



**GREENTHESIS**  
GROUP

**THINK GREEN, ACT SMART**

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**ANNUAL FINANCIAL REPORT  
AS AT 31 DECEMBER 2023**

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**GREENTHESIS S.p.A.**

Via Cassanese, 45  
20054 Segrate (MI)

Share Capital Euro 80,704,000.00 fully paid-up

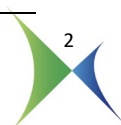
Tax code 10190370154

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Register of Companies no. 10190370154

R.E.A. CCIAA MI 1415152

<https://greenthesis.greenthesisgroup.com/>



## ANNUAL FINANCIAL REPORT AS AT 31 DECEMBER 2023

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### SUSTAINABILITY REPORT

(Pursuant to Legislative Decree no. 254 of 30 December 2016, the Company is not obliged to prepare this non-financial disclosure; however, it is considered useful to provide the following information)

- Introduction and methodological overview
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Consolidated Financial Statements of the Greenthesis Group

Explanatory notes

Certification of the Consolidated Financial Statements

## **PARENT COMPANY FINANCIAL STATEMENTS**

Consolidated Financial Statements of Greenthesis S.p.A.

Explanatory notes

Certification of the Financial Statements

## CORPORATE BODIES

### Board of Directors

|   |                                |
|---|--------------------------------|
| <b>Giovanni Bozzetti (*)</b> <sup>(1)</sup> | <i>Chair</i>                   |
| <b>Simona Grossi (*)</b>                    | <i>Chief Executive Officer</i> |
| <b>Damiano Belli (*)</b> <sup>(2)</sup>     | <i>Chief Business Officer</i>  |
| <b>Marco Sperandio (*)</b> <sup>(2)</sup>   | <i>Chief Business Officer</i>  |
| <b>Gabriella Chiellino</b> <sup>(4)</sup>   |                                |
| <b>Cristiana Rogate</b> <sup>(3)</sup>      |                                |
| <b>Chiara Paolino</b> <sup>(3)</sup>        |                                |

### Control and Risk and Sustainability Committee

|   |              |
|---|--------------|
| <b>Cristiana Rogate</b> <sup>(3)</sup>    | <i>Chair</i> |
| <b>Gabriella Chiellino</b> <sup>(4)</sup> |              |
| <b>Chiara Paolino</b> <sup>(3)</sup>      |              |

### Remuneration Committee

|   |              |
|---|--------------|
| <b>Chiara Paolino</b> <sup>(3)</sup>      | <i>Chair</i> |
| <b>Cristiana Rogate</b> <sup>(3)</sup>    |              |
| <b>Gabriella Chiellino</b> <sup>(4)</sup> |              |

### Board of Statutory Auditors

|                                 |                         |
|---------------------------------|-------------------------|
| <b>Bernardino Quattrociochi</b> | <i>Chair</i>            |
| <b>Michaela Marcarini</b>       | <i>Standing Auditor</i> |
| <b>Enrico Calabretta</b>        | <i>Standing Auditor</i> |
| <b>Roberto Toldo</b>            | <i>Deputy Auditor</i>   |
| <b>Paola Pizzelli</b>           | <i>Deputy Auditor</i>   |

### Executive in charge of drafting the Company financial statements

**Marina Carmeci**

### Auditing Company

**EY S.p.A.**

Notes:

(\*): Executive Director

(1): Responsible for relations with institutional investors and other Shareholders

(2): Appointed by the Board to coordinate the Internal Audit and Risk Management System

(3): Independent Director

(4): Non-Executive Director

## LETTER TO SHAREHOLDERS – 2023

Dear Shareholders,

We are delighted to present this 2023 report, illustrating our economic and financial performance in a year that has seen an improvement across all financial figures, a continuous growth and the achievement of our environmental sustainability and positioning objectives, also in terms of image and reputation of the Group as a whole, in Italy and abroad.

The last 5 years have been a crescendo – our credit rating, ESG rating and legality rating are nothing but the expression and summation of what all of us have contributed to achieve, year after year, creating that value that all stakeholders wish to receive from a profitable business, such as the one I represent here.

We have always reached the goals we set ourselves in terms of economic performance, environmental and energy transition, corporate social responsibility and balanced governance.

By innovating our business model as a whole, we have strengthened those production bases that will allow us to become increasingly resilient, a Group capable of operating successfully in an increasingly competitive and challenging market.

To conclude, I wish to extend my thanks and appreciation to the entire Greenthesi community.

Simona Grossi  
Chief Executive Officer



## GROUP HIGHLIGHTS

FY2023

**173,413**

thousand Euros

**Revenues**

**41,527**

thousand Euros

**EBITDA**

**-85,121**

thousand Euros

**NFP**

**15,776**

thousand Euros

**Net profit**

**41,763**

thousand Euros

**EBITDA**

**(Adjusted)**

**24.1%**

KPI Profitability

**EBITDA (Adj.)**

**Revenues**



## Mission

We aim to be a constant reference point for our own improvement and that of the people working with us, for what concerns the technological innovation capacity and systemic approach to services in the environmental field, in order to pursue the creation of a business model both environmentally sustainable and pragmatic, aimed at improving environmental and life quality.

