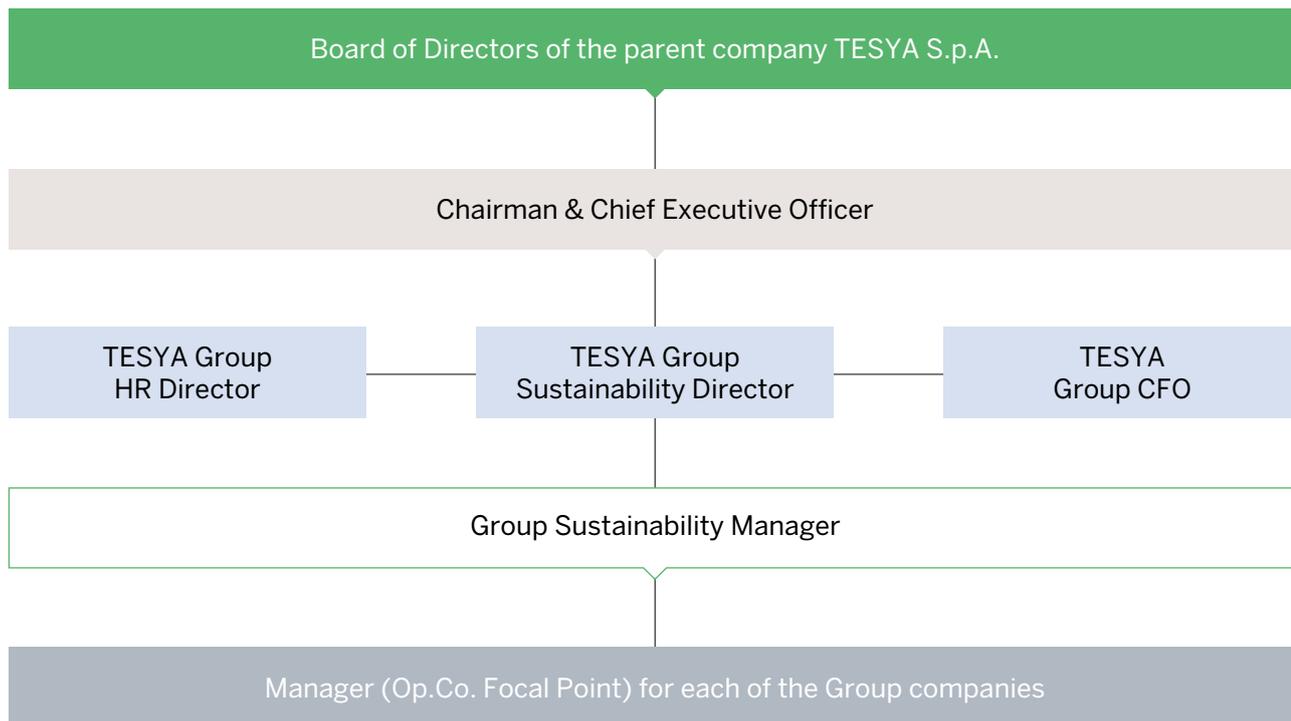
SUSTAINABILITY GOVERNANCE

[GOV-2] As regards the management and monitoring of material impacts, risks, and opportunities, TESSA has embarked on a journey to progressively integrate these elements into Group governance.

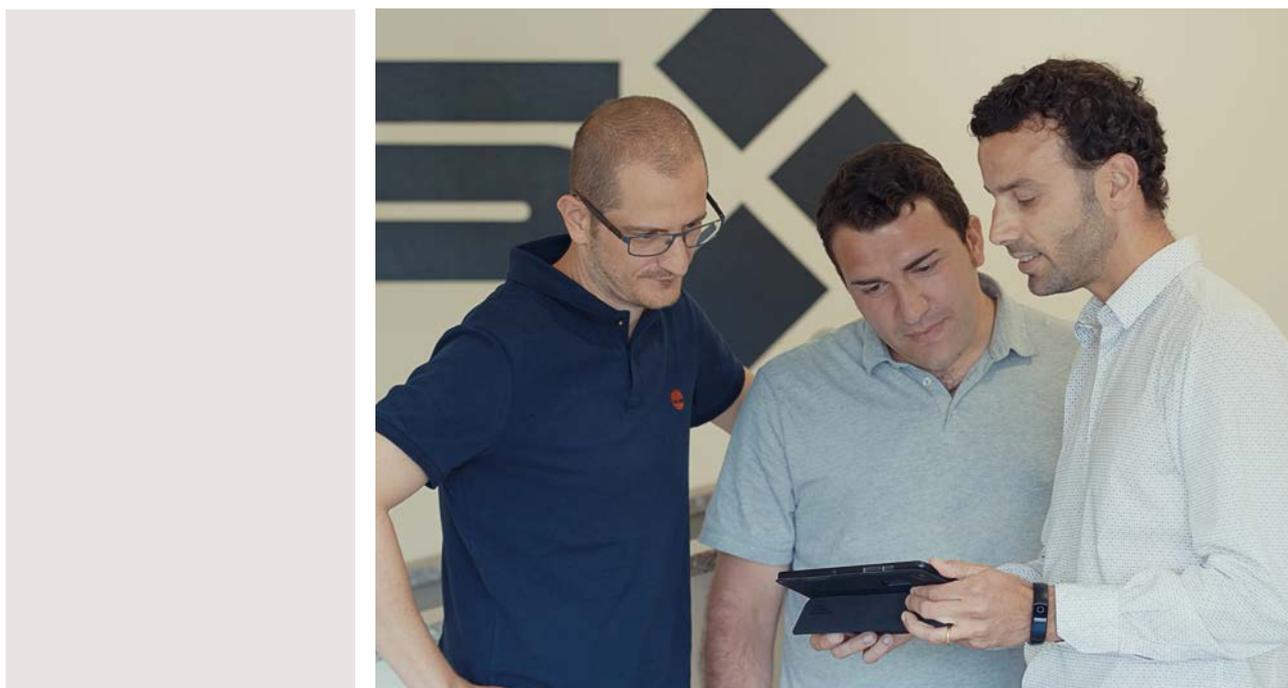
In addition to the Board of Directors, which is ultimately responsible for overseeing corporate strategies and goals regarding sustainability issues, operational management is delegated to a number of key figures. These are the **Group's Sustainability Director**, who is responsible for the ESG program as a whole, and who collaborates with the **Group's HR Director** on social aspects, and the **Group's CFO** on governance issues. These figures, in collaboration with the Chief Executive Officers of Group companies, are responsible for deciding on strategic sustainability guidelines, reporting on progress, and periodically providing information on the progress of activities, investments required, and results achieved.

To support the **Group Sustainability Director**, the role of **Group Sustainability Manager** was introduced in 2024. This figure is responsible for defining and enacting the action plan in its ESG aspects, supporting and coordinating the integration of these issues into the operations of all Group companies. The Sustainability Manager is also responsible for preparing the Group's Sustainability Report, and for the processes of collecting, analyzing, and consolidating the data required for it. S/he serves as a pivot between the Group companies' ESG needs and the Group Sustainability Department.

To further spread the proper management of sustainability-related issues, sustainability reporting officers have been appointed at each Group company (**Op.Co. Focal Points**). These figures are responsible for the local coordination of information flows to and from the central team.



The list of material issues and the impacts, risks, and opportunities overseen by the administrative, management, and supervisory bodies is set out in the chapter *“Material impacts, risks and opportunities and their interaction with strategy and business model”*.



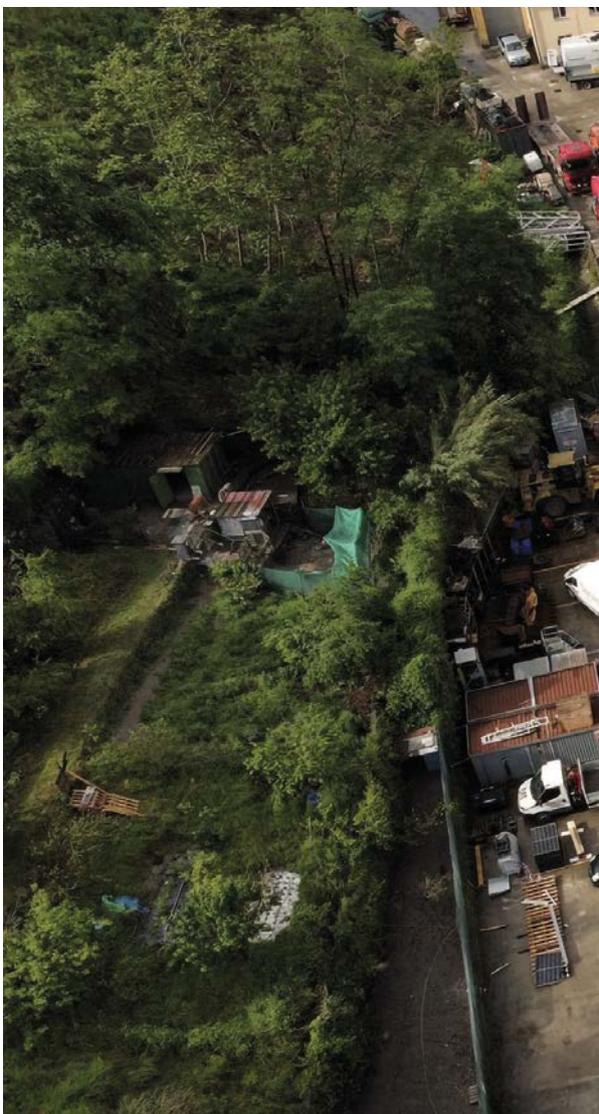


COMPENSATION POLICIES

Compensation of members of the Boards of Directors of Group companies is set by the Shareholders' Meeting upon appointment of these members and remains valid for their entire term in office. For Directors with specific responsibilities and delegated powers, each year the Boards define their compensation, which consists of a fixed element and a variable element linked to the achievement of budgetary objectives, verified by February of the following year. Some Chief Executive Officers also receive long-term incentives agreed upon with the parent company.

All Group executives receive a share of fixed pay and a share of variable pay in the form of short-term and - for a number of senior managers - long-term incentive plans. In some cases, these plans include sustainability goals and business expansion, while their structure is uniform at the Group level.

In 2022, a Group-wide grading system and related compensation benchmarks were introduced for all managers. This revealed that their compensation was generally aligned with the market median.



Environmental Information



02. CLIMATE CHANGE

[ESRS E1]

Management of climate change-related impacts and risks

Environmental responsibility is a major focus for the TESSYA Group in its approach to sustainability, as also described in the "**Sustainability Manifesto**", which is publicly available and can be found on the TESSYA website⁵. There are a range of tangible and concrete manifestations of this commitment within the TESSYA Group, including:

5. Available at <https://tesya.com/it/sustainability/>

The "**TESSYA DECARBONIZATION 2030**" program (described in detail in the following section).



ISO 14001 certification for environmental management system, obtained by several operating companies. This standard allows TESSYA to follow a structured approach to taking preventive and improvement measures regarding environmental impacts, minimizing these impacts, complying with regulations, all while meeting demanding pollution reduction goals.



The design and introduction of **energy efficiency** measures and services, offered both internally and to customers and suppliers through the Group's subsidiary XIBER Energy Solutions, which is UNI CEI11352 certified and an "ESCo" (Energy Service Company).



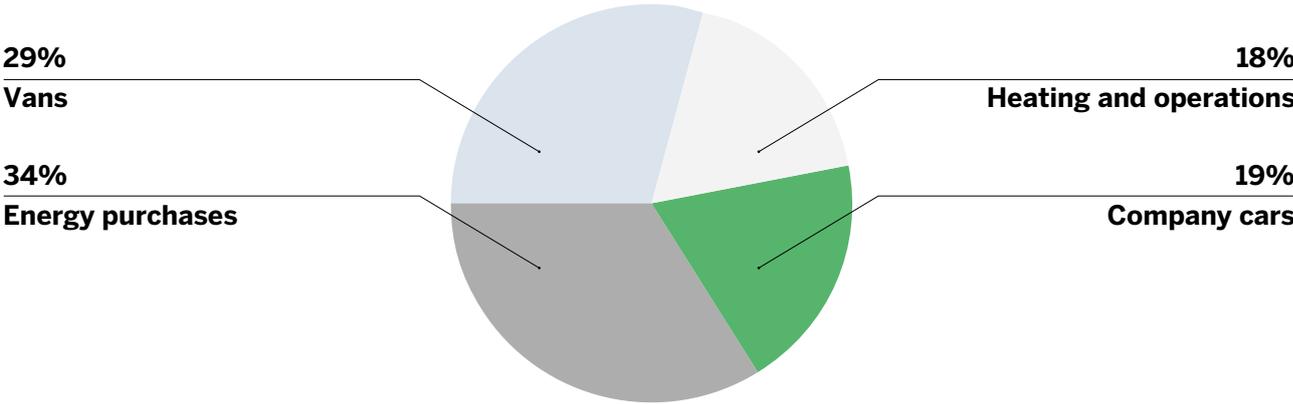
TESYA's decarbonization roadmap

6. Increased business volumes and the change in the reporting scope in FY2023 have necessitated the recalculation of a new baseline of 2021 (the previous one referred to 2019).

[E1-1] [E1-3] [E1-4] In order to formalize and implement a transition plan that aligns with the Paris Agreement to limit global warming to 1.5°C, in 2021, the TESYA Group embarked on a pathway to progressively reduce its climate impact through the **TESYA DECARBONIZATION 2030** project, setting a goal to **reduce Scope 1 and Scope 2 CO₂ emissions by 37.8% by 2030** from those measured in 2021⁶.

TESYA'S CARBON FOOTPRINT IN 2021

EMISSIONS (tCO₂e): **TOTAL 19,778**



-37.8%*

Scope 1 and Scope 2 target by 2030
*vs2021, including the impact due to increased activity for TESYA EVOLUTION 2025

-50%**

specific emissions
**calculated on a comparable basis as tCO₂e/€m and tCO₂e/FTE

ZERO EMISSIONS GOAL

0%

Emissions from the purchase of electricity

c. 50%

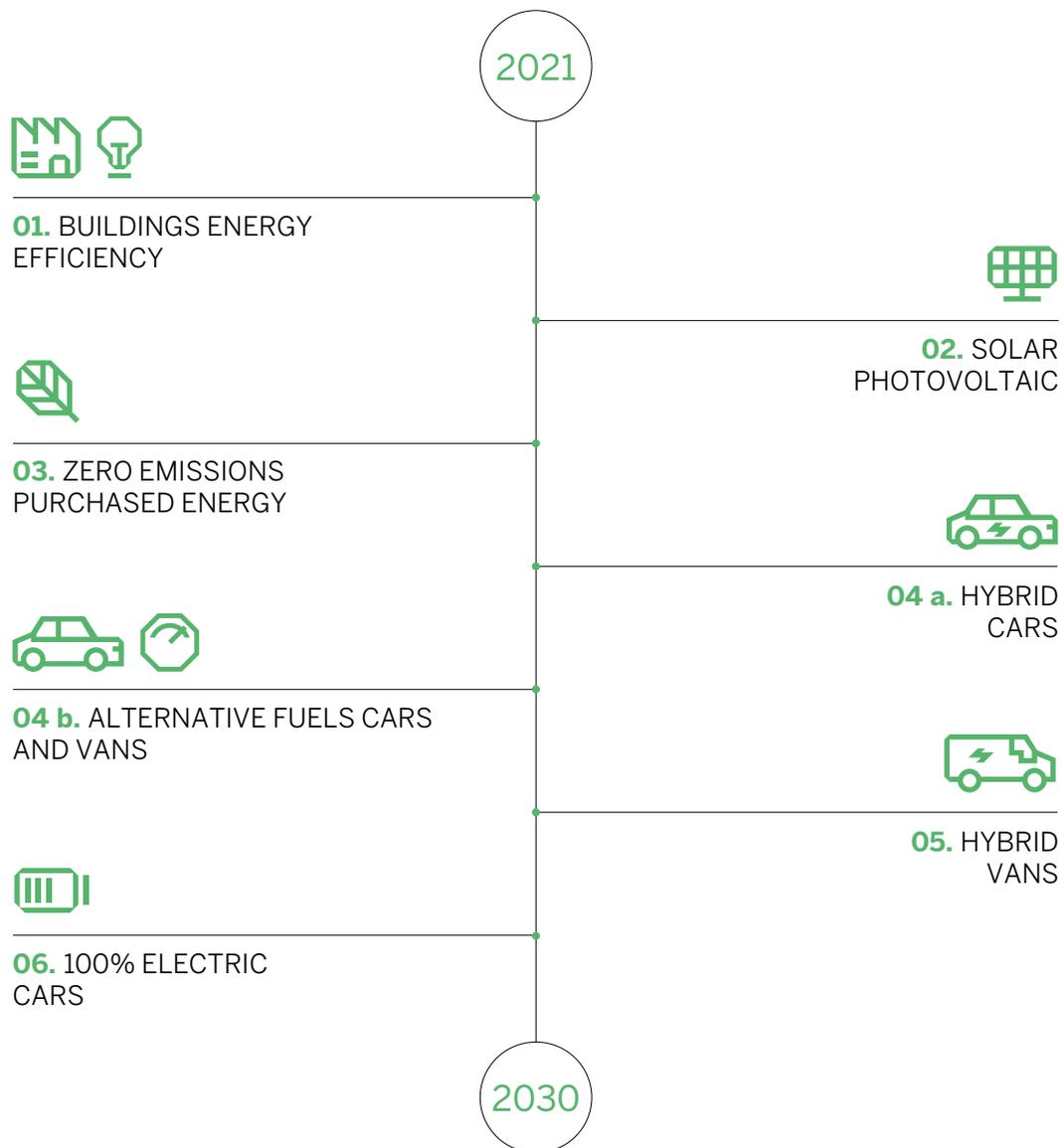
Company vehicle fleet

c. 50%

Heating and operations

The TESSA DECARBONIZATION 2030 program is enacted through significant investments in building efficiency, decarbonizing the electricity consumed, and a transition to more sustainable mobility. The program is also supported by the development of a greater environmental culture and awareness within the Group, including through recurring information campaigns and thanks to the identification and professional development of dedicated specialists.

The TESSA DECARBONIZATION 2030 program has two phases and a number of decarbonization stages:



PHASE 1, FOCUSING ON ENERGY EFFICIENCY AND DECARBONIZING BUILDINGS:

01

Passive energy efficiency (building insulation, fixtures replacement, etc.) and **active energy efficiency** (intelligent regulation of lighting and air conditioning, electrification of heating, improved power quality, etc.).

02

Installation of solar photovoltaics on all buildings with the necessary operational and economic features.

03

Zero emissions for energy purchased through specific agreements with electricity distributors offering renewable Power Purchase Agreement (PPA) contracts or guarantees of origin.

PHASE 2, FOCUSED ON DECARBONIZATION OF THE VEHICLE FLEET:

04

Introduction of hybrid cars to the fleet, along with the first fully electric cars. Plug-in versions were discounted as they were considered unsuitable for TESSYA's traveling staff consumption profiles. Use of biofuels wherever possible.

05

Testing of hybrid vans to verify that the technology currently available on the market is appropriate for the demanding operational needs of TESSYA's mobile workshops.

06

Transition to a vehicle fleet with a high proportion of purely electronic vehicles supported by the concomitant installation of appropriate electric charging infrastructure.

The specific quantitative targets for the various activities are:

- **A 50% reduction in greenhouse gas emissions from heating and use of business premises** by 2028, as included in Pillar 1 of the program.
- **A 100% reduction in emissions from electricity purchase by 2026**, either through autonomous power generation from renewable sources (Pillar 2) or by fully offsetting external supplies (Pillar 3).
- **A 50% reduction in emissions from the fleet of traditionally fossil-fueled company vehicles by 2030**, as compatible with technical progress, in line with pillars 4, 5 and 6.

Pursuing the plan outlined above with great determination, Group companies **invested approximately Euro 6.2 million** in the period **between 2022 and 2024**, net of purely restructuring activities. Specifically, the investments include:

Approx. Euro 3.2 million for photovoltaic systems.



Approx. Euro 1.5 million for efficient lighting.



Approx. Euro 0.8 million for efficient heating systems.



Approx. Euro 0.35 million for smart meters.



Approx. Euro 0.3 million for electric vehicle charging stations.



These optimization measures and efficiency initiatives have led to **cumulative annual savings of at least Euro 0.85 million in operating costs**, creating positive effects both financially and in terms of sustainability. Specifically, the progress achieved in the reporting year is described below:

PROGRESS 2024

**EFFICIENCY UPGRADING
AND ELECTRIFICATION
OF FACILITIES/BUILDINGS**

- Heat pump heating systems powered by **green energy** at the Granada and Beja branches of the Op.Co. Finanzauto SAU.
- Heat pump heating systems powered by proprietary **photovoltaic** and **green energy** at CGT S.p.A.'s Cosenza and Genoa branches.

**INSTALLATION OF
RENEWABLE ENERGY
SOURCES FOR
SELF-CONSUMPTION**

- **Photovoltaic installations** at the Finanzauto SAU offices in Arganda (in addition to the existing system), Valencia, Zaragoza, and Beja, for a total combined power of 380kWp.
- **Photovoltaic systems** at CGT S.p.A.'s offices in Genoa, Cosenza, Rome, Arezzo, Livorno, and Aosta, with a total power of 741kWp. Plant built between 2022 and 2023 at the Padua, Vercelli, and Carugate sites have come into operation, providing a total combined capacity of 1097kWp. A new monitoring system has been introduced.
- **Photovoltaic system** at the CGTE S.p.A. site in Tricesimo (UD) totaling 53kWp.

**PURCHASE OF
ELECTRICITY CERTIFIED
AS RENEWABLE**

- In 2024, most Group companies (Finanzauto SAU, STET S.A., CGT S.p.A., CGTE S.p.A, CGT Trucks S.p.A.) renewed or introduced (CLS at 4 out of 6 sites) a contract for **the supply of energy certified as renewable** through Guarantees of Origin.