Aware that the environment is a primary asset for the community and taking into account the social outreach of the activities we carry out, we aim to combine the carrying out of our business and the creation of value with the protection of the environment through the continuous improvement of our activities.

We believe that the current strong commitment in respecting, enhancing and protecting the environment is the best investment for tomorrow.

*“The best way to predict the future is to invent it”*

*(Alan Kay)*



We are building  
a **GREENER**  
**FUTURE**





## *Introduction and accounting standards adopted*

Greenthesi S.p.A. is a joint-stock company incorporated in Italy and registered with the Register of Companies of Milan. The address of its registered office is Segrate (MI), via Cassanese 45.

The consolidated financial statements of the Greenthesi Group (hereafter the “GTH Group” or also simply the “Group”) include the financial statements of Greenthesi S.p.A. (also called the “Company” or the “Parent Company” or “GTH”) and those of the Italian and foreign companies over which GTH has the right to exercise direct or indirect control, determining their financial and management choices, as well as the right to obtain the related benefits.

The consolidated financial statements are prepared in accordance with the international accounting standards (hereinafter “IFRS”) issued by the International Accounting Standards Board (IASB) and in compliance with the provisions of Article 9 of Legislative Decree no. 38/2005. “IFRS” refers to all International Financial Reporting Standards, all International Accounting Standards, all interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC), which, at the date of approval of the financial statements, have been endorsed by the European Union, according to the procedure referred to in Article 6 of Regulation (EC) No 1606/2002 of the European Parliament and of the Council of 19 July 2002.

The financial statements include the consolidated statement of financial position, consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated cash flow statement.

The 2023 consolidated financial statements have been audited by the Auditing Company EY S.p.A.

All values below and the items of the financial statements, unless otherwise indicated, are expressed in thousands of Euro.

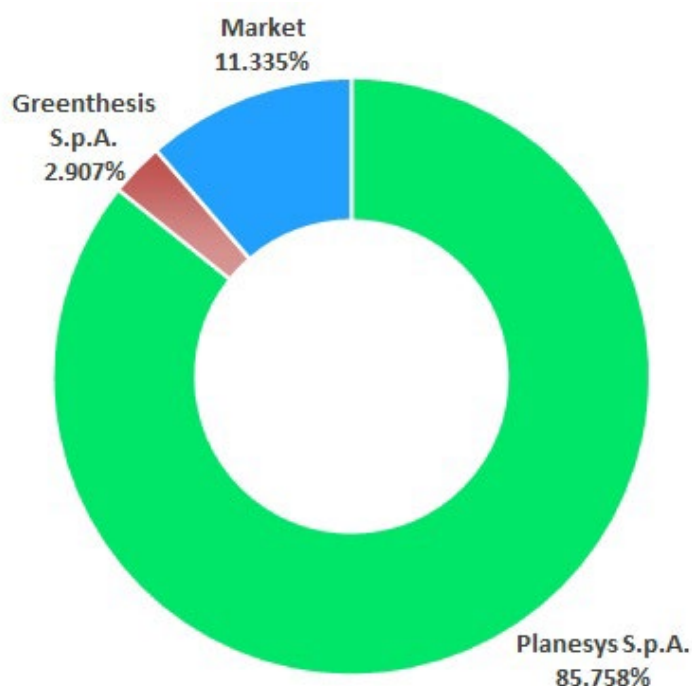
## Company data

As at 31 December 2023, according to the shareholders' register, supplemented by the notices received under Article 120 of the Consolidated Provisions on Financial Intermediation under Legislative Decree no. 58/1998, as well as according to other information available to the Company, the following shareholders held the following shares in the share capital of Greenthesis S.p.A., either directly or indirectly, with rights exceeding 2% of the share capital itself, which is made up of **no. 155,200,000 shares**, in addition to a percentage of **11.335% placed on the market**:

- **Planesys S.p.A.**, holder of no. 133,096,101 ordinary shares, equal to approximately **85.758%** of the share capital;
- **Greenthesis S.p.A.**, holder of no. 4,511,773 treasury shares, equal to **2.907%** of the share capital.

As at today, Greenthesis S.p.A. holds a total of no. 4,511,773 treasury shares, equal to approximately **2.907%** of the share capital, with an average carrying value of approximately Euro 0.55.

The current shareholding structure is represented in the chart below:



The company Greenthesis S.p.A. is indirectly controlled by RAPS S.r.l.

As at 31 December 2023, the reference share price of GTH was Euro 0.97 (approximately +3.4% compared to the same period of 2022, when it stood at Euro 0.94).