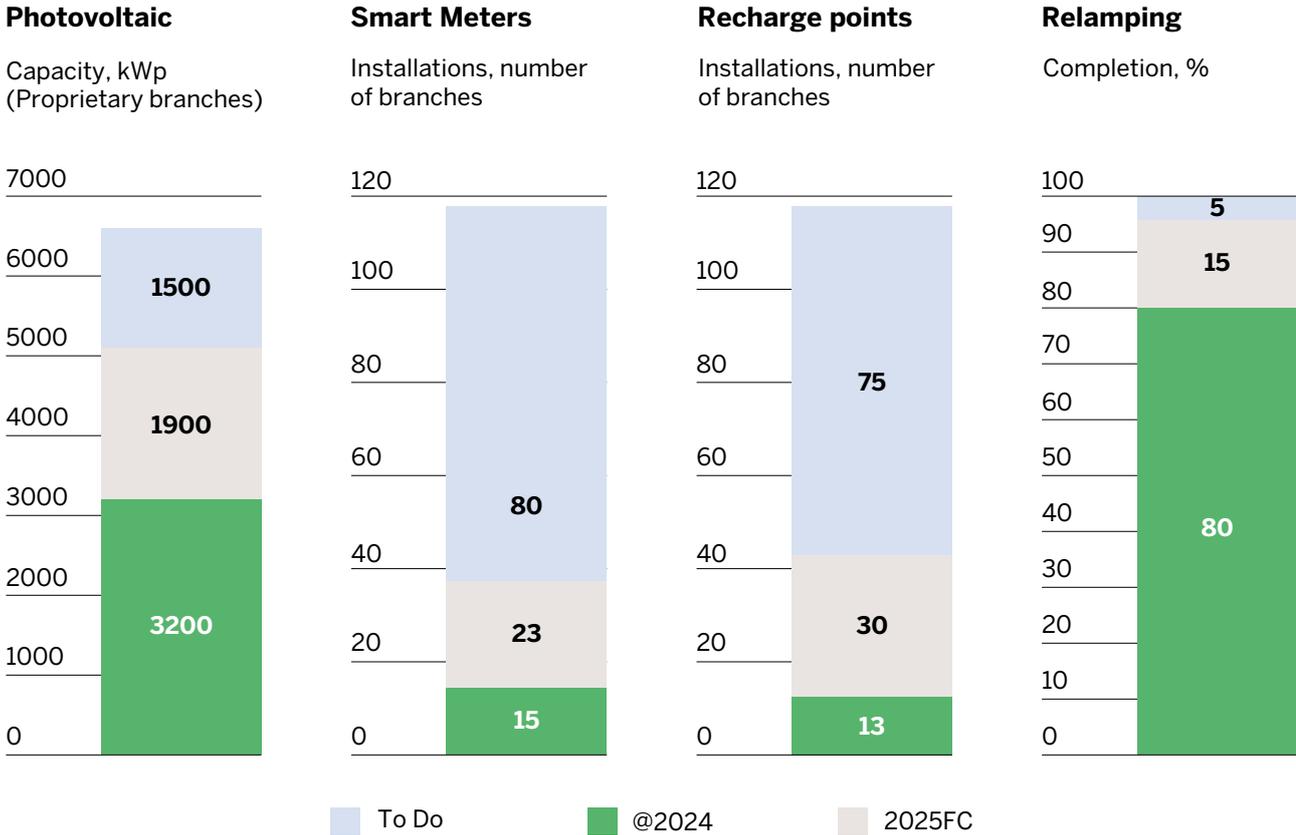
**VEHICLE FLEET
RENEWAL**

- The Group's **car policy** has been renewed. The car policy derives from a broader study that identified models which maximize emission reductions while remaining economically sustainable.

**EPLACEMENT OF
TRADITIONAL FUELS**

- The use of **alternative fuels** such as HVOs, which were added to the fuels purchasable using the fuel card provided by the Group, has been promoted at the company level.
- Two **charging points** have been installed and made operational at the Beja site in Portugal, alongside 13 charging points at the Cosenza, Genoa and Vimodrone sites.

The system to monitor decarbonization initiatives was also strengthened in the reporting year, enabling a more accurate assessment of the evolution of key technologies, as illustrated in the chart below.



Finally, continuing on its journey towards decarbonization and emissions reduction, the TESYA Group has developed a 2024-2030 share plan. This includes the following goals:

Continue to take action to improve energy efficiency, including through conduct that influences consumption and by introducing automation systems to reduce energy waste.



Further increase electricity production from renewable sources, with the target of achieving an operating capacity of up to 6 MWp at the Group's own branches.





Further strengthen the purchase of renewable energy through Power Purchase Agreements (PPAs) or through Guarantees of Origin (GOs).



Adopt a plan to transition to the use of fully electric company cars in the most compatible activities, supporting their adoption by installing more than 120 recharging stations at Group branches.



Launch pilot projects to add hybrid/electric vans to the technical assistance fleet, where compatible with technicians' operations.



Use low-carbon footprint biofuels for the diesel vehicle fleet, especially the heavy commercial fleet.



Energy consumption

[E1-5] In 2024, the TESSYA Group reported total energy consumption of **78,679 MWh**, up 9% from 72,374 MWh in 2023. This is the combined result of growth in operating activities (+4% turnover and +9% headcount), expansion of the reporting scope, and the results of investments in energy efficiency.

Specifically, this change comprised:

- A **9% absolute increase in total energy consumption** on 2023, and therefore a 15% cumulative increase compared to 2021.
- An **11% decrease in energy intensity per €m of revenue** from sales and services compared to 2021.
- A **9% decrease in energy intensity per headcount** compared to 2021.

ENERGY CONSUMPTION KPIS

Relating to revenues from sales and services	2024	2023	2022	2021
Group consumption (MWh)	78,679	72,374	67,158	68,222
Revenues from sales and services (€ million)	1,763	1,690	1,532	1,365
KPI [MWh/€m Revenues from sales and services]	44.5	42.8	43.8	50.0
<i>Percentage change from 2021 (%)</i>	-11%	-14%	-12%	-
Relating to headcount	2024	2023	2022	2021
TESSYA Group headcount at December 31	3,785	3,476	3,157	2,982
KPI [MWh/headcount]	20.7	20.8	21.3	22.8
<i>Percentage change from Baseline (%)</i>	-9%	-9%	-7%	-

An analysis of energy carriers shows that each Group operating company draws on various energy sources depending on its activities. The main energy carriers used are:

- Motor fuels for the company vehicle fleet
- Fuels for heating
- Electricity

Provided below is the breakdown for 2023-2024 of the Group's consumption, divided into the main categories of interest:

ENERGY CONSUMPTION AND MIX (MWH)	2024	2023
Total energy consumption	78,679	72,374
Total energy consumption from fossil sources	64,070	67,748
Fuel consumption from coal and coal products	0	0
Fuel consumption from crude oil and petroleum products	47,882	40,826
Fuel consumption from natural gas	13,779	13,705
Fuel consumption from other fossil sources	0	0
Consumption of electricity, heat, steam and cooling purchased or acquired from fossil sources	2,409	13,217
Share of fossil sources in total energy consumption (%)	81%	94%
Total consumption from nuclear sources	0	0
Share of consumption from nuclear sources in total energy consumption	0	0
Total energy consumption from renewable sources	14,609	4,626
Fuel consumption from renewable sources	0	0
Consumption of electricity, heat, steam and cooling purchased or acquired from renewable sources	12,866	3,793
Consumption of self-generated non-fuel renewable energy	1,742	833
Share of renewable sources in total energy consumption	19%	6%
Non-renewable energy production	0	0
Renewable energy production	1,742	833

Analysis of the table relating to energy consumption and mix reveals that:

- Fossil motor fuel consumption increased significantly (+17% on 2023), mainly due to increased business activity (more vehicles, more kilometers driven) combined with the reduced utilization of electric cars.

- Consumption of gas for heating remained substantially in line with the previous year, despite the increased number of sites and greater activity, due to gradual electrification and energy efficiency measures.
- Overall electricity requirements decreased by 5% on 2023, the result of key elevated energy efficiency, despite greater electrification, the higher number of sites and increased activity levels.
- In terms of overall energy consumption, the Group significantly improved the share of total energy consumed generated from renewable sources, from 6% in 2023 to 19% in 2024. These results highlight the concrete progress that TESSYA has made in its energy transition journey.

Specifically, in terms of electricity consumption:

Electricity consumption and district heating (MWh)	2024	2023	2022	2021
Electricity consumption deriving from non-renewable sources	2,127	12,696	14,474	14,943
Electricity consumption covered by Guarantees of Origin "GOs"	12,866	3,793	106	-
Self-generation of electricity from renewable sources	1,742	833	66	20
District heating	282	521	371	361
Total renewable energy purchased or self-generated	14,609	4,626	172	20
Total electricity and district heating consumption	17,018	17,843	15,017	15,324
Renewable energy as a percentage of total electricity and district heating consumption (%)	86%	26%	1%	0%
Revenues from sales and services (€ million)	1,763	1,690	1,532	1,365
KPI [MWh electricity and District Heating/€m Revenues from sales and services]	9.6	10.6	9.8	11.2
TESSYA Group headcount at December 31	3,785	3,476	3,157	2,982
KPI [MWh electricity and District Heating/headcount]	4.5	5.1	4.8	5.1

- There was a significant increase in energy efficiency: -11.7% per person and -9.4% per €m.
- The share of renewable electricity increased dramatically, from 26% to 86% of consumption.
- The share of self-generated energy increased significantly (doubling since 2023), contributing approx. 10% of total electricity consumption.

The TESSYA Group's carbon footprint

[E1-6] In terms of the TESSYA Group's carbon footprint, in 2024, **Scope 1 and 2** GHG emissions totaled **16,976 tCO₂e** (market-based method), a 17% reduction in absolute terms compared to 2023, despite an approx. 4% increase in Group sales and a 9% increase in headcount. There was:

- A **20% decrease in Scope 1 and 2 emissions per €m** of revenues from sales and services compared to 2023, and therefore a **cumulative decrease of 34% on 2021**.
- A **24% decrease in Scope 1 and 2 emissions per headcount** compared to 2023, and therefore a **cumulative decrease of 32% on 2021**.

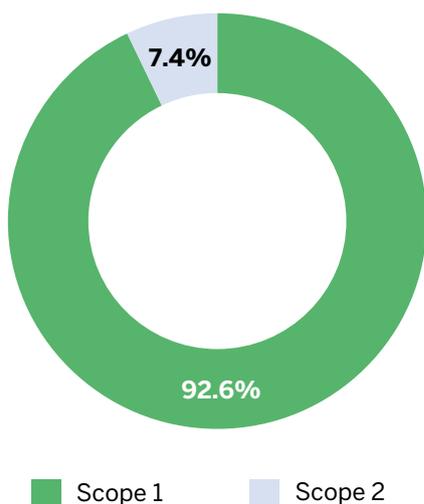
EMISSIONS KPI

Relating to revenues from sales and services	2024	2023	2022	2021
Group total Scope 1 and 2 emissions (tCO ₂ e)	16,976	20,354	19,443	19,778
Revenues from sales and services (€ million)	1,763	1,690	1,532	1,365
KPI [Scope 1 and 2 Emissions/Revenues from sales and services]	9.6	12.0	12.7	14.5
<i>Percentage change from 2021 (%)</i>	<i>-34%</i>	<i>-17%</i>	<i>-12%</i>	<i>-</i>
Relating to headcount	2024	2023	2022	2021
TESSYA Group headcount at December 31	3,785	3,476	3,157	2,982
KPI [tCO₂e/headcount]	4.5	5.9	6.2	6.6
<i>Percentage change from Baseline (%)</i>	<i>-32%</i>	<i>-12%</i>	<i>-7%</i>	<i>-</i>

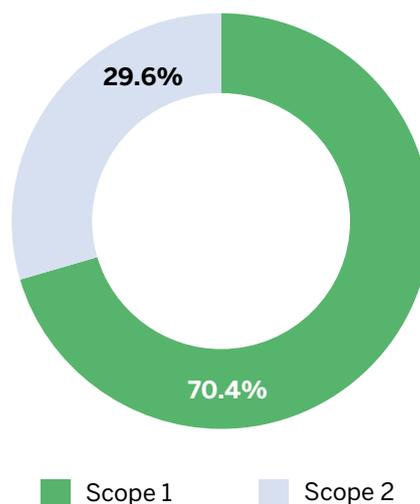
Comparing the results for 2024 and 2021, total emissions decreased approx. 14%, despite an approx. 29% increase in revenues and an approx. 27% increase in headcount.

Emissions (tCO ₂ eq)	2024	2023	2022	2021
Scope 1	15,713	14,332	13,338	13,518
Scope 2 – market-based	1,263	6,021	6,105	6,260
Total Scope 1 and 2 emissions	16,976	20,354	19,443	19,778

TOTAL TESYA
SCOPE 1 AND 2
2024 (tCO₂e)



TOTAL TESYA
SCOPE 1 AND 2
2023 (tCO₂e)



Scope 1 emissions - i.e., "direct" emissions from combustion - increased approx. 9.6% on 2023, and thus cumulatively 16% on 2021. This was principally due to increased fuel consumption by the corporate fleet, as already noted in the analysis of energy consumption. Specifically, Scope 1 emissions totaled 15,713 tCO₂e, up 9.6% on the previous year and 16% overall on 2021. This trend underscores the importance and priority of effectively decarbonizing the light vehicle fleet.

Meanwhile, **Scope 2** emissions (those from consumption of electricity) **decreased** by approx. **79%**, thanks to the range of energy

efficiency projects described above and due to the renewable energy purchase policies implemented at the Italian and Spanish sites,⁷ with **86%** of electricity purchased deriving from **renewable energy covered by GOs**.

In addition to the above, the TESSA Group has continued its process to report on **Scope 3** greenhouse gas emissions, consolidating and improving the process of analyzing and quantifying the emission categories relating to its business model, with the goal of ensuring increasingly comprehensive and transparent measurement. In this area, the Group reported seven Scope 3 emission categories in 2024, one more than in the previous year.

Overall, there was a significant reduction in Scope 3 emissions (approx. 16%), mainly attributable to lower emissions in category 11 "Use of sold products". This result relates to a lower volume of machinery sold in the year, a dynamic that generated positive environmental impacts in terms of indirect emissions associated with the use of products. Category 1 "Purchased goods and services" also saw a 23% reduction, as a result of both an improved calculation methodology - which used normalized emission factors for inflation - and better rationalization in Group purchasing.

By contrast, there was a 45% increase in category 13 "Downstream leased assets", due to a more precise calculation of hourly consumption of leased assets and greater rental activity. This more structured analysis also revealed further percentage increases in category 6 "Business travel" and category 3 "Fuel - and energy-related activities not included in Scope 1 or Scope 2".

In 2024, category 5 "Waste generated in operations" was included in reporting, marking another step forward in the process of mapping and managing overall environmental impacts. While the emissions contribution of this category is limited in absolute terms, its inclusion in the calculation scope is a concrete sign of the Group's commitment to greater transparency and accountability in managing corporate waste.

Finally, emissions intensity, calculated as the ratio of total Scope 1, 2 and 3 emissions to net revenues, is 0.00221 tCO₂/€.

7. Specifically, this information refers to the Op.Cos. CGT S.p.A., CLS S.p.A., CGT Trucks S.p.A., CGT Edilizia S.p.A. and Finanzauto S.A.

	2024	2023	2021 (base)	% 2024 vs 2023	% 2024 vs 2021
Total Scope 1 GHG emissions	15,713	14,332	13,518	10%	-16%
Percentage of scope 1 GHG emissions covered by regulated emissions trading schemes	0%	0%	0%		
Total Scope 2 GHG emissions - location-based	3,545	5,269	n/a	-33%	n/a
Total Scope 2 GHG emissions - market-based	1,263	6,021	6,260	-79%	-80%
Total Scope 1 GHG emissions	16,976	20,354	19,778	-16%	-14%
Total gross indirect Scope 3 emissions	3,885,434	4,630,492	n/a	-16%	n/a
1. Purchased goods and services	371,432	479,634	n/a	-23%	n/a
2. Capital goods	78,474	76,515	n/a	+4%	n/a
3. Fuel - and energy-related activities	13,329	6,808	n/a	+90%	n/a
4. Upstream transportation and distribution	n/a	n/a	n/a	n/a	n/a
5. Waste generated in operations	301	n/a	n/a	n/a	n/a
6. Business travelling	3,002	911	n/a	+229%	n/a
7. Employee commuting	n/a	n/a	n/a	n/a	n/a
8. Upstream leased assets	n/a	n/a	n/a	n/a	n/a
9. Downstream transportation	n/a	n/a	n/a	n/a	n/a
10. Processing of sold products	n/a	n/a	n/a	n/a	n/a
11. Use of sold products	3,098,825	3,846,489	n/a	-19%	n/a
12. End-of-life treatment of sold products	n/a	n/a	n/a	n/a	n/a
13. Downstream leased assets	320,051	220,132	n/a	+45%	n/a
14. Franchises	n/a	n/a	n/a	n/a	n/a
15. Investments	n/a	n/a	n/a	n/a	n/a
Total GHG emissions (location-based)	3,904,692	4,650,093	n/a	-16%	n/a
Total GHG emissions (market-based)	3,902,410	4,650,845	n/a	-16%	n/a

0 3 . P O L L U T I O N

[ESRS E2]

Management of pollution-related impacts and risks

[IRO-1] The materiality analysis carried out (see the chapter "Materiality Analysis" for more detail regarding this process) revealed a significant impact and some pollution-related risks. Specifically, and without considering the mitigation actions and safeguards in place, the TESSA Group has identified a potential negative impact relating to the release of pollutants into the environment. This could occur as a result of accidents in day-to-day operations, e.g., during transportation of oils generated during maintenance work.

Such situations may in turn generate risks, including the possible interruption of Group activities (business continuity). Inadequate management of substances of concern and extreme concern, both as part of its own operations and in the value chain, could also cause the Group to incur extra costs related to possible penalties.

To counter these risks, the TESSA Group has for some time been actively engaged in promoting and adopting responsible practices to prevent environmentally harmful circumstances and minimize the risk of spills, ensuring management in accordance with current regulations. It does so by:

- Adopting internal regulation to manage environmentally harmful substances;
- Adequately training staff involved in handling and managing such substances;
- Verifying the operational protocols adopted by providers.

With a view to the future, TESSYA has set the following targets regarding pollution and managing substances of concern:

- Formalization of its commitments in a common Group policy, in order to pool the "best practices" developed across all Group companies.
- Adoption of formalized quantitative targets.

Water, air and soil pollution

[E2-4] Since no precise data are available on Group operating companies' total emissions, when identifying the potential emission of pollutants into the air (other than greenhouse gases), water, or soil, estimates were made based on the activities performed and emission points. At TESSYA Group sites where pollutants may potentially be emitted, periodic sampling of pollutant concentrations is conducted in accordance with the requirements of the applicable laws (e.g., Legislative Decree No. 152/2006 for the issuance of the AIA Integrated Environmental Authorization or Presidential Decree 59/2013 for the issuance of the AUA Single Environmental Authorization in Italy).

Annual emissions were then estimated based on the concentrations detected in these samples, the flow rate at water discharges or smokestacks, and annual operating hours, in order to obtain a representative value of overall emissions. Based on these estimates, no air, water, or soil emissions in excess of the reporting thresholds under Regulation (EC) No. 166/2006 concerning the establishment of a European Pollutant Release and Transfer Register (E-PRTR) were reported during 2024.

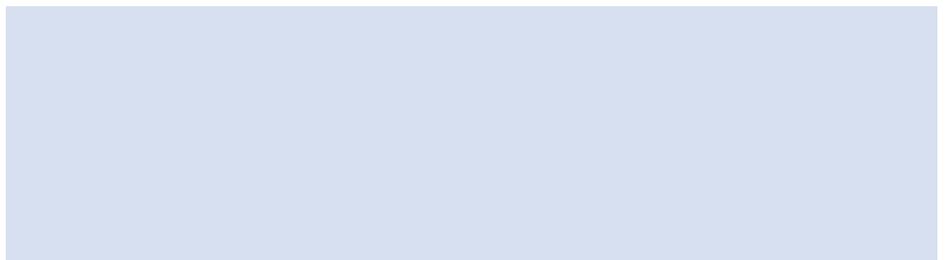
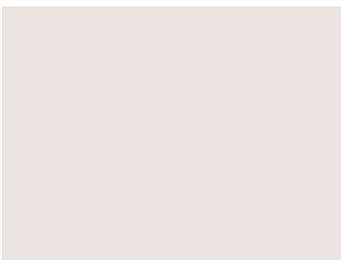
For sites used exclusively for administrative or office activities, this assessment was not considered applicable, as these sites do not contain significant emission sources.

The TESSYA Group applies a preventive approach to environmental risk management, ensuring compliance with applicable regulations and promoting a continuous improvement process. It is committed to refining data collection and monitoring through periodic checks and internal environmental reporting tools.

Substances of concern and very high concern

[E2-5] Although they are not involved in high-chemical-impact industrial activities, in providing their services, TESYA Group Companies utilize some products such as paints, oils, and engine lubricants which may contain, albeit in limited quantities, substances classified as of concern or very high concern (SVHC) as defined by the REACH Regulation (Regulation EC No. 1907/2006) and the CLP Regulation (Regulation EC No. 1272/2008).

In the reporting year, TESYA laid the groundwork for an initial analysis of the substances used by operating companies to understand and report on their overall quantities. Specifically, an initial estimation exercise was carried out based on the safety data sheets provided by the manufacturers and/or suppliers of the products in question, the quantities actually used, and/or the quantity of units or services sold during the year.



In 2024, estimates revealed the presence of a substance of concern in the oils used by the Group in its operations. This substance, which is purchased and used by TESSYA in the provision of its services, exceeded the significance threshold under the REACH regulation, with an amount of 28.7 metric tons, and is classified as hazardous to the aquatic environment⁸. For this first year of reporting, some Group companies⁹ are excluded from the scope of information and data reported here. TESSYA's objective is to refine and standardize the methodologies used to collect and estimate such data for all Group companies in order to report a robust, accurate figure.

To date, the quantities detected are consistent with the intended use and are managed in compliance with current regulations. The Group adopts strict safety measures for the handling, storage and disposal of these substances to prevent any accidental release into the environment. All waste containing hazardous substances is delivered to licensed operators in accordance with national and local environmental regulations. For water discharges, facilities have, where necessary, installed systems to treat wastewater before it is discharged into the public treatment and purification system.

TESSYA Group companies also maintain documental control over declarations of the presence of substances that qualify as substances of very high concern (SVHC) in the materials and components supplied. This approach underpins the definition and formalization of a responsible chemical management strategy that is designed to minimize risks to the environment and human health throughout the value chain.



8. Category 1, as per Annex VI, Part 3 of Regulation (EU) No. 1272/2008 of the European Parliament and of the Council.

9. Group companies located in the Balkans are excluded from the scope of the data on substances of concern and very high concern.

0 4 . W A T E R

[ESRS E3]

Management of water-related impacts

[IRO-1] [E3-2] The TESYA Group is fully cognizant of the importance of water as a shared resource that is vital for community and environmental well-being. As such, it is committed to protecting use of it and striving to promote responsible consumption practices. In terms of water management, the double materiality assessment revealed a negative impact from water withdrawals at Group business sites located in water-stressed areas. In light of this risk, the Group has long taken measures to protect water resources. Firstly, the TESYA Group constantly monitors the location of its manufacturing operations in relation to water-stressed areas; using tools such as the Aqueduct Water Risk Atlas, TESYA is able to track its withdrawals, discharges, and consumption by area and adapt its action accordingly to preserve water as a shared resource.