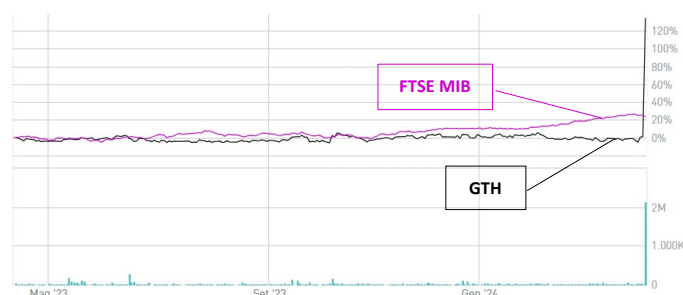
On the other hand, as at 05 April 2024, following an agreement between Planesys S.p.A. and Patrizia S.E. regarding the acquisition by Greta Lux S.à r.l. of an indirect minority interest in Greenthesys, the GTH share price was Euro 2.20, with the following performances:

|                       |         |
|-----------------------|---------|
| Performance 1 month:  | +141.8% |
| Performance 6 months: | +150.0% |
| Performance 1 year:   | +144.4% |

Chart of GTH share performance over the last 12 months



Chart of GTH share performance (black) compared to FTSE MIB index over the same period (purple)



Source: Borsa Italiana

The Parent Company does not hold, or has held during the reporting period, shares of the controlling companies.

## The Greenthesi s Group and its business model

The Greenthesi s Group represents the largest independent pure play listed company in Italy that specialises in the integrated management of environmental services. It operates in the following areas:

### Research and Development

The ability to innovate is bound to become increasingly important



### Waste

Waste provides a great opportunity for sustainable growth in terms of reduced consumption of natural resources



### Renewable Energy

Improving sustainability of energy supply by reducing greenhouse gas emissions



### Air

Restoring air quality in urban and industrial areas is a primary objective to fight climate change



### Water

A vital resource



### Remediations

An activity with great potential in terms of land improvement and development



EU Directives require very high standards for waste management, and for the corresponding technology.

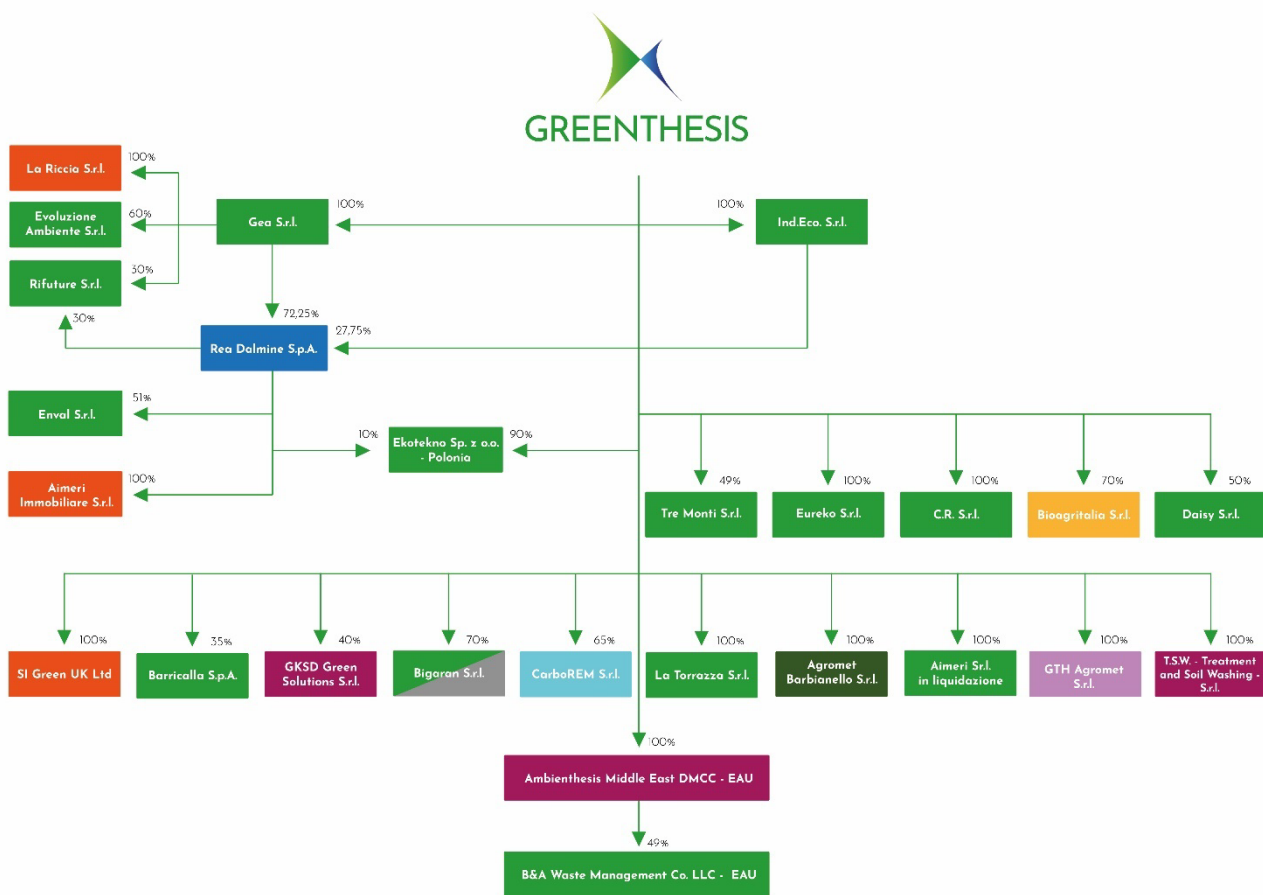
These requirements, with high environmental impact, can only be met by following the principles of **Circular Economy** throughout the whole chain:

**This is the cross-cutting driver on which the Group's policies are based and evolve**



## Scope of consolidation

The structure of the Greenthesi Group as at 31 December 2023 is represented in the chart below:



- |  |  |
|--|--|
| <span style="color: green;">■</span> Treatment, recovery and final disposal of industrial and municipal waste  | <span style="color: purple;">■</span> Treatment of agri-food waste for end-of-waste recovery, aimed at biomethane production                               |
| <span style="color: blue;">■</span> Waste-to-energy  | <span style="color: darkgreen;">■</span> Treatment of agricultural and farm waste aimed at biogas production for conversion into biomethane or electricity |
| <span style="color: orange;">■</span> Treatment of biological sludge for subsequent reuse in agriculture   | <span style="color: grey;">■</span> Environmental logistics  |
| <span style="color: red;">■</span> Treatment, recovery and disposal of industrial waste; environmental remediations and rehabilitations; environmental engineering | <span style="color: brown;">■</span> Non-core operating companies/real estate assets   |
| <span style="color: lightblue;">■</span> Treatment and minimisation of production of biological sludge and digestate, with simultaneous recovery of elements       |  |

As at 31 December 2023, the scope of consolidation included, as well as Greenthesi S.p.A., the following companies:

|  |                             |                |       | Share capital | Consolidated percentage of the Group |
|--|-----------------------------|----------------|-------|---------------|--------------------------------------|
| <b>Controlling company</b>   |                             |                |       |               |                                      |
| Parent company   |                             |                |       |               |                                      |
| Greenthesi S.p.A.  | Segrate (MI)                | Italy          | EUR   | 80,704,000    |                                      |
| <b>Subsidiary companies consolidated using the full consolidation method</b> |                             |                |       |               |                                      |
| Agromet Barbianello S.r.l.   | Segrate (MI)                | Italy          | EUR   | 50,000        | 100%                                 |
| Aimeri immobiliare S.r.l.  | Segrate (MI)                | Italy          | EUR   | 119,015       | 100%                                 |
| Aimeri S.r.l. (in liquidation)   | Inzago (MI)                 | Italy          | EUR   | 197,020       | 100%                                 |
| Ambienthesi Middle East DMCC - UAE   | Dubai                       | UAE            | AED   | 12,321        | 100%                                 |
| Bigaran S.r.l.   | San Biagio di Callalta (TV) | Italy          | EUR   | 81,600        | 70%                                  |
| Bioagritalia S.r.l.  | Segrate (MI)                | Italy          | EUR   | 99,000        | 70%                                  |
| C.R. S.r.l.  | Segrate (MI)                | Italy          | EUR   | 10,000        | 100%                                 |
| Carborem Srl   | Rovereto (TN)               | Italy          | EUR   | 70,431        | 65%                                  |
| Ekotekno Sp.z.o.o. - Poland  | Blaszki                     | Poland         | ZLOTY | 149,787       | 100%                                 |
| Enval S.r.l.   | Aosta (AO)                  | Italy          | EUR   | 1,500,000     | 51%                                  |
| Eureko S.r.l.  | Segrate (MI)                | Italy          | EUR   | 100,000       | 100%                                 |
| Evoluzione Ambiente S.r.l.   | Sant'Urbano (PD)            | Italy          | EUR   | 40,000        | 60%                                  |
| Gea S.r.l.   | Sant'Urbano (PD)            | Italy          | EUR   | 2,100,000     | 100%                                 |
| Ind.Eco S.r.l.   | Latina (LT)                 | Italy          | EUR   | 500,000       | 100%                                 |
| La Riccia S.r.l.   | Taranto (TA)                | Italy          | EUR   | 10,400        | 100%                                 |
| La Torrazza S.r.l.   | Segrate (MI)                | Italy          | EUR   | 90,000        | 100%                                 |
| GTH Agromet Srl  | Segrate (MI)                | Italy          | EUR   | 100,000       | 100%                                 |
| Rea Dalmine S.p.A.   | Dalmine (BG)                | Italy          | EUR   | 2,500,000     | 100%                                 |
| Rifuture S.r.l.  | Latina (LT)                 | Italy          | EUR   | 100,000       | 60%                                  |
| SI Green UK Ltd  | Swansea                     | United Kingdom | GBP   | 483,363       | 100%                                 |
| T.S.W S.r.l.   | Nebbiuno (NO)               | Italy          | EUR   | 10,200        | 100%                                 |
| <b>Companies consolidated using the equity method</b>                        |                             |                |       |               |                                      |
| B&A Waste Management Co. LLC - UAE   | Dubai                       | UAE            | AED   | 36,963        | 49%                                  |
| Barricalla S.p.A.  | Turin (TO)                  | Italy          | EUR   | 2,066,000     | 35%                                  |
| Daisy S.r.l.   | Modugno (BA)                | Italy          | EUR   | 5,120,000     | 50%                                  |
| GKSD Green Solutions S.r.l.  | Milan (MI)                  | Italy          | EUR   | 200,000       | 40%                                  |

Greenthesi S.p.A. owns and operates, in Orbassano (TO), the largest platform in Italy for the treatment of hazardous and non-hazardous special waste (authorised capacity over 500,000 t/year).