To minimize water waste, the Group's main companies have introduced internal **washwater purification systems** and **closed-loop systems** that allow much of the water used to be **reused**, reducing withdrawals, and purified of pollutants before it is discharged into the sewer system. Some Group companies have adopted the **ISO 14001 Environmental Management System**, facilitating the management and monitoring of these aspects (see the initial highlights section "2024 in brief" for company details). Looking ahead, the TESYA Group's targets are:

To formalize a common Group policy for all operating companies by 2027.



To set quantitative targets for water resource management.



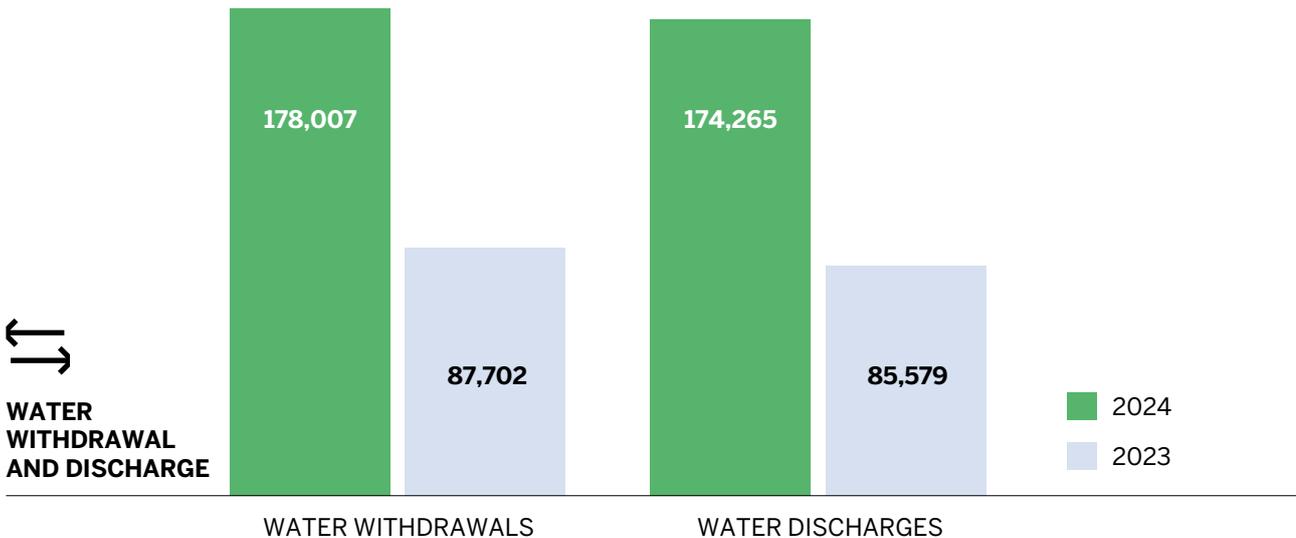
Water consumption

[E3-4] In 2024, the TESSA Group withdrew approx. 178 thousand m³ of water. Withdrawals were made to meet daily needs at branches, e.g., those related to toilet facilities and fleet vehicle washing.

Water consumption, calculated as the difference between water withdrawn and water discharged¹⁰, stood at approx. 3,742 m³, up from the previous period following general methodological refinement in data collection. There was, however, a significant reduction in water consumption in **water-stressed areas**, from approx. 434 m³ in 2023 to 53 m³ in 2024. **Recycled and reused water** totaled 26,805 m³, reflecting the effectiveness of the closed-loop and recycling systems adopted by Group companies.

Finally, the **water intensity**, calculated as the ratio of water consumption to net revenues, was 2.1 m³/€m in 2024 (1.3 m³/€m in 2023). Water consumption per person stood at 0.99 (0.61 m³/person in 2023). These values reflect increases on 2023, chiefly due to increased accuracy and completeness in data collection.

10. For the companies Teknoxgroup Macedonia dooel, Teknoxgroup Kosovo I.I.c., Teknoxgroup Shqiperi Sh.p.k., Alfaproject.net S.r.l. and Alax Automation BV, given these companies' activities and water use, water withdrawal and discharge were assumed to be equal.



WATER CONSUMPTION (in m³)¹¹

	2024	2023
Water consumption	3,742.4	2,123.2
Water consumption in areas at significant water risk	0	n/a
Water consumption in areas of high water-stress	53.3	434.1
Water recycled and reused	26,805	n/a
Water stored	1,410	n/a
Changes in water stored	-	n/a
Water intensity	2.1	1.3
Water withdrawals	178,007.1	87,702.3
Water discharges	174,264.7	85,579.2

11. Data on water withdrawals, discharges, and consumption come both from direct measurements from meters and bills and from estimates. For estimates, the approach used considered the average daily consumption per person, multiplied by the number of people. The companies CGT S.p.A., CGTE S.p.A. and CLS S.p.A. adopted a mixed method approach. A portion of the data was derived from bills/meters, while some was estimated.



05. CIRCULAR ECONOMY

[ESRS E5]

Management of circular economy-related impacts and opportunities

[IRO-1] As part of the double materiality assessment process, the Group identified the following in relation to the circular economy:

A potential negative impact deriving from excessive consumption of virgin natural resources due to non- or partial implementation of circular practices and inadequate disposal of hazardous waste generated by the Group.



A positive impact related to supporting circularity by promoting more circular business models, including machine and equipment rental, resale of used machines and equipment, and reconditioning of such equipment - all of which have always been strategic pillars of TESYA's business model.



In terms of formalizing the Group's commitments in relation to the circular economy, no specific policies or targets have yet been adopted. The introduction of such policies and goals, as with other environmental issues, forms part of the process of gradually adapting and integrating these issues into business processes and strategies. This commitment is further confirmed in the "**Sustainability Manifesto**", which can be accessed through the TESYA¹² website.

The Manifesto sets out the Group's commitment to environmental responsibility and the circular economy, reiterating its intent to rigorously map materials, resources, and waste along the value chain. For small suppliers, greater control is gradually being introduced at the contracting stage, while for larger suppliers, where required by tenders or specific requests, audits are carried out to verify not only compliance with legal requirements, but also that additional environmental protection projects are in place. Engagement methods are generally formal, though not governed by policy, and managed on a case-by-case basis.

12. Available at
<https://tesya.com/en/sustainability/>

[E5-2] The TESSA Group is also working to improve efficiency in resource and materials use and waste management through a series of concrete measures.

Specifically, these include:



Reuse of shipping packaging.



Digitization of invoices.



Replacement of plastic water bottles with water dispensers.



Promotion of used and reconditioned machines and equipment through a proprietary digital platform (CYCLICA): this portal is a solution based around the circular economy. It is designed to become a benchmark in the reconditioned equipment industry and to promote sustainability. The catalog comprises a wide range of quality solutions for customers which extend the useful life of machinery and equipment, enabling them to reduce raw material usage.

Most recently, a **Rental Center** and a new **Engine Rebuild Center** were opened in Spain in 2024. Both initiatives seek to extend machinery and equipment life cycles, reducing raw material use and energy consumption, working toward a more sustainable future.

Resource outflows

[E5-5] Waste generated is divided into:

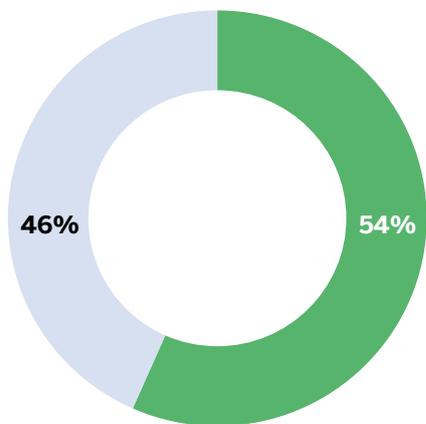
- Industrial waste, generated by operational activities in workshops and mainly relating to machinery maintenance and repair; this includes waste oil, filters, plastic, wood and cardboard packaging, and metal waste from spare parts.
- Municipal waste generated in offices.

The Group adopts a responsible management approach, encouraging the internal reuse of materials such as pallets, canisters and containers, thereby reducing the amount of waste that must be disposed of. Furthermore, separate waste collection is guaranteed at all locations with special attention to plastic, cardboard, batteries and toner.

The data collected derives mainly from official forms (*Modello Unico di Dichiarazione Ambientale* - Consolidated Environmental Declaration) and transport receipts provided by companies authorized for management and disposal. Where firm data could not be obtained, e.g., for some rented offices, the data were not reported or estimates were used based on the frequency of collection and the capacity of waste containers.¹³

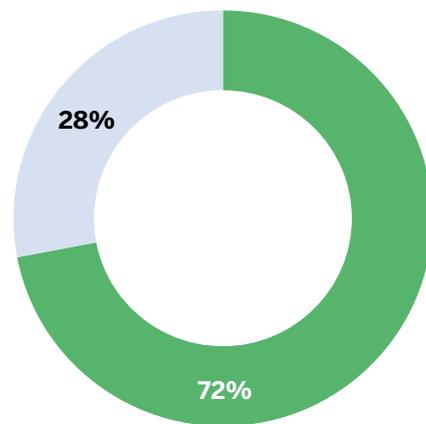
13. Waste data do not include the Op.Cos. Teknoxgroup Macedonia dooel, Teknoxgroup Kosovo I.I.c., Teknoxgroup Shqiperi Sh.p.k. or Teknoxgroup S.A., since it was not possible to identify the quantities of waste generated. This would in any case be marginal compared to the other Op.Cos., given the activities conducted. For the Op.Cos. Teknoxgroup Crna Gora d.o.o. and Alax Automation BV, the data have been estimated according to the methods described herein.

WASTE BY TYPE



■ Hazardous waste
 ■ Non-hazardous waste

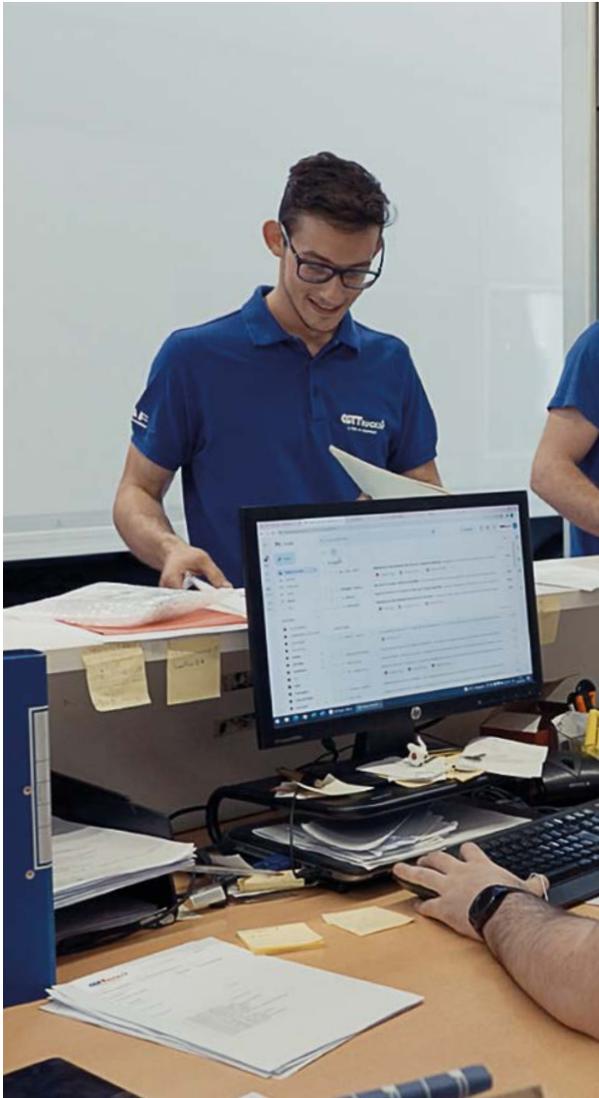
WASTE BY MANAGEMENT METHOD



■ Waste diverted from disposal
 ■ Waste directed to disposal

In 2024, approx. 9,060 metric tons of waste was generated. Of this, 54% was **hazardous** and the remaining 46% **non-hazardous**. The increase in waste generated compared to 2023 (+6,195 tons, approx. 30%) is due both to the Group's growth in headcount, activities, and scope, and to the improved completeness and accuracy of data collected in 2024. 72% of waste is diverted from **disposal** through **recycling** and other **recovery** operations, while 28% is sent to landfill, to other disposal operations, and - in minimal amounts - to incineration. In 2024, the Group generated no radioactive waste.

WASTE (IN METRIC TONS)	2024	2023
Waste generated	9,059.9	6,195.1
Hazardous waste diverted from disposal	2,838.9	2,775.9
Hazardous waste diverted from disposal through preparation for reuse	0	n/a
Hazardous waste diverted from disposal through recycling	1,751.8	n/a
Hazardous waste diverted from disposal through other recovery operations	1,087.1	2,775.9
Non-hazardous waste diverted from disposal	3,708.3	2,457
Non-hazardous waste diverted from disposal through preparation for reuse	0	n/a
Non-hazardous waste diverted from disposal through recycling	1,806.7	n/a
Non-hazardous waste diverted from disposal through other recovery operations	1,901.7	2,457
Hazardous waste directed to disposal	2,046.3	870.4
Hazardous waste directed to disposal through incineration	11.7	n/a
Hazardous waste directed to disposal through landfill	277.8	n/a
Hazardous waste directed to disposal through other disposal operations	1,756.7	870.4
Non-hazardous waste directed to disposal	466.4	91.8
Non-hazardous waste directed to disposal through incineration	1.6	n/a
Non-hazardous waste directed to landfill	103.2	n/a
Non-hazardous waste directed to disposal through other disposal operations	361.6	91.8
Non-recycled waste	2,512.7	n/a
Percentage of non-recycled waste	27.7%	n/a



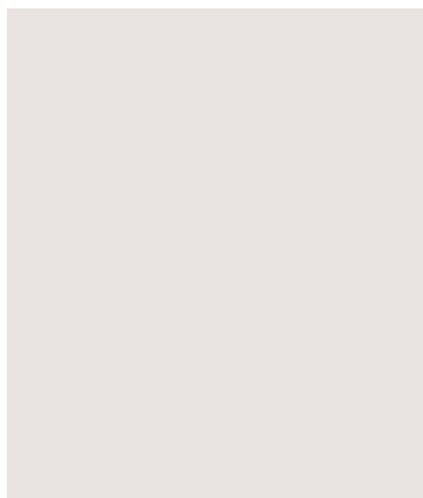
Social
Information



06. TESSA GROUP WORKFORCE

[ESRS S1]

TESSA knows that its people are central to its success and is committed to excellence, recognizing virtuous behavior and fostering its staff's personal and professional growth in a positive and inclusive work environment. Interpersonal relationships **are a key element in transforming TESSA's values into daily behaviors and actions**, which **are also expressed in the core principles** and behavioral guidelines adopted by the **Group**:





YOU AND I
CARE

Behind every achievement is our entire workforce, people working together to solve problems and build the future.

- We work with passion and celebrate the successes that brings.
 - We care deeply about the people we work with: colleagues, customers, suppliers.
 - We are responsible and proud of our work.
-



YOU AND I
BUILD TRUST

Our relationships and success are founded on trust based on mutual respect and reliability.

- We keep our promises. We can be counted on.
 - We always give the best of ourselves.
 - We are honest, open, ethical and loyal.
-



YOU AND I
EMBRACE CHANGE

We adapt rapidly to changing circumstances, anticipating the challenges of the future and enthusiastically embracing innovation.

- We are creative. We explore a range of ways to achieve our goals.
 - We have an entrepreneurial spirit. We are quick to seize opportunities.
 - We manage uncertainty without losing sight of process quality or the holistic view.
-



YOU AND I
GROW TOGETHER

Our personal and professional growth is based on constant learning and evolution.

- We are committed to the growth of our company, our teams, our customers, and the communities in which we live.
 - We grow together through teamwork, feedback and training.
 - We are curious and never stop learning.
-

TESYA is actively committed to its people, who are critical to achieving strategic goals. Against this backdrop, the Group's recent journey has been based on a series of projects described in its business plans and carried out by both internal and external professionals with appropriate training and recognized by the market.

These projects are developed with the managers of the individual companies and approved by the Board of Directors, coordinated at the Group level, and enacted by the individual operating companies. Among the focus areas identified by these projects are staff succession and generational renewal, fair and market-competitive compensation policies, improving work-life balance, developing skills through training, and creating an environment conducive to professional and personal growth. Launched in previous strategic plans, the projects will see significant development in the 2022-2025 plan and will be further developed in the subsequent 2025-2028 plan. The achievements reached through the projects are mainly monitored in relation to qualitative targets, while quantitative objectives are defined during implementation and considering changes in the internal and external environment.

The process of transforming the Group's HR function to ensure a strategic vision and to direct and coordinate Global and Local HR activities also continues. Through consolidation of the HR Board, the HR function's operational functioning model was strengthened. For major processes, this meant defining the areas of responsibility at both the central and local levels. This has contributed to increased cross-collaboration on Group projects.

Consistent with the HR Vision set out in the 2022-2025 Strategic Plan, the pillars of development within the function are:

Adoption of an HR business partnership model to ensure direct liaison with line managers;

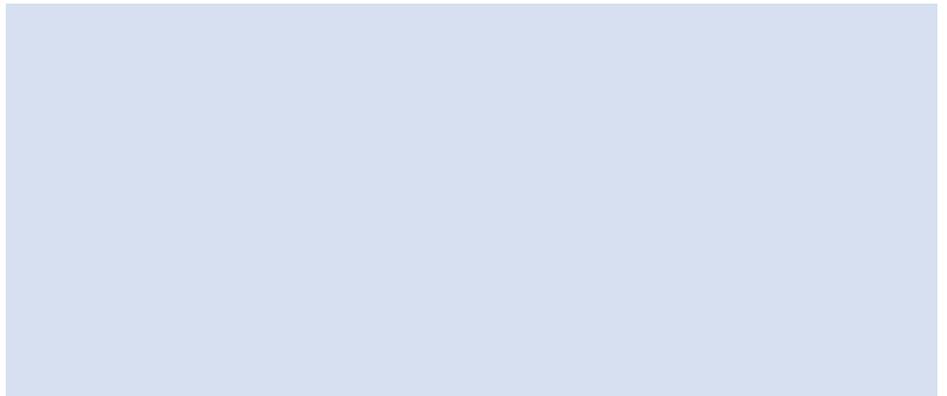
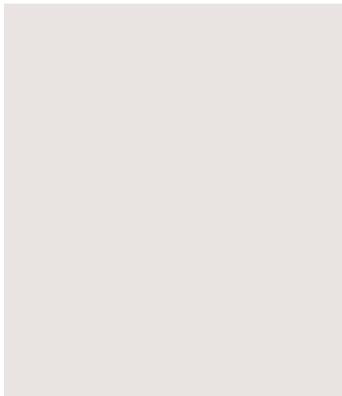
01

HR data integration and the adoption of a data-driven management approach.

02

As regards the second pillar, the Human Capital Management (HCM) System, launched in December 2023 and designed to ensure integrated, automated and digitalized management of all HR processes, continues to be adopted. 2024 saw the implementation of the foundational module of SAP SF (Success Factors): Employee Central, which is vital for the quality of data entered into the system and an enabler for the other modules. Appropriate analysis and activities were also conducted for the introduction of two other modules, Recruitment & Onboarding and Learning. Implementation activities for all remaining HCM modules (e.g., Performance & Goals; Compensation; Succession; Reporting) are expected to be completed by the end of Q1 2026.

In the interests of cross-disciplinary collaboration, this activity was carried out by all Group HR functions using a bottom-up approach and with the support of the IT functions, which actively participated in developing the necessary interfaces.



Staff engagement and communication

[S1-2] Teambuilding activities and corporate events play an important role. As part of the *TESYA EVOLUTION 2025* development plan and with the goal of engaging all employees, the Group is investing in several Employer Branding initiatives. These include the deployment of the digital editorial plan on the internal **Conecta** platform and the publication of the semi-annual magazine **BEYOND**.

Partnerships with Universities and Business Schools, Placement and Career Offices, Training Centers and Technical High Schools have expanded.

In addition, the Group's social media presence has been strengthened, especially on Instagram and LinkedIn, which represent strategic channels for reaching a young and qualified audience.

The "**Conoscere noi**" (**Getting to Know Us**) podcast, available on Spotify, Apple Podcasts and other platforms, in Italian, English, Spanish and Portuguese, completes the Group's digital initiatives.

To establish and maintain an open and transparent dialogue with all its people, to understand their opinions and listen to their voices, thereby fostering an inclusive and motivating work environment, TESYA employs various means of engagement:

Routine communication: regular feedback and exchange of information through daily office meetings, company intranet, e-mail, etc.;



Evaluation meetings: annual interviews with each employee to analyze performance, monitor progress, and set future goals;



Feedback for new hires: within six months of hiring, a meeting is held to collect feedback from new hires on their induction journey;





Exit interviews: interviews to understand the reasons for the exit and identify any areas for improvement in the human resource management process;



One-to-one meetings: periodic individual meetings between employees and management to discuss business expectations, needs, and objectives.

The **Great Place to Work certification**, obtained by the Group following a survey used to gather feedback on the quality of the work environment and organizational culture, constitutes another means of employee engagement. The survey revealed that TESSA employees feel a strong sense of belonging and satisfaction. Specifically, 85% of respondents said they were proud to work for the Group, while 80% said they wanted to stay with the Group for a long time.

COMPOSITION AND DIVERSITY

Management of impacts and risks related to diversity and fair treatment

[SBM-3] [IRO-1] [S1-1] [S1-4] Considering the types of business conducted by the operating companies, the materiality analysis conducted by the TESSA Group revealed possible impacts on gender diversity issues, which could potentially give rise to discrimination. In 2024, TESSA adopted a **Human Rights Policy**, which guides the daily behavior of everybody in the Group. The Policy formalizes its commitment to equal opportunity, ensuring **fair treatment** based on meritocracy and competence, avoiding **any form of discrimination**, including that based on race, ethnic origin, sex, nationality, language, disability, religion, political belief or sexual orientation, as expressly reiterated in the Group's **Code of Ethics**. This commitment covers every stage of the employment relationship, from recruitment to termination, promoting an environment that is peaceful, cohesive and respectful of diversity. TESSA repudiates any form of harassment or bullying inside and outside the Group.

The Policy is available and accessible on TESSA's website in both Italian and English. It is also disseminated by the Group's ESG Sustainability function at all Group operating sites and subsidiaries, while the HR Managers and ESG Contact Persons at individual companies ensure that it is enacted and complied with at the local level.

To raise awareness regarding issues of diversity and inclusion, TESSA has provided **training** courses on the contents of the Code of Ethics and the Human Rights Policy, including the **values of diversity and fair treatment**. The goal is to extend the coverage of these courses to all employees (*for further details, see the chapter "Training and Talent Development"*).

The Group is committed to continuously monitoring the effectiveness of its actions and to preventing and mitigating potential human rights violations and potential discriminatory acts. Should the Human Rights Policy or the Code of Ethics be violated, TESSA commits to taking prompt remedial action proportionate to the seriousness of the impact of the violation identified.

[S1-17] No incidents of discrimination, harassment, or human rights violations were reported in 2024. As such, no sanctions were imposed in this regard, nor was it necessary for the Group to define remedial actions to address these problems.



TESYA Group people¹⁴

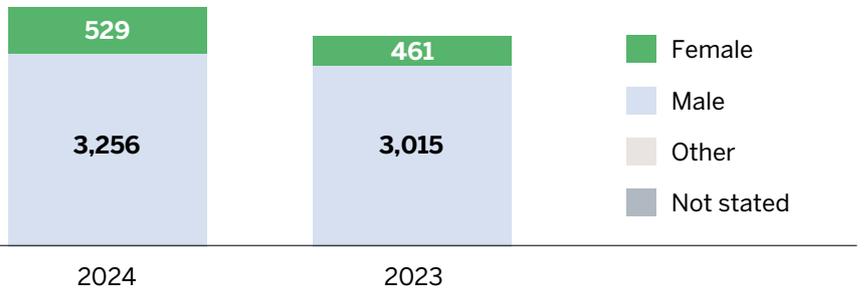
EMPLOYEES

[S1-6] [S1-9] In 2024, the TESYA Group had a total of **3,785 employees**, a 9% increase on the previous year. Given TESYA's business sector, which has historically been more attractive to men, the workforce is predominantly male (86% of the total). Though there are fewer women in absolute terms, the reporting year saw more significant percentage growth in female workers compared to their male counterparts, as the Group employed **529 female workers** (14% of the total workforce).

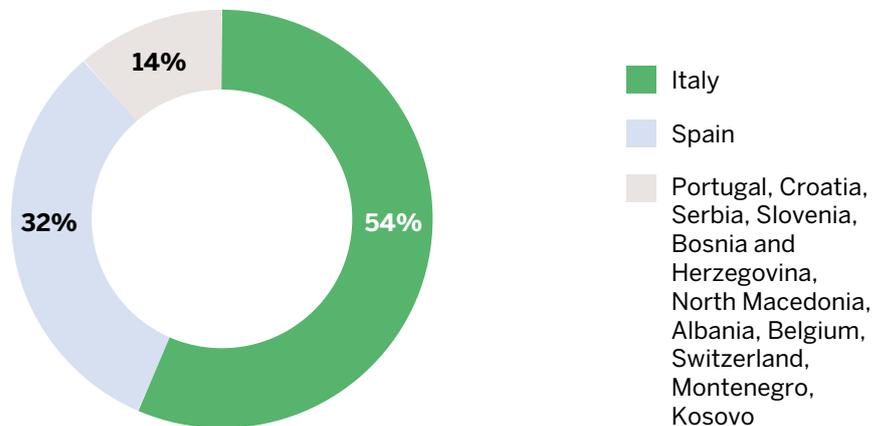
14. All figures in this chapter refer to the number of employees expressed in headcount at December 31, 2024 as extracted from company management systems.

As a result of the greater presence of branches in Italy and Spain, the Group has **2,043 employees in Italy and 1,206 employees in Spain**. The remaining workers are distributed among Southeast Europe, Belgium, Portugal and Switzerland.


EMPLOYEES BY GENDER




EMPLOYEES BY COUNTRY 2024



Number of employees by gender	2024	2023
Female	529	461
Male	3,256	3,015
Other	-	-
Not stated	-	-
Total	3,785	3,476

Number and % of employees in senior management by gender¹⁵	2024		2023	
Number of women in senior management	10	9.8%	8	8.1%
Number of men in senior management	92	90.2%	91	91.9%
Number of "other" gender employees in senior management	-	-	-	-
Number of employees with "not stated" gender in senior management	-	-	-	-
Total	102	100%	99	100%

Number of employees by country¹⁶	2024	2023
Italy*	2,043	1,843
Spain*	1,206	1,136
Portugal	225	198
Croatia	85	80
Serbia	67	63
Slovenia	51	51
Bosnia and Herzegovina	40	39
Macedonia	14	13
Albania	14	14
Belgium	12	11
Switzerland	11	11
Montenegro	11	11
Kosovo	6	6
Total	3,785	3,476

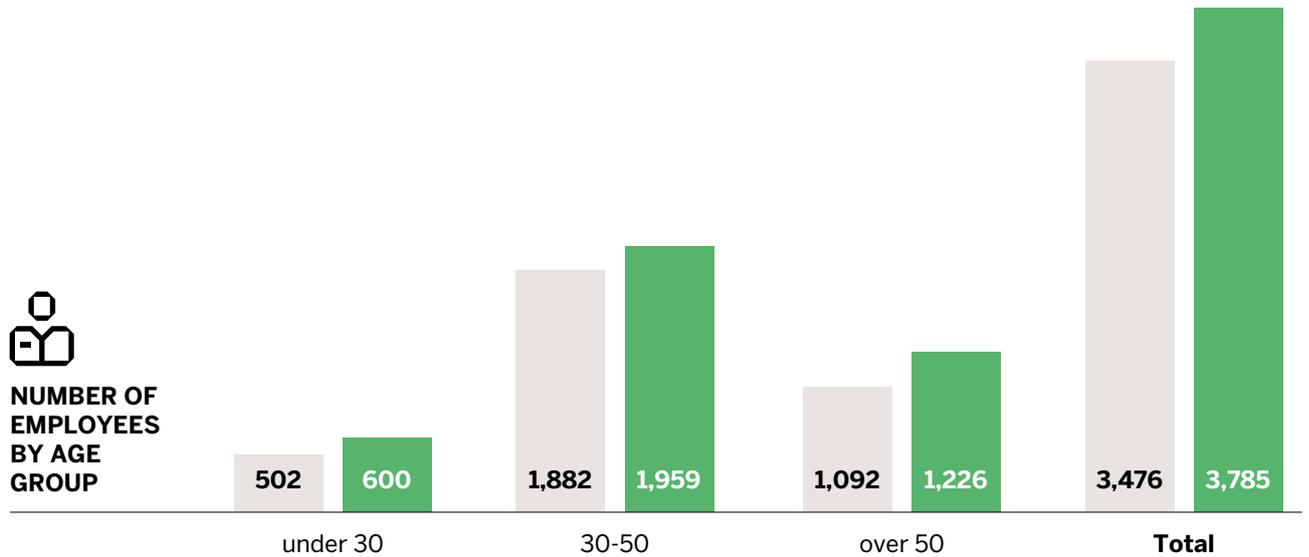
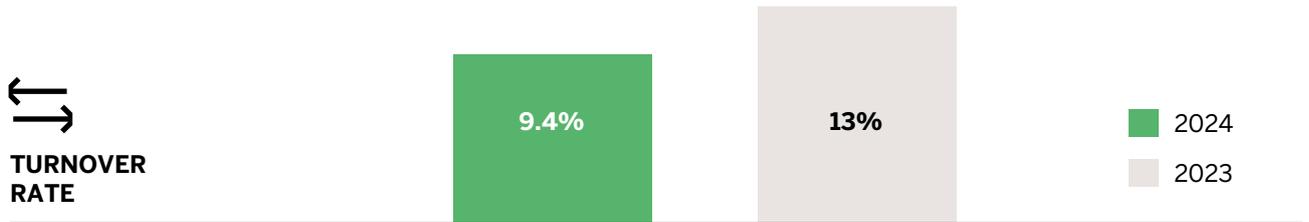
15. Senior management is defined as the hierarchical level corresponding to one and two levels below the Group's management and control bodies.

16. The asterisk symbol (*) indicates those countries with 50 or more employees and which represent at least 10% of the total number.

17. The turnover rate is calculated as the ratio of the total number of employees leaving their jobs in the reporting year, either voluntarily or because of dismissal, retirement or death in service, to the total number of employees at December 31, 2024, expressed as a percentage.

The Group is committed to maintaining high levels of contractual stability and employment continuity, as evidenced by the constant values of the **turnover rate**,¹⁷ which stands at **9.4%**. **During the year, a total of 356 employees left the Group.**

The distribution of employees by age shows that the majority (**51.8%**) are in the **30-50 age group**. This is followed by the over-50 age group and the under-30 age group.



Number of employees by age group	2024		2023	
under 30	15.8%	600	15%	502
30-50	51.8%	1,959	54%	1,882
over 50	32.4%	1,226	31%	1,092
Total	100%	3,785	100%	3,476

In line with the previous financial year, almost all of the TESYA Group's employees, approx. **99%** of the workforce, are employed on **full-time contracts**. There are **3,642 employees on permanent contracts**, accounting for approx. **96%** of the total workforce.

Employees by gender and contract type	Female		Male		Not stated		Other	
	2024	2023	2024	2023	2024	2023	2024	2023
Year	2024	2023	2024	2023	2024	2023	2024	2023
Number of employees	529	461	3,256	3,015	-	-	-	-
Permanent	499	446	3,143	2,920	-	-	-	-
Temporary	25	15	104	95	-	-	-	-
Non-guaranteed hours	5	-	9	-	-	-	-	-
Full-time	496	443	3,248	3,007	-	-	-	-
Part-time	33	18	8	8	-	-	-	-

Group employees are divided into seven internally defined occupational categories. These include:

Senior managers, leaders and company executives; 01

Central Function, individuals working for internal customers and/or staff functions (e.g., Finance, Human Resources, IT, Marketing, Legal, Communications, General Services, Facilities Management, Health and Safety, and Secretarial); 02

Sales, staff with direct interactions with customers and whose job is to induce those customers to purchase the companies' products and services. The sales force interacts directly with actual or potential customers; 03

Sales Support, staff who primarily support the sales department in working more productively, efficiently and effectively. Professionals who indirectly support sales activities that deal with customers and vendors; 04

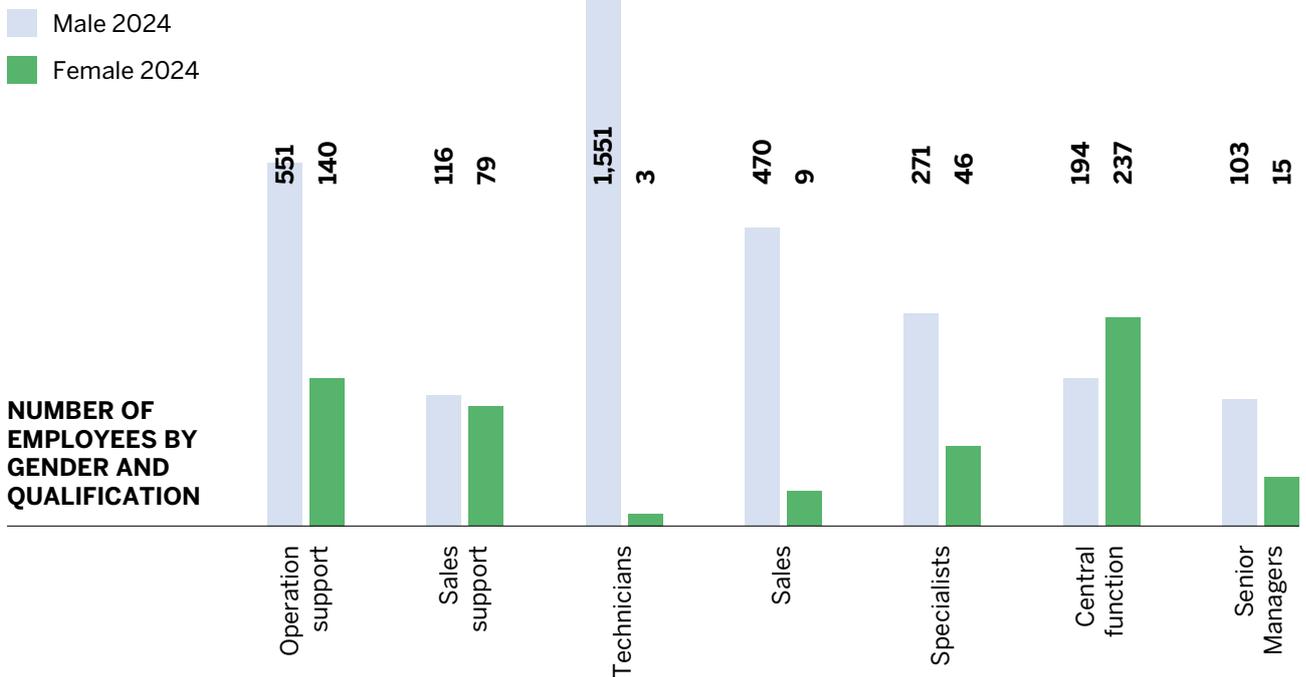
Specialists, highly skilled workers with specific qualifications to directly support operations, sales and customer services, including in the field. This category includes engineers, product specialists and technical support; 05

06

Technicians, which once again in 2024 is the predominant category in terms of number of employees, accounting for **41%** of the workforce. These workers are involved in the maintenance or testing of machinery at customer or company sites;

07

Operation Support, i.e., technicians, warehouse workers, clerks and branch administrators supporting the services/operations department, who generally have contact with customers and technicians. These represent a significant proportion of the workforce (**18%**).



Employees by gender and qualification	Femal		Male		Not stated			Other	
	2024	2023	2024	2023	2024	2023	2024	2023	
<i>Year</i>	<i>2024</i>	<i>2023</i>	<i>2024</i>	<i>2023</i>	<i>2024</i>	<i>2023</i>	<i>2024</i>	<i>2023</i>	
Number of employees	529	461	3,256	3,015	-	-	-	-	
Sr. Managers	15	8	103	91	-	-	-	-	
Central Function	237	206	194	175	-	-	-	-	
Specialists	46	33	271	250	-	-	-	-	
Sales	9	11	470	428	-	-	-	-	
Technicians	3	3	1,551	1,467	-	-	-	-	
Sales support	79	76	116	110	-	-	-	-	
Operation support	140	124	551	494	-	-	-	-	

NON-EMPLOYEES¹⁸

[S1-7] In 2024, the TESSYA Group utilized **76 non-employee workers**, including 9 self-employed workers, 47 temporary workers with mainly clerical/administrative qualifications, and 20 interns involved in administrative and technical support activities.

The use of non-employees relates to working peaks, sickness replacements, and vacations.

Non-employee workers	2024	2023
Total number of non-employee workers in own workforce	76	97¹⁹
Self-employed workers	9	16
Workers provided by temporary agencies	47	40
Interns	20	41



18. As regards methodology, the number of non-employees is expressed in headcount and the data represent a precise snapshot as of December 31, 2024. No averages or weightings related to contract length were made, but those working at the date indicated were considered.

19. Compared to the figures disclosed in the previous Sustainability Report, the data for the number of non-employees in 2023 have been restated due to a redefinition of the categories of non-employees.

WELL-BEING AND RESPECT FOR GROUP PERSONNEL

Management of impacts, risks and opportunities related to work-life balance, appropriate wages and privacy

[SBM-3] [IRO-1] [S1-1] [S1-4] The TESYA Group fosters a peaceful working environment that complies fully with contractual conditions, with a focus on maintaining work-life balance and correctly managing employee compensation, generating a positive impact on its employees that can also create benefits for TESYA's image in terms of increased market attractiveness.

From the point of view of financial materiality, a potential risk was identified in relation to possible employee dissatisfaction, which could result in increased turnover, and in relation to inadequate salary levels, which could affect productivity and talent retention.

The Group's **Human Rights Policy** enshrines the importance of ensuring individual **well-being**, which translates into:



Fair working hours, creating conditions that enable balanced professional and personal development;



Compliance with legal and contractual provisions, ensuring that employees receive **fair compensation based on merit and competence**, in line with international standards and at least equal if not higher than the minimum levels established by the various collective bargaining agreements and local legislations applicable in the areas where the TESYA Group operates.

In this regard, a **grading system** designed to map and evaluate TESYA's organizational structure based on objective criteria has been introduced at the Group level. This enables the Group to adopt tools to ensure **fair and motivating compensation** that is aligned with market compensation practices. This system, which was designed as part of the 2022-2025 business plan and which the Group is continuing to develop, will have its greatest impacts from 2025-2026.

A project to map all business processes and identify a comprehensive role structure was carried out to facilitate the construction of tools such as grading. This project, known as the Job System, may facilitate the future introduction of other corporate tools, including the creation of Group job descriptions, mapping of corporate skills, adoption of a performance management process, etc.

Consistent with the ongoing work to enact the Group Grading System and in view of the requirements of Directive (EU) 970/2023, the Group is also committed to strengthening the application of the principle of equal and transparent pay between men and women for the same work. In late 2024, a Gender Pay Gap Analysis was conducted within the Group. This identified a structural topic that is more of an organizational/distributional nature than a pay issue, and once again a function of the uneven gender distribution within the corporate population, which relates to the nature of the business.

To promote **welfare** and **well-being**, TESSYA has developed plans at many Group companies, which include:

Offering private health insurance or corporate funding to help with medical expenses and facilitate access to benefits through prescriptions, counseling, and vaccination programs;



In some cases, in-house medical services, physiotherapy and wellness programs;



In-house meetings and workshops on health and wellness-related topics including balanced nutrition, physical activity, and road safety;



Pathways that also support employees' families, e.g., study bonuses offered to employees' children.



Respect for the Group's people is also reflected in the focus on **protecting their sensitive personal data and information.**

Unauthorized or accidental disclosure of such data is a potential risk, which could see the Group suffer reputational damage and legal costs.



The Group ensures that data processing complies with the definitions under Article 13 of Regulation (EU) 2016/679, known as the **GDPR (General Data Protection Regulation)**. In its Human Rights Policy, the Group has also formalized its commitment to processing personal data lawfully, retaining it only for as long as it is necessary for the purpose of collection. Methods for managing data are communicated transparently, and anyone interested is able to consult the **Privacy Notices** on TESSA companies' websites. Finally, the Group takes security measures to avoid risks of unauthorized distribution or access to personal data.

Metrics related to work-life balance and adequate wages

WORK-LIFE BALANCE

[S1-15] All (100%) of TESSA Group employees have the right to apply for maternity, paternity, and parental leave. When also considering the right to caregiver leave, 99.8% of employees are covered. In 2024, 165 employees took leave, representing 4.4% of the total workforce. There was a higher take-up amongst women (8.7% of the total) than men (3.7% of the total).

ADEQUATE WAGES

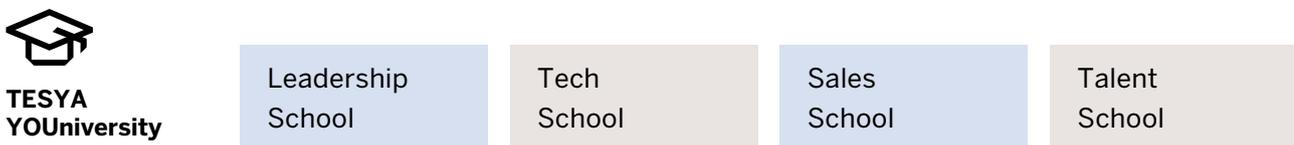
[S1-10] All TESSA Group employees receive fair remuneration, defined in accordance with the applicable national collective bargaining agreements (CCNLs) or, where such agreements are not provided for, in accordance with applicable national regulations and relevant local standards on appropriate remuneration.

TRAINING AND TALENT DEVELOPMENT

Management of impacts, risks, and opportunities related to training and talent development

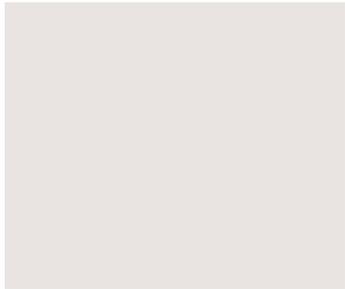
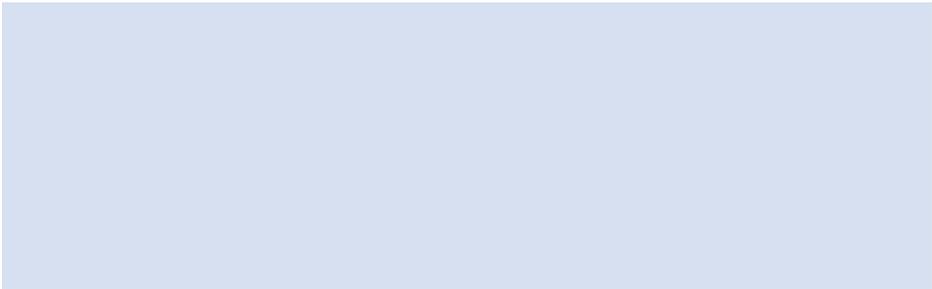
[SBM-3] [IRO-1] [S1-1] [S1-4] The TESSYA Group has always paid dedicated attention and resources to developing the technical and professional skills of its workforce, ensuring enhanced career opportunities and the creation of a stimulating work environment. From a financial point of view, this impact is embodied in the achievement of the Group's strategic goals. Materiality analyses conducted by the TESSYA Group highlighted potential impacts on the Group's ability to attract and retain in-house talent and key skills (e.g., STEM figures, mechanics, technicians), resulting in an aging corporate population (e.g., impact on succession).

The unwavering focus on employee training, which is reflected in the high number of hours provided over the past few years, has seen the Group create the **TESSYA YOUiversity** brand. This is currently used to denote the range of training pathways available to all employees and will, in the future, represent a true Corporate Academy - an environment that will host all current and future TESSYA Group training initiatives, ensuring consistency, alignment and uniform accessibility for all Group companies, with shared modes of use and objectives.



TRAINING PROGRAMS

- Executive Leadership
- Advanced Business Management
- Transition to Corporate Leadership
- Strategic Business Development
- Project Management
- Advanced English, Italian and Spanish courses
- Individual and Group Coaching
- Development Plan for Young Graduates
- Training and Technical/Professional Refreshers



The training provided through TESSA YOUiversity and organized around 4 faculties (specific to family or professional clusters), seeks to develop technical and behavioral skills. It also covers on-the-job training, side-by-side training and mentoring for continuous development, creating personal development plans based on the specific nature of each person's role.