Furthermore, the Company owns and operates two other plants: the first, located in Liscate (MI), provides a specific disposal service for various types of liquid waste of both civil and industrial origin; the second, located in San Giuliano Milanese (MI), is intended for the storage of many waste types (batteries, paints, containers contaminated with hazardous substances, drugs, acids, bases and reagents), and specialises in the disposal of hazardous waste containing asbestos.

Through its subsidiaries, the Company controls the following other plants and production complexes: the waste-to-energy plant located in Dalmine (BG), which is regarded as a reference point in the country and in Europe; the strategic regional landfill of the Veneto Region, located in Sant'Urbano (PD); the ownership of the areas and development of landfill basins in the post-closure phase in Latina, which feature a system to generate electricity from biogas, and where a liquefied biomethane production plant and annexed photovoltaic park have been commissioned, located in Borgo Montello (LT); the plant for management and multi-material waste valorisation of municipal waste of the Valle d'Aosta Region, located in Brissogne (AO); a landfill for hazardous and non-hazardous special waste, located in Torrazza Piemonte (TO); the platform for treatment of hazardous and non-hazardous special waste, located in Sannazzaro de' Burgondi (PV); the plant for treatment of waste for subsequent reuse in the production of inert materials, located in Peschiera Borromeo (MI); the plant for treatment and recovery of biological sludge for subsequent reuse in agriculture, located in Corte de' Frati (CR); the platform for food waste recovery to produce energy-producing materials, located in Gazzuolo (MN); the plant to generate electricity from biogas, where revamping is planned for the subsequent production of biomethane, located in Barbianello; and, lastly, from the recent acquisition of the company Bigaran S.r.l., two platforms for the management of the non-hazardous industrial waste cycle, authorised for multi-material selection, sorting and recovery of special waste at the sites of San Biagio di Callata (TV) and Megliadino San Vitale (PD).

Finally, Greenthesi S.p.A. holds a 50% stake in Daisy S.r.l., which operates a landfill in San Procopio (BT) that incorporates a plant for rendering non-hazardous special waste inert; a 49% stake in Tre Monti, a company specialising in soil and groundwater remediation services; a 40% stake in GKSD Green Solutions S.r.l., focussing on the development of waste disposal and treatment activities in emerging countries; and a 35% stake in Barricalla S.p.A., which owns and operates Italy's largest landfill for hazardous and non-hazardous special waste in Collegno (TO).



The Greenthesi Group's operating areas can be summarised as follows:



#### Management of environmental services:

- Treatment, recovery and disposal of municipal and industrial waste
- Treatment, recovery and disposal of sludge, both civil and agricultural/industrial
- Environmental brokerage
- Energy recovery and production from renewable sources, advanced biomethane production
- Organisation and management of public utility services

#### Design, construction and management of ecological plants:

- Landfills for municipal and industrial waste
- Inertization and treatment plants for solid waste
- Water treatment plants
- Energy recovery and multi-material waste valorisation plants

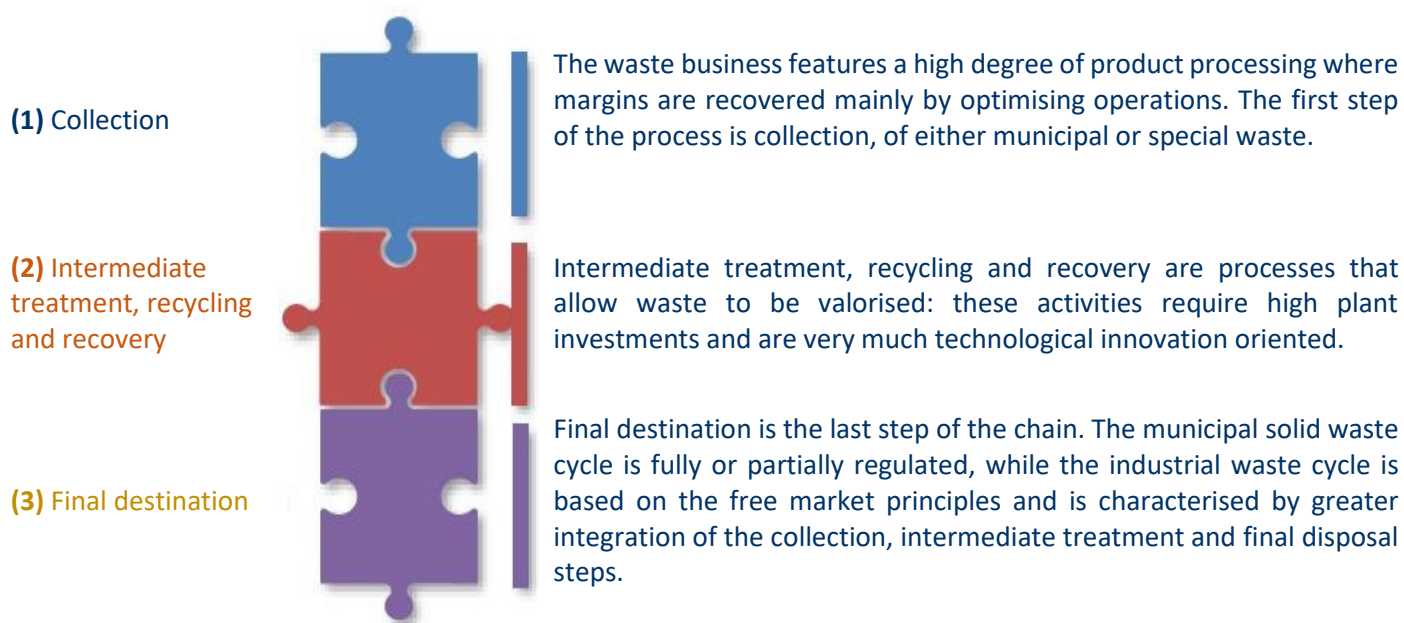
#### Local services:

- Environmental remediation, building rehabilitation and land redevelopment projects
- Environmental monitoring
- Auditing



The Greenthesi Group, as is known, covers the entire value chain of the integrated management of the municipal and industrial waste cycle, with the exception of the collection service. The Group companies, in addition to having implemented major diversification in the field of cogeneration and generation of electricity from renewable sources, are primarily concerned with logistics, brokerage, treatment, recovery and disposal of waste, environmental remediation, design and construction of dedicated plants.

The **value chain** in the waste business consists of three micro phases for two types of waste (municipal waste and industrial waste):



### Structure of the reference market

Below are the aspects that characterise and define the waste market analysed above, focussing the attention on the processes involving the various players along the entire chain. In the waste management sector, competition is medium to high and based on:

- Range of ancillary services offered in addition to disposal;
- Efficient management;
- Modern facilities compliant with the laws in force, given the environmental impact of the type of products treated.

In the remediation sector, competition is high and based on:

- Price;
- Level of specialisation and technological expertise of the business, which are crucial also to ensure appropriate margins for each job.

Barriers to entry are medium to high in the waste treatment, waste recovery and waste disposal phase. Treatment and recovery do not require large investments, while investments are necessary to build incinerators and landfills, which require authorisations. Barriers to entry are medium to high in the remediation sector, depending on the technological know-how, regulatory complexity and staff expertise.

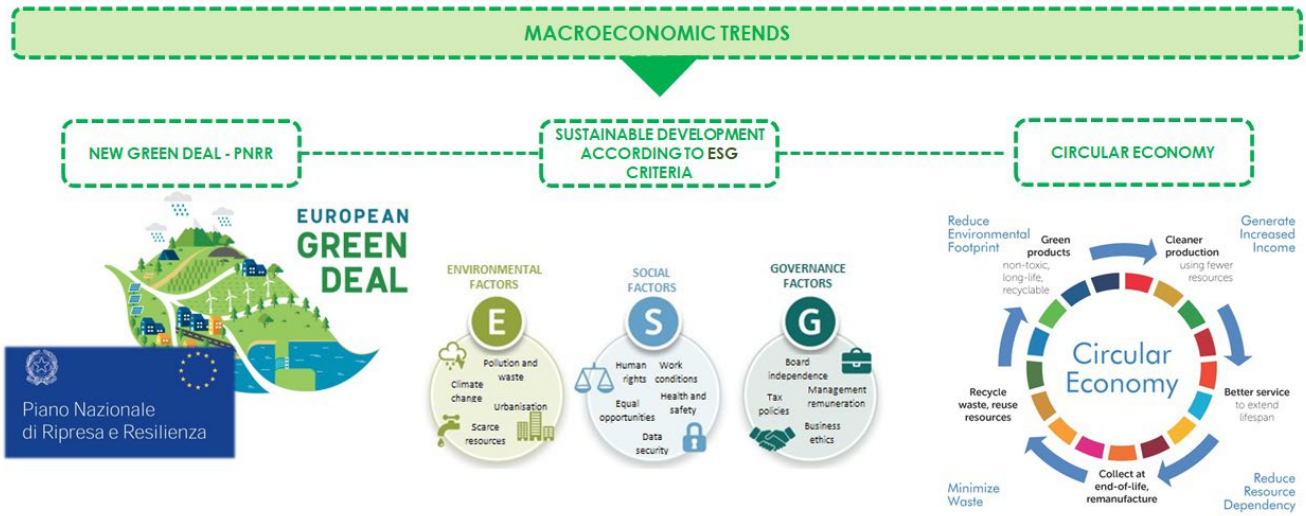
There are no such things as substitute goods in waste management; rather, the technology is constantly evolving. This is magnified in the remediation sector, in which the specific intended use for the activity virtually removes all threats of substitute goods.

In the waste treatment sector, suppliers have great bargaining power. Suppliers are plant manufacturers or those with critical know-how in waste disposal matters. Size is key in the remediation sector: larger operators typically have very high bargaining power towards suppliers of components and materials used by plant manufacturers.

As to special waste, demand is mostly from private users, given the peculiarity of this type of waste, with medium bargaining power: the size of the business is therefore an important aspect. The bargaining power of customers in the remediation sector is high. On the other hand, when the customer is a public entity, parameters are established in the tendering procedure and usually do not match the usual company/client relationship.

## Reference market and context in which the Group operates

The Group operates in a context mainly driven by environmental sustainability, energy and ecological transition, technological innovation, and care for the planet's resources and the human capital.



The macro “GreenDrivers” for modern economic development lie at the heart of the Group’s business model and are summarised as follows:

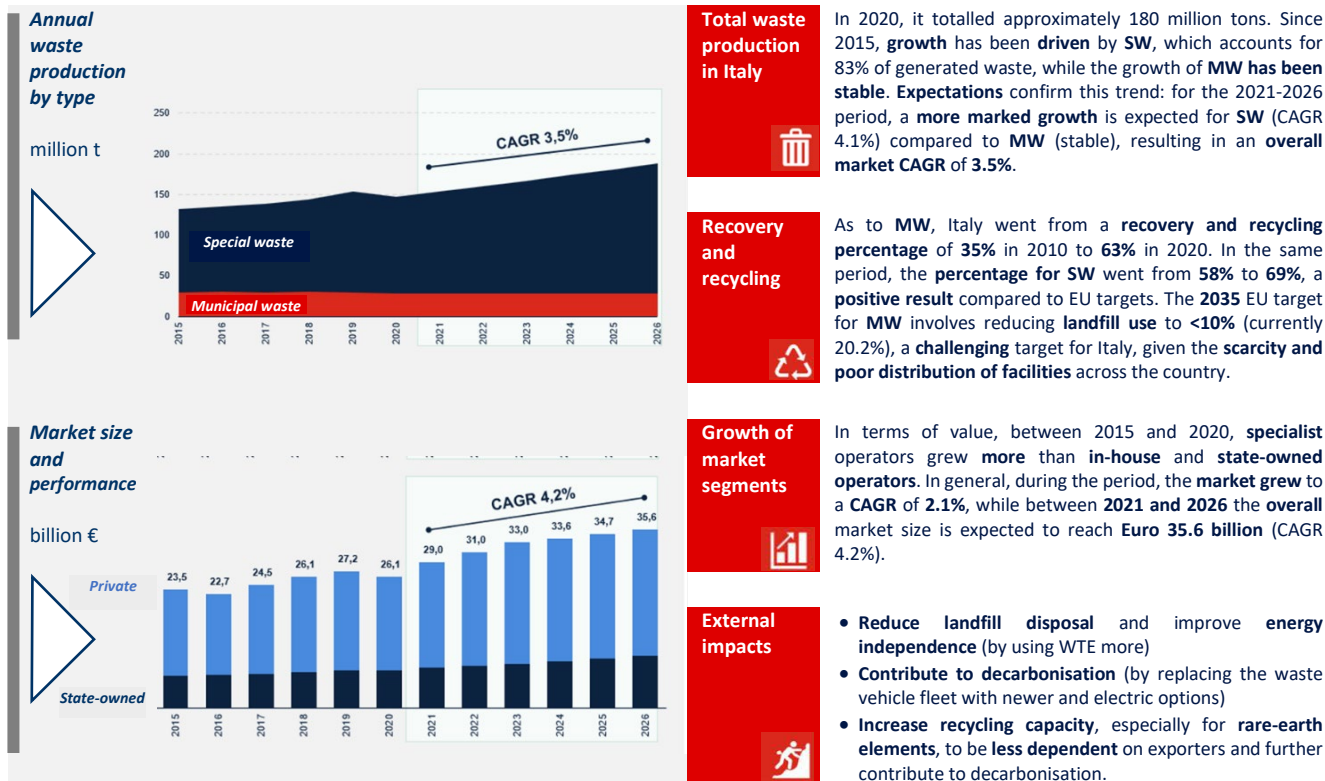


In 2023, the macroeconomic scenario of reference continued to show signs of slowdown, inflation and rising rates. Business development forecasts and the national GDP are expected to grow +0.6% in 2024 and +1.1% in the next two years.

Having regard to the performance of the Group's industry and its competitive scenario, the chart below provides information such as waste production and growth in each segment, the focus on recovery and recycling, and aggregative and competitive factors.

## Italian environmental and waste management market outlook

The waste market growth is driven by special waste (SW), which on average accounts for 83% of generated waste. The challenge for the next decade is to improve the energy independence and recycling capacity and contribute to decarbonisation



As at the date of this report, the 2023 edition of the “Special Waste Report” and the 2023 edition of the “Municipal Waste Report”, both prepared by the Italian National Institute for Environmental Protection and Research (ISPRA), are available. The highlights of these reports are discussed below.

With regard to the production of special waste, we have taken into consideration the data referring to the year 2021 as derived from the disclosures submitted in the year 2022 under the Decree of the President of the Council of Ministers of 17 December 2021. In particular, it is noted that in the above-mentioned ISPRA Report, the domestic production of special waste has been quantified from the information contained in the Environmental Disclosure Form (MUD) databases relating to annual disclosures made under sectoral legislation. Domestic production of special waste amounted to 165 million tons in 2021.