In 2024, to raise awareness and develop its employees' skills in the environmental, social, and governance fields, and guided by the growing awareness of the importance of these issues in the business environment, the TESSA Group began **training on key sustainability issues**. In the first year, courses focusing on topics such as regulatory evolution in sustainability, sustainability reporting and double materiality, responsible supply chain management, climate change, anti-corruption, the Code of Ethics and human rights were delivered to a sample of employees. TESSA's goal is to gradually extend the delivery of such courses to the entire workforce.

MANAGERIAL TRAINING

As part of its programs, the Group has defined managerial training paths, which take the form of executive coaching, advanced **managerial training**, and project management. These are designed to reinforce management and leadership skills for senior and middle managers. For **Senior Managers** specifically, the Executive Leadership Program (ELP), a high-level management training program launched in September 2023 and designed in collaboration with the Instituto de Empresa of Madrid, the Bocconi University of Milan and GSO (a management consulting firm) concluded. This initiative involved 75 senior managers who, over eight months, covered four major topic areas: Change, Leadership, Communication and Internationalization.

For **Middle Managers**, the two-year **Assessment Center** cycle came to an end. This project began in 2023 and concluded in 2024, involving around 300 Middle Managers across all Group Companies. The project's results formed the basis of an 18-month training program co-designed in collaboration with Instituto de Empresa and the consulting firm Methodos. This program is dedicated to the development of two skills that are deemed vital: Communicative Leadership and Change.

Continuing on from the ELP (Executive Leadership Program), the program involves all 300 Middle Managers and around 70 Senior Managers as Mentors.



SPECIALIST TRAINING

Technical/Specialty Training includes specific teachings on technical topics, maintenance, and in-depth knowledge of company products. Both technicians and salespeople are offered targeted courses to develop skills in researching business opportunities, which are essential for identifying and seizing new market opportunities. This includes the STARTech Young Technologist Program, now in its second year.

The TESSYA Group considers the personal and professional development of young people to be the key to the evolution of its business. As such, in 2023 it launched the **STARTech training program**. This involved, among others, the network of Salesian Works in Europe, the CNOS-FAP National Federation, CNOS FAP Lombardy, ITS Meccatronica in Sesto San Giovanni, and the Gi Group.

The course provided 860 hours of training in-classroom and in-company, to help young people begin their careers as Industrial Mechatronic Technician or Marine Technician and obtain a technical-professional specialization certificate (corresponding to level IV of the European Framework).

In 2024, 18 recent STARTech graduates received the certificate, along with the offer of an apprenticeship contract at Group companies. TESSYA's future goals in this area include aligning the operating companies' technical schools to harmonize and standardize development paths for technicians and extending the initiative in 2025 to companies in Spain and Portugal.

Finally, the **Future Leaders** project continued in 2024: in cooperation with top management, criteria were established to define the TESSYA Group's concept of "talent", which forms the basis for the evaluation phases and dedicated training sessions. The goal was to identify talented young people who could take on Group leadership roles in the future. The project includes both on-going assessment and specific training situations.

To further foster the movement of talent within the Group and to provide opportunities for international development, the Global Mobility Policy was drafted in cooperation with the consulting firm ECA International, which specializes in expat management.

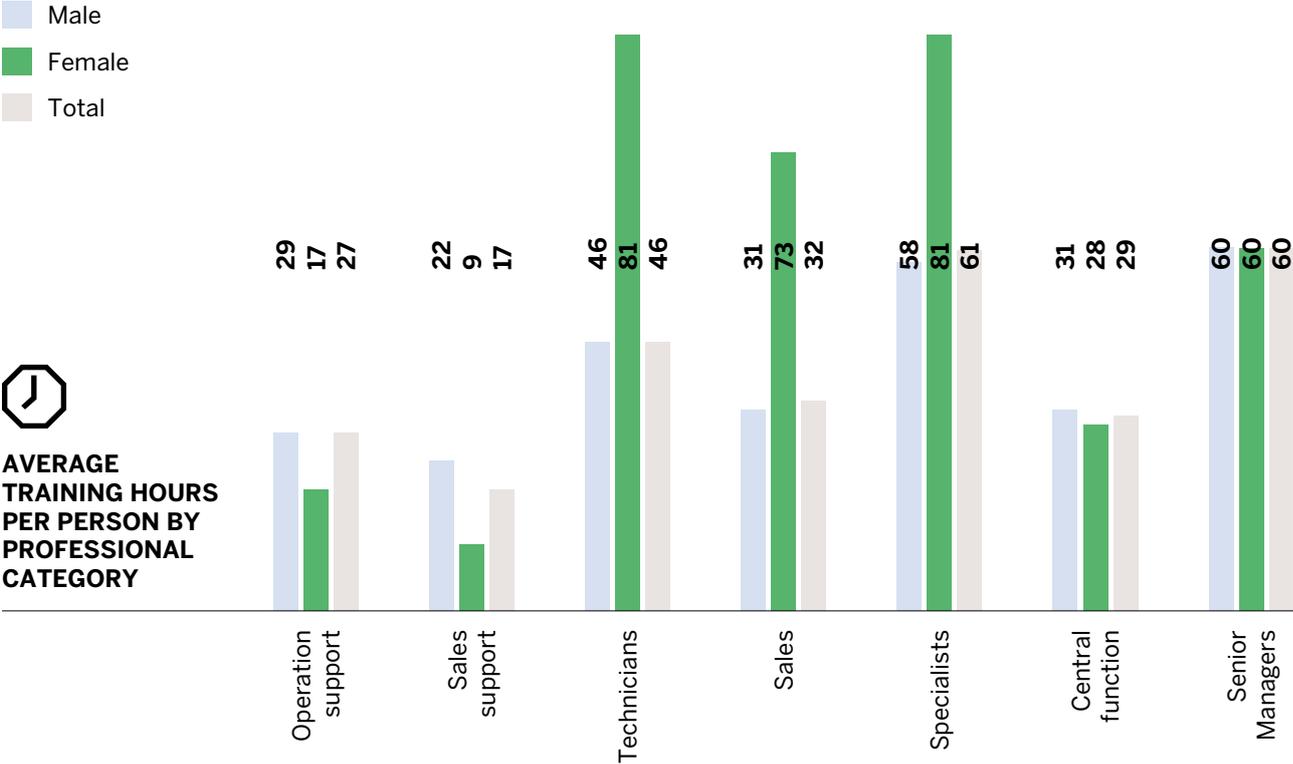
The main objective of the Policy is to enable and incentivize employees with the skills, experience, and interest in developing and transferring abilities, international and management expertise to key positions within the company in support of the TESSYA Group's global strategic growth. International assignments enable employees to use their skills and gain more expertise, to the benefit of the Group as a whole.

Last but not least, to ensure that employees' knowledge of regulations and best practices is up to date, courses are provided on compliance and company policies, along with specific courses on occupational health and safety and accident prevention.

Training and talent development metrics

[S1-13] In 2024, the TESSA Group provided a total of **147,077 training hours**, up 18% from the previous year. On average, **each person received around 39 hours of training** during the year, an increase of 9% on 2023. This reflects the emphasis placed on skill development and the Group's willingness to invest in the professional growth of its people.

In terms of professional categories, specialists and senior managers are more involved in training, with an overall average of approx. 61 and 60 hours per person. This category is followed by technicians, with an average of 46 hours of training, and finally, the sales, central functions, sales support, and operations support categories, who received an average of 17 to 32 hours of training per person.



The TESSA Group is strengthening its employee performance appraisal process, which is a fundamental tool for professional development and continuous improvement. In 2024, a total of **646 employees** were evaluated, representing **17% of the total workforce**. The category most involved in the evaluation process was senior managers, with 49% coverage. The other professional categories reported coverage of between 12% and 24%, depending on role and specific responsibilities.

Training and performance review	Female		Male		Other		Not stated		Total	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
% of employees receiving regular performance reviews	13.23	n/a	17.69	n/a	-	-	-	-	17.07	n/a
Average training hours per employee	28.69	22.78	40.51	37.77	-	-	-	-	38.86	35.78

In 2026, the introduction and adoption of the Group's Human Capital Management System is expected to see the performance management process extended to the entire white-collar population, and may also be extended to blue-collar workers in the future.



HEALTH AND SAFETY

Management of health and safety-related impacts, risks, and opportunities

[SBM-3] [IRO-1] [S1-1] [S1-4]

The double materiality assessment highlighted - without considering the mitigation measures and safeguards in place - a negative impact related to the occurrence of work-related injuries and ill health, and the consequent risk of incurring reputational damage or interruption of Group operations. While these circumstances affect the entire corporate population, staff in workshops and those performing manual tasks may be more exposed due to the type of work they do, which includes maintaining and testing machinery.

As formalized in the **Human Rights Policy and Code of Ethics**, the Group is committed to ensuring the **health and safety** of its employees and anyone in the TESSA workplace. Occupational health and safety management is based on compliance with local and international regulations, leaving management autonomy to individual operating companies, while maintaining a common Group-wide approach based on informing employees about the risks they may encounter in performing their work. Pre-emptive measures are also taken to reduce the likelihood of work-related injuries or the development of work-related ill health.

Some Group companies²⁰ have achieved ISO 45001 or OHSAS 18001 health and safety management system certification. This is designed to improve working conditions, reduce health risks and ensure a safe working environment, through assessment and prevention processes combined with continuous improvement.

Health and safety management within the TESSA Group is based on a rigorous process of **risk assessment and prevention**. In Italy, in accordance with Interministerial Decree 81/08 (Consolidated Text on Safety at Work), the Risk Assessment Document (DVR) is regularly updated under the supervision of the Prevention and Protection Service Manager (RSPP). Foreign branches also adopt a risk assessment process that complies with local regulations, with an action plan that includes corrective and preventive measures.

20. CGT, CLS, Finanzauto, STET, Teknoxgroup Hrvatska, Teknoxgroup Srbija

In addition, the company medicine service - though outsourced - is integrated into daily operations through periodic inspections by company doctors and their input in identifying, assessing, and reducing work-related risks.

Every year, workers are involved in both meetings to discuss health and safety news and specific **training** on the subject, with courses tailored to the risks identified. Courses include general and specific training for at-risk roles, with periodic certification and annual verification through examinations and practical assessments. Specifically, training includes targeted modules for emergency teams, including **firefighting** and **first aid** courses, which are regularly updated.

Health and safety metrics

[S1-14] The entire TESSYA Group workforce (100%) is fully covered by the **company's occupational health and safety management system**, in line with current regulations and internal occupational health and safety policies. An exception is made for employees who perform their activities entirely independently, outside the Group's offices or operating sites, and who therefore fall outside the scope of the company's management systems.

In 2024, the **recordable injury rate**²¹ was 15, with a total of 107 incidents. Though worker health and safety indicators remain in line with the average values found in the industry, TESSYA continues to closely monitor their progress in order to thoroughly understand the factors that influence these dynamics and further strengthen prevention and protection measures. The goal is to continuously improve working conditions and reduce risks to people. Also during 2024, as in the previous year, no fatal accidents occurred.

21. The injury rate is calculated as the ratio of the number of reported injuries to total hours worked, multiplied by one million.

In conclusion, the TESSA Group reaffirms its commitment to further strengthen prevention, training and awareness-raising activities to promote a more robust safety culture and ensure continuous improvement of occupational health and safety conditions.

Health and safety of own workforce	Employees		Non-employees	
	<i>2024</i>	<i>2023</i>	<i>2024</i>	<i>2023</i>
<i>Year</i>				
% of own workforce who are covered by health and safety management system based on legal requirements and/or recognized standards or guidelines	100%	n/a	99%	n/a
Number of fatalities as a result of work-related injuries and work-related ill health	0	0	0	0
Number of fatalities as a result of work-related injuries	0	0	0	0
Number of fatalities as a result of work-related ill health	0	0	0	0
Number of recordable work-related injuries	107	71	0	n/a
Rate of recordable work-related injury	15.2	10.1	0	n/a
Number of cases of recordable work-related ill health	1	n/a	0	n/a
Number of days lost to work-related injuries, ill health and fatalities	4,424	n/a	0	n/a
Health and safety of other workers operating at the undertaking's sites				Other
<i>Year</i>	<i>2024</i>	<i>2023</i>	<i>2024</i>	<i>2023</i>
Number of fatalities as a result of work-related injuries and ill health	0	n/a	0	n/a
Number of fatalities as a result of work-related injuries	0	n/a	0	n/a
Number of fatalities as a result of work-related ill health	0	n/a	0	n/a

07. WORKERS IN THE VALUE CHAIN

[ESRS S2]

Management of impacts related to workers in the value chain

[SMB-3 S2] [IRO-1] [S2-1] [S2-4] As regards workers in the value chain, a number of relevant negative impacts have been identified in relation to the occurrence of incidents of discrimination against people with disabilities, gender inequality, violence, and harassment in the workplace.

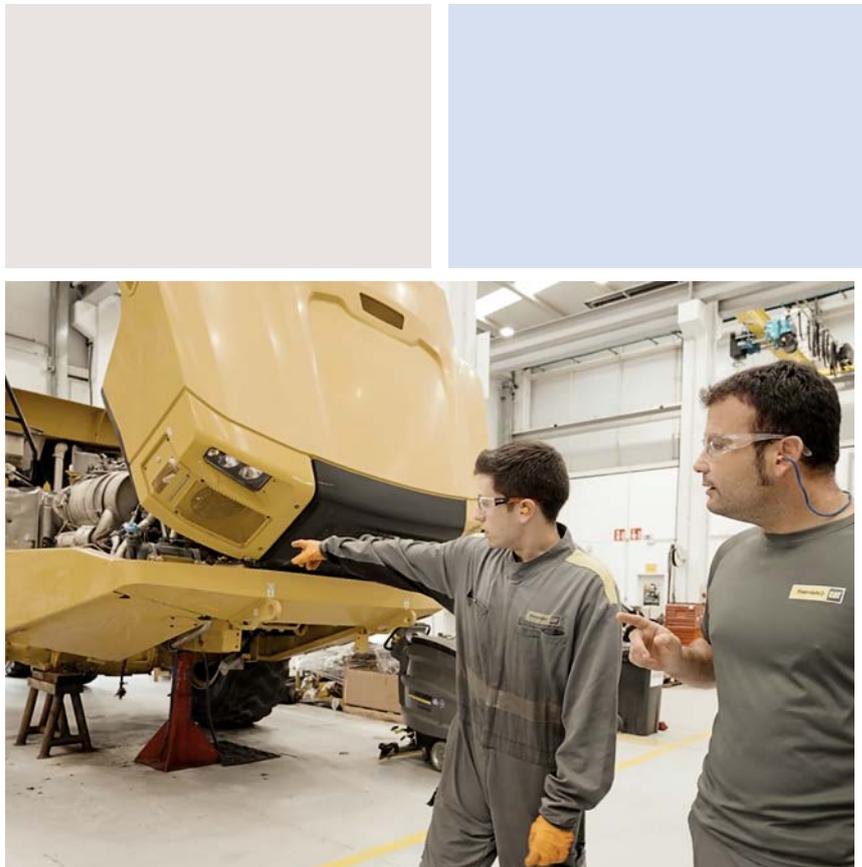
Attention was also paid to the possible violation of contractual norms or workers' rights. A potential impact was also identified in relation to the accidental loss of company data or sensitive personal information of workers in the value chain (*For more detail on how this is handled, see the chapter "Well-being and respect for Group personnel"*).

Though the Group has not yet established specific targets on this issue, it has formalized its commitment to managing impacts on workers in the value chain in its **Human Rights Policy**. The Group opposes any activity that may contribute to **human rights abuses**, especially in conflict areas or those of high risk, prohibiting within the scope of its operations and within the value chain any type of **child labor, forced labor** and **human trafficking**. The commitments set out in the Policy are inspired by those contained in the United Nations International Charter, the European Union Charter of Fundamental Rights, labor standards covered in ILO conventions, and the OECD Guidelines for Multinational Enterprises.

As also reiterated in the **Code of Ethics**, which sets out the guidelines for responsible conduct and to which **suppliers also subscribe**, TESSA has further emphasized its view that fairness and inclusion are indispensable values that must never be violated, in addition to its opposition to incidents of **discrimination, harassment and bullying**,

including within the value chain. The TESSA Group expressly requires its suppliers to ensure a fair **work-life balance, decent wages** in compliance with at least the legally set minimum, and workers' rights to **freedom of association and collective bargaining**. The working environment must also be **safe and decent**, and there must be no risk to people's health and safety, in accordance with international standards, laws and regulations.

Consistent with the provisions of the Human Rights Policy, TESSA takes a structured approach to **selecting its suppliers** by organizing tenders that involve a preliminary screening based on specific criteria. These include the existence of appropriate occupational health and safety policies and practices, compliance with workers' contractual conditions, correct tax and contribution compliance, and compliance with applicable regulations. In some cases, the Group also carries out physical audits at potential suppliers' sites before the contract is finalized. These are designed to verify directly that these suppliers meet the Group's expectations regarding social responsibility and operational compliance.



08. AFFECTED COMMUNITIES

[ESRS 3]

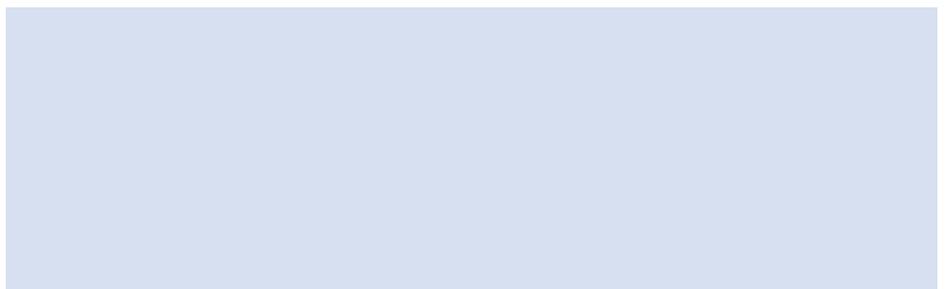
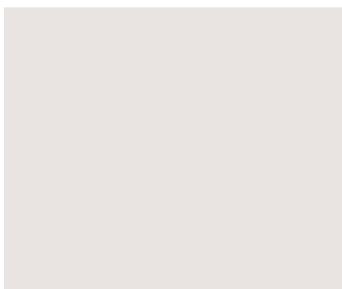
Management of impacts and opportunities related to affected communities

[SMB-3 S2] [IRO-1] [S3-2] [S3-4] Commitment and respect for local environments facilitate the creation of relationships based on mutual trust, enabling responsible and harmonious development that is appropriate in the surrounding area, against a backdrop of cooperation and collaboration. On this topic, the materiality analysis identified impacts and opportunities that focus on contributing to the development of local communities in the area through a variety of initiatives. These include collaboration with academic institutions and associations and the creation and distribution of economic value in communities.

Cognizant of its impact on affected communities, the TESSA Group has formalized its commitment to the **Human Rights Policy**, ensuring **respect for the rights of the communities in which it operates**. TESSA is committed to contributing to socio-economic development, resources and human skills through its own initiatives and daily actions. This commitment is also made explicit in the **Code of Ethics**, which specifically highlights the Group's commitment to developing employment and its desire to contribute to improving quality of life for people in local communities.

Alongside the STARTech training project, in 2024 the TESSA Group also launched the "**Back to Your Future**" social responsibility project, which reflects its active commitment to supporting the communities in which it operates, thus reflecting its own values. The program involves Italy, Spain, Portugal, Croatia and Slovenia and is enacted in collaboration with CIAPE (*Centro Italiano per l'Apprendimento Permanente* - the Italian Center for Life-Long Learning) and a network of international centers, including Animam Viventem, Santa María la Real Fundación, Dante and STEP. The project targets around 90 NEETs, young people who are not studying, working or engaged in

training and young people at risk of dropping out of school. The goal of the program is to help these young people regain self-confidence and re-enter the world of work or training, with the support and mentoring of TESSA workers. For the Group, this initiative is an opportunity to enrich the productive fabric with new skills and talents, and also a social duty that ensures that communities can grow sustainably, enabling them to meet the economic and social challenges of the future.



09. CUSTOMERS AND END-USERS

[ESRS 4]

Management of impacts and risks related to customers and end-users

[IRO-1] [S4-1] [S4-4] Potential negative impacts related to the products marketed by the TESSYA Group include risks to user safety in the event of malfunctions, possible increased costs for recalls, repairs, or replacements, and possible reputational damage resulting from the distribution of products that do not meet expected quality standards.

On the other hand, the impact on TESSYA's customers is positive, as evidenced by their degree of satisfaction with the high quality of products and services offered.

An opportunity was also identified in relation to increased demand for innovative and sustainable solutions and customer retention. Furthermore, an effect related to the loss of company data or sensitive customer/end-user personal information, resulting from unauthorized or accidental disclosure, was also identified in relation to customers and end-users (*For more detail on how this is handled, see the chapter "Well-being and respect for Group personnel"*).

To better manage impacts and risks and grasp opportunities, the Group's **Human Rights Policy** defines its commitments both in terms of **meeting customer demands and expectations** and in terms of **safety**. In this regard, TESSYA is committed to providing products that present no risks to customer and end-user health and safety, and to providing them with all relevant information about the products. The Group also emphasizes its desire to offer the highest quality and safety levels for both products and the way services and solutions are provided.

The TESSYA Group consistently ensures product and service quality and is a reliable partner for companies who seek innovative, operationally efficient solutions. Reflecting this commitment, a

number of Group companies have achieved **ISO 9001 certification**, an international standard that defines criteria for a quality management system designed to improve operational efficiency and meet market needs.

In 2024, the TESSA Group company CGT continued and strengthened its **Re-Evolution Technologies** communication project. This seeks to show customers the most advanced technologies and solutions that generate value and sustainability in the construction industry. Six episodes are offered, during which CGT recounts its customers' experiences and the results achieved through the TESSA Group's solutions to increase productivity, safety, and efficiency, including from the perspective of reducing its environmental impact.

[S4-2] [S4-3] To gather feedback from customers and obtain a comprehensive view of their perceptions of the Group's products and services, surveys and interviews are conducted regularly. These tools enable continuous monitoring of satisfaction levels, measurement of the value attributed to the technological solutions proposed, identification of areas for improvement, and targeted actions in response to real customer needs.



Governance

Information





10. TESYA GROUP BUSINESS CONDUCT

[ESRS G1]

Ethical conduct and corporate culture

[IRO-1] [G1-1] The TESYA Group has always operated with transparency and respect for the principles of legality, ensuring responsible business management in relations with Stakeholders and communities in which it generates value. A good governance system is considered a vital pillar both in terms of ensuring efficiency, reliability and corporate reputation in daily operations and in fostering development and growth at all Group companies.

Over time and thanks to constant communication and training, the Group's principles of ethics and integrity, as reflected in its vision and values, have become the basis for the corporate culture, as confirmed during the double materiality process. The analysis identified the positive effects that these principles have on business operations and economic development in the countries where TESYA has a presence and where it works with fiscal integrity, transparency, and fairness.

The double materiality assessment also enabled an assessment of the potential negative impacts that could occur as a result of failure to comply with these principles or from an inadequate Governance System. Of all those considered, the most significant negative consequences could occur as a result of misconduct, which would cause significant reputational and legal damage, and errors in the handling of reports of violations of national or European Union regulations, which would have widespread consequences at various organizational levels.

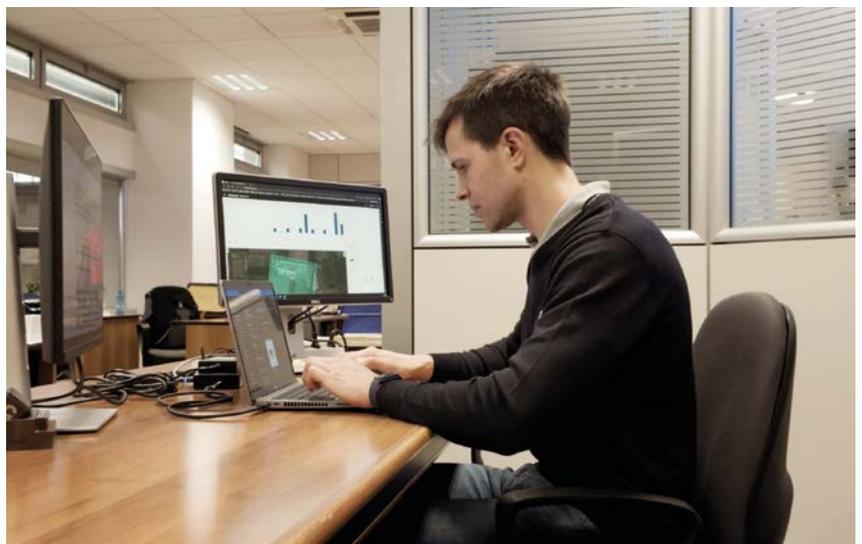
To limit the likelihood of such incidents, TESYA has mitigated the risks by introducing both specific preventive measures against corruption and procedures and policies for internal use, which are outlined in this chapter.

The Code of Ethics

The **Code of Ethics** inspires and guides conduct in the daily activities of all those who work for the TESSA Group. It sets out the criteria for ethical and responsible conduct, environmental protection and working excellence that form the basis of TESSA's culture, vision and values. It is based around compliance with the current regulations applicable to the Group and national and international best practices regarding human rights, social responsibility, and corporate governance. These are further confirmed with the adoption of a **Human Rights Policy**.

The Code establishes guidelines to **prevent corruption**, taking a zero-tolerance attitude toward incidents of corruption and unethical business practices that undermine fair competition. Particular focus is also placed on managing potential **conflicts of interest**. Without explicit authorization, Code addressees may neither engage in financial transactions that bring personal benefit nor engage in activities that conflict with the Group's interests or objectives. Potential situations of conflict of interest must be promptly reported through the channels provided by the Group.

The Code's provisions are applicable to all Group employees, in addition to customers, suppliers and business partners. During the hiring process, employees are required to sign the Code; customers and suppliers are made aware of its contents and must acknowledge it before signing contracts with Group companies; business partners generally accept its contents through contractual clauses.



The Code of Ethics was approved by the **Board of Directors** of the parent company TESSA S.p.A. and adopted by all Group companies. It was then published on the websites of the parent company and the operating companies, thereby making the document accessible to interested parties.

The body responsible for verifying compliance with the provisions of the Code of Ethics is the **Supervisory Board (SB)**, which ensures awareness, conducts constant monitoring, and prepares prevention mechanisms.

Organization, Management and Control Model

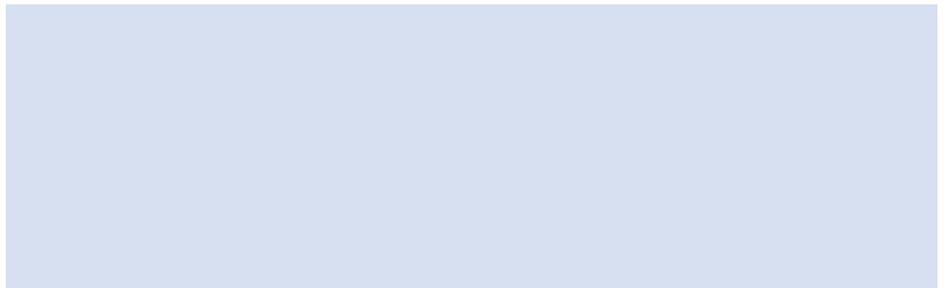
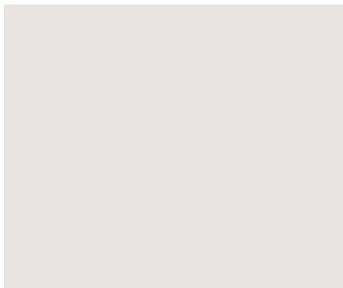
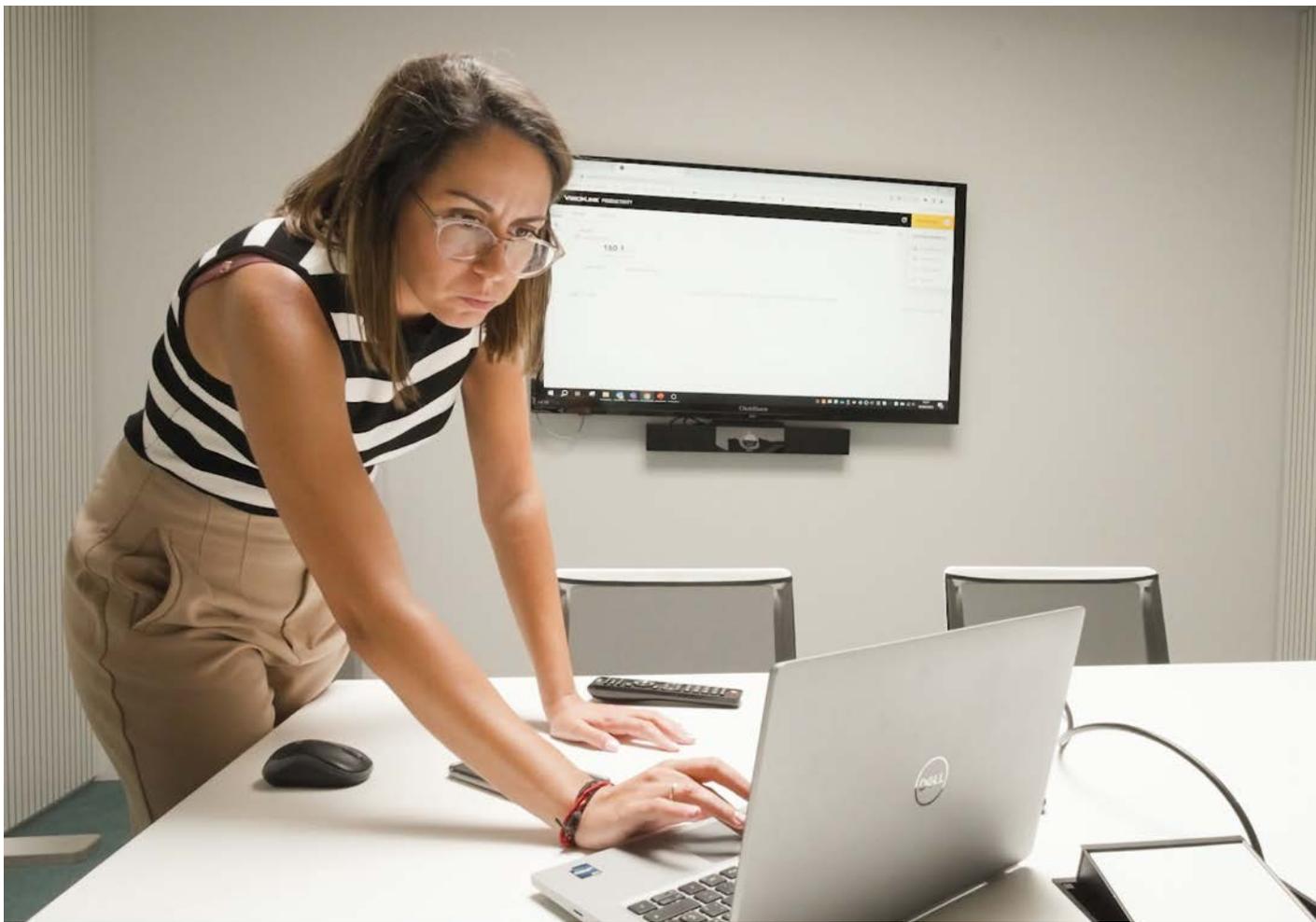
In accordance with regulations, the parent company TESSA S.p.A. and its Italian subsidiaries have adopted an Organization, Management and Control Model pursuant to Legislative Decree No. 231/2001 (the "231 Model"). A risk analysis was carried out to identify potential critical issues related to the commission of offenses in the various corporate functions. The results of this analysis led to the definition of responsibilities, segregation of duties, and control safeguards for Group companies' governing bodies. The goal is to **prevent the commission of offenses and unlawful acts.**

The **Supervisory Board**, supported by the **internal audit function**, is responsible for monitoring and prevention and for taking appropriate corrective actions where necessary.

Customized approaches are in place at companies governed by local laws that do not require the adoption of a 231 Model. An Organizational Model has been adopted in the Iberian Peninsula through the establishment of an implementing body: the TESSA Iberia Supervisory Authority. This body is responsible for defining, disseminating and adopting a methodology to analyze, manage and

mitigate risk, introducing operational controls, improving business processes, and monitoring and managing the reporting channel.

In Teknoxgroup, which operates in Southeast Europe and Switzerland, the Human Resources Function is responsible for enacting the conduct guidelines and principles contained in the Code of Ethics. This function is responsible for training, dissemination, control and oversight activities in cooperation with the General Managers of the Teknoxgroup companies.



Anti-corruption

[G1-3] [G1-4] In 2024, the TESYA Group delivered a **training course** focused on anti-corruption. The course was designed to improve participants' awareness of the Group's anti-corruption policies and to disclose the main risks and related consequences of actions that go against the principles of ethical and transparent conduct. The importance of acting in compliance with ethical and legal standards was also reiterated, and tools were provided to recognize and prevent behavior that could constitute corruption.

In its first phase, the course involved a sample of employees from the most at-risk functions, with the goal of extending its use to the entire Group population in 2025. Demonstrating the effectiveness of these actions, there were no cases of corruption or bribery at any Group company in 2024.

Whistleblowing Procedure

[G1-1] [S1-3] [S2-3] [S3-3] [S4-3] In 2024, the TESYA Group set up an internal reporting system, formalized in the **Whistleblowing Procedure**. The goal of this procedure is to govern the system to manage reports of any critical issues and violations of the Code of Ethics, the Organization, Management and Control Model, and the areas described in Legislative Decree No. 24/2023²².

The reporting system adopted by the Group's Italian companies guarantees the confidentiality of both the identity of the reporter and the information provided. It is managed by the **Supervisory Board**.

Reports can be submitted through a dedicated web platform, which is accessible from the website of TESYA S.p.A. and the Group's Italian companies at <https://ewhistletesya.mesacloud.tech/>, or verbally by requesting an interview with the Supervisory Board. Reports may be

22. Legislative Decree implementing Directive (EU) 2019/1937 on the protection of persons who report breaches of Union law and national regulatory provisions.

made by employees, suppliers and anybody working in the interest or for the benefit of the company. This includes workers in the value chain, affected communities, customers and end-users.

When it receives a report, the Supervisory Board undertakes to promptly and independently investigate it, while also maintaining confidentiality. Once these checks are complete, the Supervisory Board responds within the legally established time limits and, if the report is substantiated and concerns actionable conduct, instructs the relevant functions to take disciplinary action, ensuring the anonymity of the reporter. Where further investigation is required, if the conduct is not deemed actionable, the report is dismissed and the reporter is informed. The Supervisory Board regularly informs the Board of Directors regarding action taken and any corrective measures applied.

In 2024, a process began to extend the whistleblowing channel to those companies that are not required to adopt it under Legislative Decree No. 24/2023, in order to ensure full coverage for all Group companies, including outside Italy.

Reporting methods in Spain and Portugal are consistent with those adopted in Italy. The whistleblowing channel is managed by an independent third party, and TESSYA Iberia's Supervisory Authority is responsible for monitoring the reporting system. The Authority also investigates the reports, taking corrective and preventive measures where necessary.

In companies where the whistleblowing procedure has not yet been formally adopted, where situations or actions that violate the Code of Ethics, company policies or the law are identified, the company's General and Functional Management are informed immediately.

TESSYA always ensures that the reporting process is managed so as to avoid any form of retaliation or punitive or discriminatory actions against whistleblowers, including role changes, dismissals, or transfers.

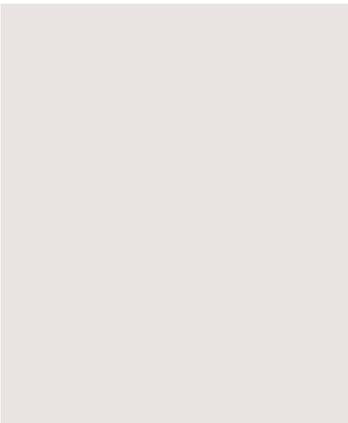
Finally, specific **training courses** on whistleblowing issues were provided to a limited sample of employees in 2024. These sought to raise awareness regarding the availability and mode of operation of whistleblowing channels, and to improve understanding of the Group's values. Going forward, the goal is to extend this training to the entire corporate population.

Management of relationships with suppliers

[IRO-1] [G1-2] The double materiality assessment highlighted the impacts that suppliers and TESYA companies' management of supplier relationships have on all aspects of sustainability, i.e., environmental, social, and governance issues. Selection on the basis of financial, quality, reputational, and on-time delivery criteria has been identified as the driver to mitigate risks and reduce supplier-related consequences. When evaluating these criteria, social and environmental aspects are also always considered. To communicate the importance of these values, TESYA involves suppliers and partners in awareness-raising initiatives and events.

Group companies prioritize partners who develop more environmentally friendly products and services (i.e., reduced resource consumption, use of recyclable materials, reduced CO₂ emissions). They also require that these partners comply with legal provisions with a focus on ethics, protection of workers' health and safety, and respect for the environment. This requirement is generally formalized through the inclusion of contractual clauses that refer to the Code of Ethics and the Organizational Model and by highlighting the consequences of conduct that does not comply with these provisions. In the event of non-compliance with such clauses, supplier contracts may be terminated.

The Group is also committed to supporting its suppliers' economic robustness, adopting appropriate, punctual payment practices, thereby fostering fair and lasting business relationships and as defined in the Code of Ethics.



23. The Op.Cos. Teknoxgorup Crna Gora d.o.o., Teknoxgroup Macedonia dooel and Teknoxgroup Kosovo l.l.c. were excluded from the reporting on average days to make payment to suppliers, given the nature of their operations, which are mainly intercompany. As regards the calculation methodology, the average number of days to make payment was proportional to the purchase volumes per individual company.

[G1-6]

At the TESSA Group, payment methods and terms are structured to ensure transparency, reliability, and integrity in business relationships with suppliers.

In 2024, the average time taken to pay supplier invoices was approximately 48 days²³ and there were no court cases relating to late payments.

The Group's main supplier categories are generally divided into:

01

Original Equipment Manufacturers (OEMs): suppliers of equipment and machinery with dealership contracts. Payment terms are contractually agreed upon and can vary between 30 and 90 days, depending on the product and specific agreements. Contracts provide for on-time payments, often on a fixed monthly basis, and are subject to regulations applicable in the supplier's country.

02

Domestic suppliers of goods and services: e.g., suppliers of goods, spare parts and transportation services. These suppliers have variable payment terms depending on the type of good. Payment terms vary between 30 and 60 days from the invoice date. On average, actual payment times are below 60 days, guaranteeing compliance with contractual terms and supporting the liquidity of small suppliers and SMEs.

03

International and other suppliers: these have variable payment terms ranging from immediate payment up to 60 days. To settle payments and ensure compliance and security, relationships are governed by local and international regulations.

24. The percentage of payments meeting the standard terms was calculated as a proportion of the number of invoices for each individual company.

In the reporting year, 81% of payments were made within the timeframe set by the benchmark standards²⁴. Any routine, minor delays generally occurred for administrative reasons or due to document verification. They were, in any case, promptly managed in collaboration with suppliers without ever giving rise to litigation.

I. METHODOLOGICAL NOTE

General basis for preparation of the document

[BP-1] [MDR-M] For 2024, the TESSYA Group has decided to prepare its Sustainability Report on a voluntary basis, inspired by the requirements of the European Sustainability Reporting Standards (ESRS), the reporting standards set out in the European Union's Corporate Sustainability Reporting Directive (CSRD), as implemented in Italy by Legislative Decree No. 125/2024.

This decision is based on the desire to gradually achieve compliance with the requirements of the ESRS, ensuring regulatory compliance (taking into account possible changes in such regulations), and to allow for greater transparency and comparability of the information reported.

The reporting scope covers the parent company TESSYA S.p.A., with registered office at Via Padana Superiore, 19 - 20055 Vimodrone (MI), Italy, and all its subsidiaries listed in the table below. The reporting scope differs from that of the Group's Consolidated Financial Statement in that the latter also includes companies incorporated or newly acquired in late 2024, which were excluded from the Sustainability Report²⁵.

In a change from the previous year, the newly acquired company Degrosolutions S.r.l. was included in the reporting scope effective January 1, 2024.

25. Alquiler Maquinaria Soluciones S.L., Strutture S.r.l. and Alayan Emerent Maq. y Equip. LDA are not included in the reporting scope of the 2024 Sustainability Report.

TESYA S.P.A. SUBSIDIARIES

BUSINESS NAME	REGISTERED OFFICE
CGT S.p.a.	Vercelli, Italy
CGT Trucks S.p.a.	San Giuliano Milanese, Italy
XIBER Energy Solutions S.r.l.	Vimodrone, Italy
Caymo Maintenance S.L.	El Astillero, Spain
Finanzauto S.A.U.	Arganda del Rey, Spain
STET S.A.	Prior Velho, Portugal
Tecno. de Guiado de Maquinaria S.L.U.	Arganda del Rey, Spain
Alayan Rental S.L.U.	Arganda del Rey, Spain
CGTE S.p.a.	Varedo, Italy
Exclusivas de Maquinaria y Equipos S.L.U.	Riaño Langreo, Spain
CLS S.p.a.	Segrate, Italy
Degrosolutions S.r.l.	Arzignano, Italy
Alfaproject.net S.r.l.	Milan, Italy
Alax Automation B.V.	Herentals, Belgium
Teknoxgorup S.A.	Mendrisio, Switzerland
Teknoxgroup Shqiperi Sh.p.k.	Tirana, Albania
Teknoxgroup Srbija d.o.o.	Vrčin, Serbia
Teknoxgroup Kosovo I.l.c.	Fuchsë Kosovë, Kosovo
Teknoxgroup Hrvatska d.o.o.	Zagreb, Croatia
Teknoxgroup Macedonia dooel	Skopje, Macedonia
Teknoxgroup Slovenija d.o.o.	Grousplje, Slovenia
Teknoxgroup Crna Gora d.o.o.	Podgorica, Montenegro
Teknoxgroup d.o.o.	Grousplje, Slovenia
Teknoxgroup B.H. d.o.o.	Sarajevo, Bosnia

As regards material impacts, risks, and opportunities described in the section "*Material impacts, risks and opportunities and their interaction with strategy and business model*" and the Appendix, the entire value chain was considered in the assessment. Furthermore, the TESYA Group has omitted no relevant information regarding its sustainability performance, including in relation to intellectual property, expertise or innovation results.

Finally, this TESYA Group Sustainability Report was presented at the Board of Directors meeting on June 26, 2025.

Disclosures in relation to specific circumstances

[BP-2] The time horizons adopted by the TESSYA Group in preparing this Sustainability Report align with the definitions under ESRS 1 section 6.4 - *Definition of short-, medium- and long-term for reporting purposes*:

Short term:

the same as the period established for the preparation of the financial statements, i.e., the annual reporting period.

01

Medium term:

from the end of the short term to a maximum of 5 years.

02

Long term:

refers to a period exceeding 5 years.

03

Restatements of information

The TESSYA Group has sought to minimize the use of data estimates as far as possible; where necessary, such estimates have been explicitly specified within the text and with direct reference to the data in question, with the exception of Scope 1, 2, and 3 emissions data, for which the calculation and estimation methodology is set out below.

Any amendments or corrections to data relating to the previous period and reported in the previous Sustainability Report are indicated and contextualized within the chapters.

Scope 1, 2, 3 Calculation Methods

SCOPE 1

To calculate direct (Scope 1) emissions, an activity-based methodology was used. This is based on fuel consumption data and refrigerant gas leakage measured for each plant. These values were multiplied by emission factors provided by the UK government's Department of Environment, Food and Rural Affairs (DEFRA), updated to 2024.

SCOPE 2

To calculate indirect emissions from electricity and district heating consumption (Scope 2), the reporting standard provided by the GHG Protocol was used, applying both of the methods indicated: market-based and location-based.

The market-based method estimates GHG emissions associated with electricity purchased using specific emission factors provided by distributors, called "residuals", i.e., related to electricity production net of the portion covered by Guarantees of Origin. Emission factors published by the Association of Issuing Bodies (AIB) through the "European Residual Mixes" were used for this purpose. These factors were applied to the residual energy source mix of purchased electricity, excluding the portion certified by Guarantees of Origin.

The location-based method, on the other hand, calculates emissions by considering the national average energy mix of the country in which each company site is located. This approach involved the use of emission factors developed and published by the International Energy Agency (IEA 2024), differentiated by individual nation.

SCOPE 3

For the Group's Scope 3 calculation, the methodologies and evaluation of the data required are based on the GHG Protocol report "Technical Guidance for Calculating Scope 3 Emissions". The GHG Protocol recommends adopting the methodology for calculating Scope 3 greenhouse gas emissions that ensures the highest possible accuracy, in line with the level of detail of the available data.

Accordingly, the following methodological approaches were used to calculate Scope 3 categories:

Category 1 (Purchased goods and services)

As in the previous year, a spend-based methodology was adopted. This began with the amount in Euro spent by individual Group companies on the purchase of products and services. The input data were then multiplied by the DEFRA 2021 database emission factors adjusted to the level of inflation in the reporting year. Finally, individual companies' emissions were consolidated to obtain an overall value that accurately represents the carbon footprint of Group-wide goods and services purchases.

Category 2 (Capital goods)

As in the previous year, a spend-based methodology was adopted. This began with the amount in Euro spent by individual Group companies on capital goods. The input data were gathered at Group level then multiplied by the DEFRA 2021 database emission factors adjusted to the level of inflation in the reporting year.

Category 3 (Fuel- and energy-related activities not included in Scope 1 or Scope 2)

The input data for fuel and energy consumption used for the Scope 1 and 2 calculations were multiplied by the Well-to-tank factors provided by the DEFRA 2024 database and the IEA 2024 database.

Category 5 (Waste disposal)

A waste-type-specific methodology was adopted, which saw the quantities of waste generated by individual companies multiplied, depending on the disposal/recovery mode, by an emission factor provided by the DEFRA 2024 database. Finally, individual companies' emissions were consolidated to obtain an overall value that accurately represents the carbon footprint of waste generated at the Group level.

Category 6 (Business travel)

To calculate the emissions generated by work-related travel, a spend-based methodology was adopted. This began with the amount spent in Euro on the purchase of these transportation services by the

individual Group companies. The input data were then multiplied by the DEFRA 2021 database emission factors adjusted to the level of inflation in the reporting year. For emissions generated by overnight stays in hotels, the input data were the number of nights spent in hotels. The input data were then multiplied by the DEFRA 2024 database emission factors. Finally, individual companies' emissions were consolidated to obtain an overall value that accurately represents the carbon footprint of business travel at the Group level.

Category 11 (Use of sold products)

A Direct Use Phase Emission methodology was adopted. Emission values were calculated by multiplying days of use, daily hours of use, hourly consumption, and quantities of goods sold. The lifetime value of the product was also considered for these goods. The data obtained were then multiplied by DEFRA 2024 emission factors or, for electricity consumption, those published by the IEA.

Category 13 (Downstream leased assets)

The Direct Use Phase Emission methodology was applied, calculating emissions based on days of use, daily hours of use, hourly consumption, and quantity rented. The results were multiplied by DEFRA 2024 emission factors, or those of the IEA for electricity consumption.

Listed below are the Scope 3 categories that have not been reported by the TESSA Group:

Category 4 (Upstream transportation)

The category is applicable but not significant for the Group due to the negligible impact in terms of emissions.

Category 7 (Employee commuting)

The category is applicable but not significant for the Group due to the negligible impact in terms of emissions.

Category 8 (Upstream leased assets)

The category is applicable but not significant for the Group due to the negligible impact in terms of emissions.

Category 9 (Downstream transportation)

The category is applicable but not significant for the Group due to the negligible impact in terms of emissions.

Category 10 (Processing of sold products)

The Group's activities do not involve any further industrial processing steps by third parties on the products sold.

Category 12 (End-of-life treatment of sold products)

The category is applicable but not significant for the Group due to the negligible impact in terms of emissions.

Category 14 (Franchises)

The TESSA Group does not operate through a franchise model, and therefore emissions attributable to that category are excluded.

Category 15 (Investments)

The Group's activities do not include investments.

II. DISCLOSURE REQUIREMENTS IN ESRS COVERED BY THE UNDERTAKING'S SUSTAINABILITY REPORT

[IRO-2] The double materiality assessment process which assessed impacts, risks, and opportunities and which guided the identification of issues relevant to the TESSA Group, considering the nature of its business and services offered, has been described in detail in the body of the document.

In addition, the **list of ESRS "disclosure requirements"** that inspired the TESSA Group in preparing the 2024 Sustainability Report (referenced within the document) is provided below with an indication of whether the disclosure elements derive from other EU legislation listed in Appendix B of Annex II of the CSRD.

**DISCLOSURE REQUIREMENT/DATAPOINT/
ENTITY-SPECIFIC TOPIC****OBLIGATIONS FROM OTHER EU
LEGISLATIVE ACTS^{26;27;28;29}****ESRS 2 - GENERAL DISCLOSURES****ESRS 2 BP-1 - General basis for preparation of sustainability report****ESRS 2 BP-2 - Disclosures in relation to specific circumstances****ESRS 2 GOV-1 - The role of the administrative, management and supervisory bodies**

ESRS 2 GOV-1 Board's gender diversity, paragraph 21(d)

SFDR: Annex I, table 1, indicator no. 13

Benchmark Regulation reference: Delegated Regulation (EU) 2020/1816 of the Commission (5), Annex II

ESRS 2 GOV-1 Percentage of board members who are independent, paragraph 21(e)

Benchmark Regulation reference: Delegated Regulation (EU) 2020/1816 of the Commission, Annex II

ESRS 2 GOV-2 Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies**ESRS 2 SBM-1 Strategy, business model and value chain****ESRS 2 SBM-2 Interests and views of Stakeholders****ESRS 2 SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model****ESRS 2 IRO-1 Description of the processes to identify and assess material impacts, risks and opportunities****ESRS 2 IRO-2 - Disclosure Requirements in ESRS covered by the undertaking's sustainability report**

26. Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector (SFDR) (OJ L 317, 9.12.2019, p. 1).

27. Regulation (EU) 575/2013 of the European Parliament and of the Council of June 26, 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) 648/2012 (Capital Requirements Regulation "CRR") (OJ L 176, 27.6.2013, p. 1).

28. Regulation (EU) 2016/1011 of the European Parliament and of the Council of June 8, 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) 596/2014 (OJ L 171, 29.6.2016, p. 1).

29. Regulation (EU) 2021/1119 of the European Parliament and of the Council of June 30, 2021 establishing the framework for achieving climate neutrality and amending Regulations (EC) 401/2009 and (EU) 2018/1999 ("European Climate Law") (OJ L 243, 9.7.2021, p. 1).

**DISCLOSURE REQUIREMENT/DATAPOINT/
ENTITY-SPECIFIC TOPIC**

**OBLIGATIONS FROM OTHER EU
LEGISLATIVE ACTS^{26;27;28;29}**

ESRS E1 - CLIMATE CHANGE

ESRS E1-3 Actions and resources in relation to climate change policies

ESRS E1-4 - Targets related to climate change mitigation and adaptation

ESRS E1-4 GHG emission reduction targets, paragraph 34

SFDR: Annex I, Table 2, Indicator no. 4
Pillar 3 reference: Article 449a of Regulation (EU) 575/2013; Commission Implementing Regulation (EU) 2022/2453, Template 3: Banking book - Climate change transition risk: alignment metrics **Benchmark Regulation reference:** Article 6 of Delegated Regulation (EU) 2020/1818

ESRS E1-5 Energy consumption and mix

ESRS E1-5 Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors), paragraph 38

SFDR: Annex I, table 1, indicator no. 5 and Annex I, table 2, indicator no. 5

ESRS E1-5 Energy consumption and mix, paragraph 37

SFDR: Annex I, Table 1, Indicator no. 5

ESRS E1-5 Energy intensity associated with activities in high climate impact sectors, paragraphs 40 to 43

SFDR: Annex I, table 1, indicator no. 6

ESRS E1-6 Gross Scopes 1, 2, 3 and Total GHG emissions

ESRS E1-6 Gross Scope 1, 2, 3 and Total GHG emissions, paragraph 44

SFDR: Annex I, table 1, indicators no. 1 and 2
Pillar 3 reference: Article 449a of Regulation (EU) 575/2013; Commission Implementing Regulation (EU) 2022/2453, Template 1: Banking book - Climate change transition risk indicators: Credit quality of exposures by sector, emissions and residual maturity
Benchmark Regulation reference: Article 5, paragraph 1, Article 6 and Article 8, paragraph 1 of Delegated Regulation (EU) 2020/1818

**DISCLOSURE REQUIREMENT/DATAPOINT/
ENTITY-SPECIFIC TOPIC****OBLIGATIONS FROM OTHER EU
LEGISLATIVE ACTS^{26;27;28;29}****ESRS - E1 CLIMATE CHANGE**

ESRS E1-6 Gross GHG emissions intensity, paragraphs 53 to 55

SFDR: Annex I, Table 1, Indicator no. 3
Pillar 3 reference: Article 449a of Regulation (EU) 575/2013; Commission Implementing Regulation (EU) 2022/2453, Template 3: Banking book - Climate change transition risk: alignment metrics **Benchmark Regulation reference:** Article 8, paragraph 1 of Delegated Regulation (EU) 2020/1818

ESRS E2 - POLLUTION

ESRS 2 IRO-1 E2 Description of the processes to identify and assess material pollution-related impacts, risks and opportunities

ESRS E2-4 Pollution of air, water and soil

ESRS E2-4 Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil, paragraph 28

SFDR: Annex I, table 1, indicator no. 8; Annex I, table 2, indicator no. 2; Annex I, table 2, indicator no. 1; Annex I, table 2, indicator no. 3

ESRS E2-5 - Substances of concern and substances of very high concern

ESRS E3 - WATER AND MARINE RESOURCES

ESRS 2 IRO-1 E3 Description of the processes to identify and assess material water and marine resources-related impacts, risks and opportunities

ESRS E3-2 Actions and resources related to water and marine resources

ESRS E3-4 Water consumption

ESRS E3-4 Total water recycled and reused, paragraph 28(c)

SFDR: Annex I, table 2, indicator no. 6.2

ESRS E3-4 Total water consumption in m3 per net revenue on own operations, paragraph 29

SFDR: Annex I, table 2, indicator no. 6.1

ESRS E5 - CIRCULAR ECONOMY

ESRS 2 IRO-1 E5 Description of the processes to identify and assess material impacts, risks and opportunities related to resource use and the circular economy

ESRS E5-2 Actions and resources related to resource use and circular economy

ESRS E5-5 Resource outflows

ESRS E5-5 Non-recycled waste, paragraph 37(d)

SFDR: Annex I, table 2, indicator no. 13

**DISCLOSURE REQUIREMENT/DATAPOINT/
ENTITY-SPECIFIC TOPIC**

**OBLIGATIONS FROM OTHER EU
LEGISLATIVE ACTS^{26;27;28;29}**

ESRS E5 - CIRCULAR ECONOMY

ESRS E5-5 Hazardous waste and radioactive waste, paragraph 39

SFDR: Annex I, table 1, indicator no. 9

ESRS S1 - OWN WORKFORCE

ESRS 2 SBM-2 S1 Interests and views of Stakeholders

ESRS 2 SBM-3 S1 Material impacts, risks and opportunities and their interaction with strategy and business model

ESRS S1-1 Policies related to own workforce

ESRS S1-1 Human rights policy commitments, paragraph 20

SFDR: Annex I, table 3, indicator no. 9 and Annex I, table 1, indicator no. 11

ESRS S1-1 Due diligence policies on issues addressed by the fundamental International Labour Organization Conventions 1 to 8, paragraph 21

Benchmark Regulation reference: Delegated Regulation (EU) 2020/1816 of the Commission, Annex II

ESRS S1-1 Workplace accident prevention policy or management system, paragraph 23

SFDR: Annex I, Table 3, Indicator no. 1

ESRS S1-2 Processes for engaging with own workers and workers' representatives about impacts

ESRS S1-3 Processes to remediate negative impacts and channels for own workers to raise concerns

ESRS S1-3 Grievance/complaints handling mechanisms, paragraph 32(c)

SFDR: Annex I, table 3, indicator no. 5

ESRS S1-4 Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions

ESRS S1-6 Characteristics of the undertaking's employees

ESRS S1-7 Characteristics of non-employee workers in the undertaking's own workforce

ESRS S1-9 Diversity metrics

ESRS S1-10 Adequate wages

ESRS S1-13 Training and skills development metrics

ESRS S1-14 Health and safety metrics

ESRS S1-14 Number of fatalities and number and rate of work-related accidents, paragraph 88, (b) and (c)

SFDR: Annex I, table 3, indicator no. 2 **Benchmark Regulation reference:** Delegated Regulation (EU) 2020/1816 of the Commission, Annex II

ESRS S1-14 Number of days lost due to injuries, accidents, fatalities or illness, paragraph 88(e)

SFDR: Annex I, Table 3, Indicator no. 3

ESRS S1-15 Work-life balance metrics

**DISCLOSURE REQUIREMENT/DATAPOINT/
ENTITY-SPECIFIC TOPIC****OBLIGATIONS FROM OTHER EU
LEGISLATIVE ACTS^{26;27;28;29}****ESRS S1 - OWN WORKFORCE****ESRS S1-17 Incidents, complaints and severe human rights impacts**

ESRS S1-17 Incidents of discrimination, paragraph 103(a)

SFDR: Annex I, table 3, indicator no. 7

ESRS S1-17 Non-respect of UNGPs on Business and Human Rights and OECD, paragraph 104(a)

SFDR: Annex I, Table 1, Indicator No. 10 and Annex I, Table 3, Indicator no. 14**Benchmark Regulation reference:** Annex II of Delegated Regulation (EU) 2020/1816 and Article 12, paragraph 1 of Delegated Regulation (EU) 2020/1818**ESRS S2 - WORKERS IN THE VALUE CHAIN****ESRS 2 SBM-3 S2 Material impacts, risks and opportunities and their interaction with strategy and business model****ESRS S2-1 Policies related to value chain workers**

ESRS S2-1 Human rights policy commitments, paragraph 17

SFDR: Annex I, table 3, indicator no. 9 and Annex I, table 1, indicator no. 11

ESRS S2-1 Policies related to value chain workers, paragraph 18

SFDR: Annex I, Table 3, Indicators nos. 11 and 4

ESRS S2-1 Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines, paragraph 19

SFDR: Annex I, Table 1, Indicator no. 10**Benchmark Regulation reference:** Annex II of Delegated Regulation (EU) 2020/1816 and Article 12, paragraph 1 of Delegated Regulation (EU) 2020/1818

ESRS S2-1 Due diligence policies on issues addressed by the fundamental International Labour Organization Conventions 1 to 8, paragraph 19

Benchmark Regulation reference: Delegated regulation (EU) 2020/1816 of the Commission, Annex II**ESRS S2-3 Processes to remediate negative impacts and channels for value chain workers to raise concerns****ESRS S2-4 Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those actions****ESRS S3 - AFFECTED COMMUNITIES****ESRS 2 SBM-3 S3 Material impacts, risks and opportunities and their interaction with strategy and business model****ESRS 2 S3-1 Policies related to affected communities**

ESRS S3-1 Human rights policy commitments, paragraph 16

SFDR: Annex I, table 3, indicator no. 9 and Annex I, table 1, indicator no. 11

ESRS S3-1 Non-respect of UNGPs on Business and Human Rights, ILO principles or OECD guidelines, paragraph 17

SFDR: Annex I, Table 1, Indicator no. 10**Benchmark Regulation reference:** Annex II of Delegated Regulation (EU) 2020/1816 and Article 12, paragraph 1 of Delegated Regulation (EU) 2020/1818

**DISCLOSURE REQUIREMENT/DATAPOINT/
ENTITY-SPECIFIC TOPIC**

**OBLIGATIONS FROM OTHER EU
LEGISLATIVE ACTS^{26;27;28;29}**

ESRS S3 - AFFECTED COMMUNITIES

ESRS S3-2 Processes for engaging with affected communities about impacts

ESRS S3-3 Processes to remediate negative impacts and channels for affected communities to raise concerns

ESRS S3-4 Taking action on material impacts on affected communities, and approaches to managing material risks and pursuing material opportunities related to affected communities, and effectiveness of those actions

ESRS S4 - CONSUMERS AND END-USERS

ESRS 2 SBM-3 S4 Material impacts, risks and opportunities and their interaction with strategy and business model

ESRS S4-1 Policies related to consumers and end-users

ESRS S4-2 Processes for engaging with consumers and end-users about impacts

ESRS S4-3 Processes to remediate negative impacts and channels for consumers and end-users to raise concerns

ESRS S4-4 Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions

ESRS G1 - BUSINESS CONDUCT

ESRS 2 GOV-1 G1 The role of the administrative, management and supervisory bodies

ESRS 2 IRO-1 G1 Description of the processes to identify and assess material impacts, risks and opportunities

ESRS G1-1 Corporate culture and business conduct policies

ESRS G1-1 United Nations Convention against corruption, paragraph 10, subparagraph b)

SFDR: Annex I, table 3, indicator no. 15

ESRS G1-1 Protection of whistleblowers, paragraph 10(d)

SFDR: Annex I, table 3, indicator no. 6

ESRS G1-2 Management of relationships with suppliers

ESRS G1-3 Prevention and detection of corruption and bribery

ESRS G1-4 Confirmed incidents of corruption or bribery

ESRS G1-4 Fines for violation of anti-corruption and anti-bribery laws paragraph 24(a)

SFDR: Annex I, table 3, indicator no. 17 **Benchmark Regulation reference:** Annex II of Delegated Regulation (EU) 2020/1816

ESRS G1-4 Standards of anti-corruption and anti-bribery, paragraph 24(b)

SFDR: Annex I, table 3, indicator no. 16

ESRS G1-6 Payment practices

III. GRI CONTENT INDEX

DECLARATION OF USE

The TESSA Group has reported “with reference to the GRI Standards” for the period from January 1, 2024 to December 31, 2024

GRI STANDARD	DISCLOSURE	NOTES/OMISSIONS
GENERAL DISCLOSURES		
2-1	Organizational details	
2-2	Entities included in the organization's sustainability reporting	
2-3	Reporting period, frequency and contact point	
2-4	Restatements of information	
2-5	External assurance	As the Group is not required to comply with any legal obligations, it has not submitted the document for external assurance for the reporting year
2-6	Activities, value chain and other business relationships	
2-7	Employees	
2-8	Workers who are not employees	
2-9	Governance structure and composition	
2-10	Nomination and selection of the highest governance body	
2-11	Chair of the highest governance body	The chair of the highest governance body is not also an executive
2-12	Role of the highest governance body in overseeing the management of impacts	As regards the identification of TESSA Group's current and potential ESG impacts, the Group's top executives were involved in the materiality analysis to identify and assess the most relevant impacts. Other methods applied to assess and manage Group impacts include the establishment of reporting mechanisms. Finally, in the pursuit of continuous improvement, the TESSA Group is committed to identifying and reviewing, on an annual basis, the material impacts identified

GRI STANDARD 2021	DISCLOSURE	NOTES/OMISSIONS
GENERAL DISCLOSURES		
2-13	Delegation of responsibility for managing impacts	
2-14	Role of the highest governance body in sustainability reporting	
2-15	Conflicts of interest	
2-16	Communication of critical concerns	In addition to what is reported in the relevant section, we note that no critical issues were reported to the highest governing body in 2024.
2-17	Collective knowledge of the highest governance body	
2-19	Remuneration policies	
2-22	Statement on sustainable development strategy	
2-23	Policy commitments	
2-24	Embedding policy commitments	
2-25	Processes to remediate negative impacts	
2-26	Mechanisms for seeking advice and raising concerns	
2-28	Membership of associations	
2-29	Approach to Stakeholder engagement	
3-1	Process to determine material topics	
3-2	List of material topics	
3-3	Management of material topics	
302-1	Energy consumption within the organization	
302-3	Energy intensity	
302-4	Reduction of energy consumption	
305-1	Direct (Scope 1) GHG emissions	
305-2	Energy indirect (Scope 2) GHG emissions	
305-3	Other indirect (Scope 3) GHG emissions	
303-4	Water discharge	

GRI
STANDARD
2021

DISCLOSURE

NOTES/OMISSIONS

GENERAL DISCLOSURES

306-1	Waste generation and significant waste-related impacts
306-2	Management of significant waste-related impacts
306-3	Waste generated
306-4	Waste diverted from disposal
306-5	Waste directed to disposal
303-1	Interactions with water as a shared resource
303-2	Management of water discharge-related impacts
303-3	Water withdrawal
303-4	Water discharge
303-5	Water consumption
401-1	New employee hires and employee turnover
405-1	Diversity of governance bodies and employees
404-1	Average hours of training per year per employee
403-1	Occupational health and safety management system
403-2	Hazard identification, risk assessment, and incident investigation
403-3	Occupational health services
403-4	Worker participation, consultation and communication on occupational health and safety
403-5	Worker training on occupational health and safety
403-6	Promotion of worker health
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships
403-9	Work-related injuries
205-3	Confirmed incidents of corruption and actions taken

IV. APPENDIX

GENERAL DISCLOSURES

Material impacts, risks and opportunities

DESCRIPTION	CATEGORY	SUB-TOPIC/ SUB-SUB-TOPIC	VALUE CHAIN	TIME HORIZON
E1 - CLIMATE CHANGE				
Additional costs to adapt branches and/or the skills of technical specialists to changes in the product portfolio (e.g., replacing fossil-fueled machines with machines using renewable/sustainable sources) necessitated by the climate context.	Risk	<ul style="list-style-type: none"> Climate change adaptation 	Own operations	Long term
Damage/operational interruption to facilities in the supply chain for raw materials and/or components for the maintenance of machinery, industrial vehicles, or finished products due to extreme weather conditions (e.g., floods or fires) caused by climate change.	Risk	<ul style="list-style-type: none"> Climate change adaptation 	Upstream value chain	Medium term
Supporting the energy transition in the value chain by offering services such as design and/or installation of environmentally friendly technologies.	Actual positive impact	<ul style="list-style-type: none"> Climate change mitigation Energy 	Downstream value chain	Short term
Absorption of climate-changing emissions to a greater extent than those generated by the Group's business and supply chain.	Potential positive impact	<ul style="list-style-type: none"> Climate change mitigation Energy 	Entire value chain	Long term

DESCRIPTION	CATEGORY	SUB-TOPIC/ SUB-SUB-TOPIC	VALUE CHAIN	TIME HORIZON
E1 - CLIMATE CHANGE				
Generation of greenhouse gas emissions in the performance of Group activities (e.g., gas consumption, fuel consumption) and in the value chain.	Actual positive impact	<ul style="list-style-type: none"> Energy 	Entire value chain	Short term
Lack of or reduced purchase/self-production of energy from certified renewable sources and/or delays in energy efficiency projects (e.g., relamping etc.).	Potential positive impact	<ul style="list-style-type: none"> Energy 	Own operations	Short term
Additional operating and investment costs required to comply with more stringent regulations on emissions and use of energy from fossil sources (e.g., carbon tax, CBAM), and for the conversion of systems and infrastructure to improve the energy efficiency of TESSA Group facilities.	Risk	<ul style="list-style-type: none"> Energy 	Own operations	Long term
E2 - POLLUTION				
Release of pollutants and substances of concern and/or extreme concern into the air, water, and/or soil related to inefficiencies in business processes.	Potential positive impact	<ul style="list-style-type: none"> Air pollution Water pollution Soil pollution Substances of concern Substances of very high concern 	Upstream value chain and Own operations	Short term
Disruptions to Group operations caused by emission of pollutants into the environment in excess of legal limits.	Risk	<ul style="list-style-type: none"> Air pollution Water pollution Soil pollution Substances of concern Substances of very high concern 	Own operations	Short term
Consequences on TESSA's business continuity, with potential additional penalty costs caused by inadequate management of substances of concern/extremely high concern in its Own operations.	Risk	<ul style="list-style-type: none"> Substances of concern Substances of very high concern 	Own operations	Short term
Consequences on TESSA's business continuity, with potential additional penalty costs caused by inadequate management of substances of concern/extremely high concern in the Group's supply chain.	Risk	<ul style="list-style-type: none"> Substances of concern Substances of very high concern 	Upstream value chain	Short term

DESCRIPTION	CATEGORY	SUB-TOPIC/ SUB-SUB-TOPIC	VALUE CHAIN	TIME HORIZON
E3 - WATER				
Water withdrawals in water-stressed areas related to business activities (e.g., washing of machinery), contributing to the depletion of water resources.	Actual positive impact	<ul style="list-style-type: none"> Water withdrawals 	Upstream value chain and Own operations	Medium term
E5 - CIRCULAR ECONOMY				
Support for the circular economy by promoting more sustainable business models, such as rental and resale of used equipment, in order to ensure reuse/increased use of high-carbon footprint assets.	Actual positive impact	<ul style="list-style-type: none"> Resources inflows, including resource use Resource outflows related to products and services 	Downstream value chain and Own operations	Short term
Business opportunities relating to reuse and reconditioning of machinery and equipment (e.g., further development and promotion of the Group's digital platform, CYCLICA).	Opportunity	<ul style="list-style-type: none"> Resources inflows, including resource use Resource outflows related to products and services 	Downstream value chain and Own operations	Short term
Consumption of natural resources due to non- or partial implementation of recovery, recycling and/or reuse practices for consumables (e.g., paper), packaging and repair/maintenance parts (e.g., filters, hoses, tires).	Actual positive impact	<ul style="list-style-type: none"> Resources inflows, including resource use 	Downstream value chain and Own operations	Long term
Inadequate disposal of hazardous waste generated by the Group (e.g., oils, oil filters, etc.).	Potential positive impact	<ul style="list-style-type: none"> Waste 	Own operations	Short term
S1 - OWN WORKFORCE				
Development of appropriate welfare and well-being plans to promote employee well-being, including work-life balance.	Actual positive impact	<ul style="list-style-type: none"> Working time Adequate wages Work-life balance Health and safety 	Own operations	Short term
Reduced competitiveness in terms of talent attraction, resulting in difficulty in finding key specialized resources for business development (e.g., STEM specialists, mechanics, technicians).	Potential positive impact	<ul style="list-style-type: none"> Working time Adequate wages Work-life balance Training and skills development 	Own operations	Short term

DESCRIPTION	CATEGORY	SUB-TOPIC/ SUB-SUB-TOPIC	VALUE CHAIN	TIME HORIZON
S1 - OWN WORKFORCE				
Benefits to Group image and increased market attractiveness, including for young talent, created by competitive welfare and well-being programs.	Opportunity	<ul style="list-style-type: none"> Working time Adequate wages Work-life balance Health and safety 	Own operations	Medium term
Reputational damage and additional costs to the TESYA Group caused by loss of employee data.	Risk	<ul style="list-style-type: none"> Privacy 	Own operations	Short term
Loss of company data or sensitive personal information (of employees and non-employees) caused by unauthorized or accidental disclosure.	Potential positive impact	<ul style="list-style-type: none"> Privacy 	Own operations	Short term
Incidents of discrimination affecting the Group's workforce or value chain related to age or gender, including the lack of equal pay for men and women.	Potential positive impact	<ul style="list-style-type: none"> Gender equality and equal pay for work of equal value Diversity 	Own operations	Short term
Employee dissatisfaction and increased turnover resulting from inadequate salary levels, which may lead to reduced productivity and difficulty in retaining talent.	Risk	<ul style="list-style-type: none"> Adequate wages 	Own operations	Short term
Enhancing employees' technical/professional skills and improving career opportunities through continuing education, including with the support of business schools and consulting and training companies.	Actual positive impact	<ul style="list-style-type: none"> Training and skills development 	Own operations	Short term
Creation of a stimulating work environment that attracts talent, fosters professional growth and promotes skill development, including retraining and professional upgrading.	Actual positive impact	<ul style="list-style-type: none"> Training and skills development 	Own operations	Short term

DESCRIPTION	CATEGORY	SUB-TOPIC/ SUB-SUB-TOPIC	VALUE CHAIN	TIME HORIZON
S1 - OWN WORKFORCE				
Achieving strategic goals and increasing competitiveness by developing technical skills and training qualified personnel.	Opportunity	<ul style="list-style-type: none"> • Training and skills development 	Own operations	Medium term
Dedicated training resources (e.g., TESYA YUniversity) and rise in people with key skills leaving the Group, resulting in negative turnover and additional costs.	Risk	<ul style="list-style-type: none"> • Training and skills development 	Own operations	Short term
Lack of flexibility and aging of the corporate population caused by low outgoing turnover, which can result in low attractiveness to young talent.	Negative impact	<ul style="list-style-type: none"> • Training and skills development 	Own operations	Short term
Reputational damage and/or disruption of the TESYA Group's operations due to work-related injuries or ill health.	Risk	<ul style="list-style-type: none"> • Health and safety 	Own operations	Short term
Accidents, work-related injuries and/or ill health.	Actual positive impact	<ul style="list-style-type: none"> • Health and safety 	Own operations	Short term
S2 - WORKERS IN THE VALUE CHAIN				
Violation of contractual rules and/or workers' rights (e.g., substandard working hours, inadequate wages, lack of freedom of association and collective bargaining, child labor, forced labor) along the value chain.	Potential positive impact	<ul style="list-style-type: none"> • Secure employment • Working time • Adequate wages • Social dialogue • Freedom of association, including the existence of company committees • Collective bargaining • Child labor • Forced or compulsory labor 	Upstream and downstream value chain	Short term
Loss of company data or sensitive personal information (of workers in the value chain) caused by unauthorized or accidental disclosure.	Potential positive impact	<ul style="list-style-type: none"> • Privacy 	Upstream and downstream value chain	Short term

DESCRIPTION	CATEGORY	SUB-TOPIC/ SUB-SUB-TOPIC	VALUE CHAIN	TIME HORIZON
S2 - WORKERS IN THE VALUE CHAIN				
Incidents of discrimination affecting workers in the Group's value chain, e.g., in relation to people with disabilities, gender inequality, violence and harassment in the workplace.	Potential positive impact	<ul style="list-style-type: none"> • Gender equality and equal pay for work of equal value • Employment and inclusion of persons with disabilities • Measures against violence and harassment in the workplace • Diversity 	Upstream and downstream value chain	Short term
S3 - AFFECTED COMMUNITIES				
Creation and distribution of economic value through employees (wages and employee benefits) and the value chain (e.g., payments to suppliers, investment in communities, value distributed to the public sector).	Actual positive impact	<ul style="list-style-type: none"> • Land-related impacts 	Own operations	Short term
Contribution to economic, social and cultural development in the community in which the Group operates, through collaborations with actors in the value chain such as academic institutions and sector associations.	Actual positive impact	<ul style="list-style-type: none"> • Land-related impacts 	Entire value chain	Short term
Contribution to development in local communities in the areas in which the company operates, through sponsorship, volunteer initiatives, donations or other forms of charity.	Actual positive impact	<ul style="list-style-type: none"> • Land-related impacts 	Own operations	Short term
Developing synergies with the local community and local educational institutions that enhance the Group's reputation and attractiveness.	Opportunity	<ul style="list-style-type: none"> • Land-related impacts 	Own operations	Short term
S4 – CONSUMERS AND END-USERS				
Exposure of customers/end-users to safety risks caused by malfunctions in Group products.	Potential positive impact	<ul style="list-style-type: none"> • Health and safety 	Downstream value chain	Medium term

DESCRIPTION	CATEGORY	SUB-TOPIC/ SUB-SUB-TOPIC	VALUE CHAIN	TIME HORIZON
S4 - CONSUMERS AND END-USERS				
Increased recall, repair and replacement costs and reputational damage due to the sale of products that malfunction, are of poor quality or unsafe for the user.	Risk	<ul style="list-style-type: none"> Health and safety 	Downstream value chain and own operations	Medium term
Loss of company data or sensitive personal information (of end-users) caused by unauthorized or accidental disclosure.	Potential positive impact	<ul style="list-style-type: none"> Privacy 	Downstream value chain	Short term
ENTITY-SPECIFIC - CUSTOMER SATISFACTION				
Satisfaction of customers thanks to high quality standards in the products and services offered and through continuous involvement and dialogue, incorporating any suggestions for improvement from customers themselves.	Actual positive impact	<ul style="list-style-type: none"> Customer satisfaction 	Downstream value chain	Short term
Increased demand for innovative and sustainable solutions, resulting in increased customer base and retention through new, high-quality and environmentally friendly products and services.	Opportunity	<ul style="list-style-type: none"> Customer satisfaction 	Downstream value chain and own operations	Medium term
G1 - BUSINESS CONDUCT				
Development of a corporate culture based on the principles of ethics and integrity.	Actual positive impact	<ul style="list-style-type: none"> Corporate culture 	Own operations	Short term
Impacts on the economic development of countries where the Group operates through fiscal transparency and integrity.	Actual positive impact	<ul style="list-style-type: none"> Corporate culture 	Entire value chain	Short term

DESCRIPTION	CATEGORY	SUB-TOPIC/ SUB-SUB-TOPIC	VALUE CHAIN	TIME HORIZON
G1 - BUSINESS CONDUCT				
Promotion of environmental and social sustainability values through engagement and collaboration with suppliers and business partners in events and/or outreach initiatives (fairs, conventions, conferences).	Actual positive impact	<ul style="list-style-type: none"> Management of relationships with suppliers, including payment practices 	Entire value chain	Short term
Reputational damage and extra costs due to sanctions for misconduct or corruption.	Risk	<ul style="list-style-type: none"> Prevention and detection including training Incidents 	Own operations	Short term
Inappropriate business conduct (e.g., corruption, misconduct) caused by the misapplication of principles of anti-corruption, ethics and regulatory compliance.	Potential positive impact	<ul style="list-style-type: none"> Prevention and identification, including training Incidents 	Own operations	Medium term
Inadequate whistleblower protection due to improper handling of Stakeholder reports of wrongdoing or critical issues.	Potential positive impact	<ul style="list-style-type: none"> Protection of whistleblowers 	Entire value chain	Medium term
Supply disruptions and reputational damage caused by delays in payments to suppliers, particularly SMEs, in the supply chain.	Risk	<ul style="list-style-type: none"> Management of relationships with suppliers, including payment practices 	Upstream value chain and own operations	Short term
Contribution to the development of the local economy by adopting fair payment practices and promoting local suppliers.	Potential positive impact	<ul style="list-style-type: none"> Management of relationships with suppliers, including payment practices 	Upstream value chain and own operations	Medium term
Supplier selection based on the development of environmentally friendly products (e.g., machinery with reduced greenhouse gas emissions, services to support business decarbonization).	Potential positive impact	<ul style="list-style-type: none"> Management of relationships with suppliers, including payment practices 	Upstream value chain and own operations	Medium term

ENVIRONMENTAL INFORMATION

ENERGY CONSUMPTION AND MIX (MWH)	2024	2023
Total energy consumption	78,679	72,374
Total energy consumption from fossil sources	64,070	67,748
Fuel consumption from coal and coal products	0	0
Fuel consumption from crude oil and petroleum products	47,882	40,826
Fuel consumption from natural gas	13,779	13,705
Fuel consumption from other fossil sources	0	0
Consumption of electricity, heat, steam and cooling purchased or acquired from fossil sources	2,409	13,217
Share of fossil sources in total energy consumption (%)	81%	94%
Total consumption from nuclear sources	0	0
Share of consumption from nuclear sources in total energy consumption	0	0
Total energy consumption from renewable sources	14,609	4,626
Fuel consumption from renewable sources	0	0
Consumption of electricity, heat, steam and cooling purchased or acquired from renewable sources	12,866	3,793
Consumption of self-generated non-fuel renewable energy	1,742	833
Share of renewable sources in total energy consumption	19%	6%
Non-renewable energy production	0	0
Renewable energy production	1,742	833

	2024	2023	2021 (base)	% 2024 VS 2023	% 2024 VS 2021
Total Scope 1 GHG emissions	15,713	14,332	13,518	10%	-16%
Percentage of Scope 1 GHG emissions from regulated emission trading schemes	0%	0%	0%		
Total Scope 2 GHG emissions (location-based)	3,545	5,269	n/a	-33%	n/a
Total Scope 2 GHG emissions (market-based)	1,263	6,021	6,260	-79%	-80%
Total Scope 1+2 GHG emissions	16,976	20,354	19,778	-16%	-14%

	2024	2023	2021 (base)	% 2024 VS 2023	% 2024 VS 2021
Total gross indirect Scope 3 emissions	3,885,434	4,630,492	n/a	-16%	n/a
1. Purchased goods and services	371,432	479,634	n/a	-23%	n/a
2. Capital goods	78,474	76,515	n/a	+4%	n/a
3. Fuel- and energy-related activities	13,329	6,808	n/a	+90%	n/a
4. Upstream transportation and distribution	n/a	n/a	n/a	n/a	n/a
5. Waste generated in operations	301	n/a	n/a	n/a	n/a
6. Business travelling	3,002	911	n/a	+229%	n/a
7. Employee commuting	n/a	n/a	n/a	n/a	n/a
8. Upstream leased assets	n/a	n/a	n/a	n/a	n/a
9. Downstream transportation	n/a	n/a	n/a	n/a	n/a
10. Processing of sold products	n/a	n/a	n/a	n/a	n/a
11. Use of sold products	3,098,825	3,846,489	n/a	-19%	n/a
12. End-of-life treatment of sold products	n/a	n/a	n/a	n/a	n/a
13. Downstream leased assets	320,051	220,132	n/a	+45%	n/a
14. Franchises	n/a	n/a	n/a	n/a	n/a
15. Investments	n/a	n/a	n/a	n/a	n/a
Total GHG emissions (location-based)	3,904,692	4,650,093	n/a	-16%	n/a
Total GHG emissions (market-based)	3,902,410	4,650,845	n/a	-16%	n/a

Water

WATER CONSUMPTION (in m³)	2024	2023
Water consumption	3,742.4	2,123.16
Water consumption in areas at significant water risk	0	n/a
Water consumption in areas of high water-stress	53.3	434.08
Water recycled and reused	26,805	n/a
Water stored	1,410	n/a
Changes in water stored	-	n/a

WATER CONSUMPTION (in m³)	2024	2023
Water intensity	2.1	1.26
Water withdrawals	178,007.1	87,702.3
Water discharges	174,264.7	85,579.2

Circular economy

WASTE (IN METRIC TONS)	2024	2023
Waste generated	9,059.9	6,195.10
Hazardous waste diverted from disposal	2,838.9	2,775.88
Hazardous waste diverted from disposal through preparation for reuse	0	n/a
Hazardous waste diverted from disposal through recycling	1,751.8	n/a
Hazardous waste diverted from disposal through other recovery operations	1,087.1	2,775.88
Non-hazardous waste diverted from disposal	3,708.3	2,456.98
Non-hazardous waste diverted from disposal through preparation for reuse	0	n/a
Non-hazardous waste diverted from disposal through recycling	1,806.7	n/a
Non-hazardous waste diverted from disposal through other recovery operations	1,901.7	2,456.98
Hazardous waste directed to disposal	2,046.3	870.43
Hazardous waste directed to disposal through incineration	11.7	n/a
Hazardous waste directed to disposal through landfill	277.8	n/a
Hazardous waste directed to disposal through other disposal operations	1,756.7	870.43
Non-hazardous waste directed to disposal	466.4	91.82
Non-hazardous waste directed to disposal through incineration	1.6	n/a
Non-hazardous waste directed to landfill	103.2	n/a
Non-hazardous waste directed to disposal through other disposal operations	361.6	91.82
Non-recycled waste	2,512.7	n/a
Percentage of non-recycled waste	27.7%	n/a

SOCIAL INFORMATION

Composition and diversity

NUMBER OF EMPLOYEES BY GENDER	2024	2023
Female	529	461
Male	3,256	3,015
Other	-	-
Not stated	-	-
Total	3,785	3,476

NUMBER OF EMPLOYEES BY COUNTRY ³⁰	2024	2023
Italy*	2,043	1,843
Spain*	1,206	1,136
Portugal	225	198
Croatia	85	80
Serbia	67	63
Slovenia	51	51
Bosnia and Herzegovina	40	39
Macedonia	14	13
Albania	14	14
Belgium	12	11
Switzerland	11	11
Montenegro	11	11
Kosovo	6	6
Total	3,785	3,476

30. The asterisk (*) indicates those countries with 50 or more employees and which represent at least 10% of the total number.

EMPLOYEES BY GENDER AND CONTRACT TYPE	FEMALE		MALE		NOT STATED		OTHER	
	2024	2023	2024	2023	2024	2023	2024	2023
Number of employees	529	461	3,256	3,015	-	-	-	-
Permanent	499	446	3,143	2,920	-	-	-	-
Temporary	25	15	104	95	-	-	-	-
Non-guaranteed hours	5	-	9	-	-	-	-	-
Full-time	496	443	3,248	3,007	-	-	-	-
Part-time	33	18	8	8	-	-	-	-

NUMBER OF EMPLOYEES BY AGE GROUP	2024	2023
under 30	600	502
<i>% under 30</i>	15.8%	15%
30-50	1,959	1,882
<i>% 30-50</i>	51.8%	54%
over 50	1,226	1,092
<i>% over 50</i>	32.4%	31%
Total	3,785	3,476

NUMBER AND % OF EMPLOYEES IN SENIOR MANAGEMENT BY GENDER ³¹	2024	2023
Number of women in senior management	10	8
<i>% of women in senior management</i>	9.8%	8.1%
Number of men in senior management	92	91
<i>% of men in senior management</i>	90.2%	91.9%
Number of "other" gender employees in senior management	-	-
<i>% of "other" gender employees in senior management</i>	-	-
Number of employees with "not stated" gender in senior management	-	-
<i>% of employees with "not stated" gender in senior management</i>	-	-
Total	102	99

31. Senior management is defined as the hierarchical level corresponding to one and two levels below the Group's management and control bodies.

EMPLOYEES BY GENDER AND QUALIFICATION	FEMALE		MALE		NOT STATED		OTHER	
	2024	2023	2024	2023	2024	2023	2024	2023
	Number of employees	529	461	3,256	3,015	-	-	-
Sr. Managers	15	8	103	91	-	-	-	-
Central functions	237	206	194	175	-	-	-	-
Specialists	46	33	271	250	-	-	-	-
Sales	9	11	470	428	-	-	-	-
Technicians	3	3	1,551	1,467	-	-	-	-
Sales support	79	76	116	110	-	-	-	-
Operation support	140	124	551	494	-	-	-	-

WORKERS WHO ARE NOT EMPLOYEES	2024	2023
Total number of non-employee workers in own workforce	76	97³²
Self-employed workers	9	16
Workers from by enterprises providing temporary workers	47	40
Interns	20	41

Well-being and respect for Group personnel

EMPLOYEES THAT TOOK FAMILY-RELATED LEAVE	2024	2023
Female	8.71	n/a
Male	3.66	n/a
Other	-	n/a
Not stated	-	n/a
Total	4.37	n/a

32. Compared to the figures disclosed in 2023, the data for the number of non-employees have been restated due to a redefinition of the categories of non-employees.

Training and talent development

TRAINING AND PERFORMANCE REVIEW	FEMALE		MALE		OTHER		NOT STATED		TOTAL	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
% of employees receiving regular performance reviews	13.23	n/a	17.69	n/a	-	-	-	-	17.07	n/a
Average number of training hours per employee	28.69	22.78	40.51	37.77	-	-	-	-	38.86	35.78

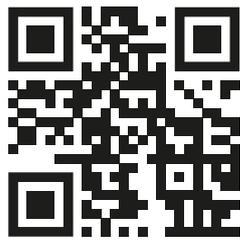
AVERAGE HOURS OF TRAINING BY GENDER AND QUALIFICATION	FEMALE		MALE		NOT STATED		OTHER	
	2024	2023	2024	2023	2024	2023	2024	2023
Number of employees	28.70	22.78	40.51	37.77	-	-	-	-
Sr. Managers	59.97	111.49	60.03	50.46	-	-	-	-
Central functions	27.62	18.27	30.92	23.08	-	-	-	-
Specialists	80.67	65.41	57.90	52.87	-	-	-	-
Sales	73.44	20.07	31.44	30.89	-	-	-	-
Technicians	81.33	88.80	45.55	43.10	-	-	-	-
Sales support	8.65	10.71	22.32	24.79	-	-	-	-
Operation support	17.39	19.19	29.06	26.00	-	-	-	-

% OF EMPLOYEES RECEIVING REGULAR PERFORMANCE REVIEWS BY GENDER AND QUALIFICATION	FEMALE	MALE	NOT STATED	OTHER
	2024	2024	2024	2024
Number of employees	13%	18%	-	-
Sr. Managers	20%	53%	-	-
Central functions	17%	26%	-	-
Specialists	13%	20%	-	-

% OF EMPLOYEES RECEIVING REGULAR PERFORMANCE REVIEWS BY GENDER AND QUALIFICATION				
	FEMALE	MALE	NOT STATED	OTHER
Sales	33%	24%	-	-
Technicians	0%	12%	-	-
Sales support	9%	25%	-	-
Operation support	8%	16%	-	-

Health and safety

HEALTH AND SAFETY OF OWN WORKFORCE	EMPLOYEES		NON-EMPLOYEES	
	2024	2023	2024	2023
% of own workforce who are covered by health and safety management system	100%	n/a	98.65%	n/a
Number of fatalities as a result of work-related injuries and work-related ill health	0	-	0	-
Number of fatalities as a result of work-related injuries	0	-	0	-
Number of fatalities as a result of work-related ill health	0	-	0	-
Number of recordable work-related injuries	107	71	0	-
Rate of recordable work-related injury	15.20	10.13	0	-
Number of cases of recordable work-related ill health	1	n/a	0	n/a
Number of days lost to work-related injuries, ill health and fatalities	4,424	n/a	0	n/a
HEALTH AND SAFETY OF OTHER WORKERS OPERATING AT THE UNDERTAKING'S SITES	OTHER WORKERS			
	2024	2023	2024	2023
Number of fatalities as a result of work-related injuries and ill health	0	n/a	0	n/a
Number of fatalities as a result of work-related injuries	0	n/a	0	n/a
Number of fatalities as a result of work-related ill health	0	n/a	0	n/a



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