The overall figure takes into account both the quantities resulting from the processing of MUD databases and the estimates. It also includes the quantities of special waste from the treatment of municipal waste, amounting to 9.7 million tons. In particular, the production of non-hazardous special waste, derived from the MUD calculations, amounted to about 73.4 million tons. In addition, there are almost 3.2 million tons relative to the estimates made for the manufacturing sector and the healthcare sector, approximately 492,000 tons relating to end-of-life tires and 77.2 million tons of waste from construction and demolition operations related to Chapter 17 of Decision 2000/532/EC, entirely estimated, i.e. a total non-hazardous special waste production equalling about 154.3 million tons. The figure includes 8,600 tons of waste with unspecified ISTAT (Italian National Institute of Statistics) activity. The quantity of hazardous special waste generated in 2021 stood at approximately 10.7 million tons (over 1.5 million tons of which were end-of-life vehicles, i.e. 14.4% of the aggregate figure). The quantity of waste with unspecified ISTAT activity was approximately 1,500 tons.

In detail, between 2019 and 2021 there was a rise in the total production of special waste equal to 7.1%, corresponding to approximately 10.9 million tons. (Table 1.1)

**Table 1.1 – Domestic special waste production, years 2019-2021**

| Type  | Annual quantity (t) |                     |                     |
|---|---------------------|---------------------|---------------------|
|   | 2019                | 2020                | 2021                |
| Non-hazardous special waste, except estimated waste (MUD data)  | 71,161,966          | 68,795,685          | 73,355,695          |
| Non-hazardous special waste, except estimated waste from construction and demolition (estimated data) | 4,317,844           | 3,545,434           | 3,671,909           |
| Non-hazardous special waste from construction and demolition: C&D (Chapter EER 17 estimated data)     | 68,334,771          | 64,793,200          | 77,217,926          |
| Non-hazardous special waste with unspecified ISTAT activity (MUD data)                                | 5,096               | 1,201               | 8,628               |
| <b>Total non-hazardous waste (NH SW)</b>  | <b>143,819,677</b>  | <b>137,135,520</b>  | <b>154,254,158</b>  |
| Hazardous special waste (MUD data)  | 8,615,959           | 8,381,249           | 9,128,714           |
| End-of-life vehicles  | 1,538,046           | 1,466,693           | 1,537,681           |
| Hazardous special waste with unspecified ISTAT activity (MUD data)                                    | 642                 | 274                 | 1,491               |
| <b>Total hazardous waste (H SW)</b>   | <b>10,154,647</b>   | <b>9,848,216</b>    | <b>10,667,886</b>   |
| <b>Total special waste</b>  | <b>153,974,324*</b> | <b>146,983,736*</b> | <b>164,922,044*</b> |

\* Including special waste from treatment of municipal waste.

Source: ISPRA

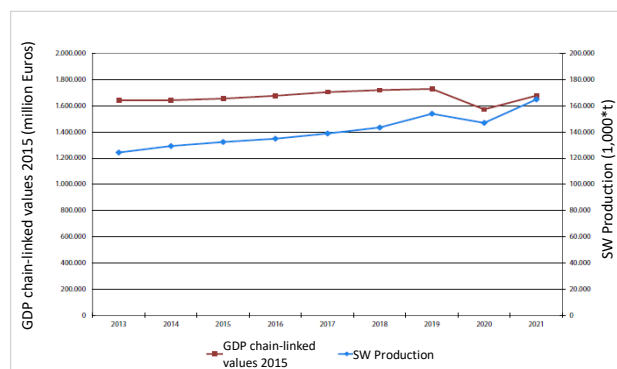
The drop in the total production of special waste between 2019 and 2020 refers virtually in its entirety to non-hazardous waste in quantitative terms. Namely, both waste from construction and demolition activities and other non-hazardous waste types derived from the MUD database decreased (-5.2%, i.e. over 3.5 million tons, and -3.3%, i.e. almost 2.4 million tons, respectively).

Figure 1.2 shows the trend of waste production and gross domestic product (chain-linked values with reference year 2015, ISTAT data current as at April 2023).

As a result of the pandemic, in 2021 the GDP grew +7%, although to a lesser extent than the increase in waste production (+12.2%).

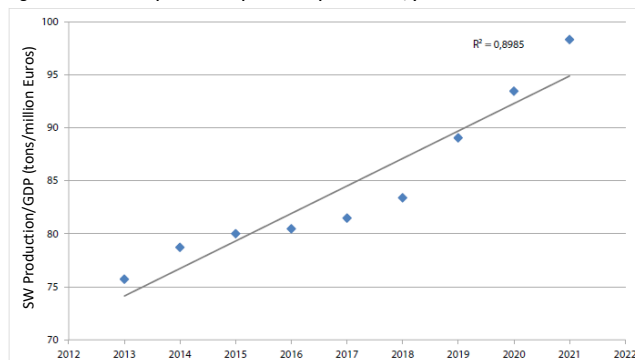
The trend of waste production per GDP unit suggests a moderate linear regression ( $R^2$  equal to 0.8985, Figure 1.3).

**Figure 1.2 – Trend of special waste production and GDP, years 2013-2021**



Sources: ISPRA, ISPRA elaboration on ISTAT data

**Figure 1.3 – Trend of special waste production per GDP unit, years 2013-2021**



Sources: ISPRA, ISPRA elaboration on ISTAT data

On the other hand, as far as municipal waste (MW) is concerned, domestic production in 2022 stood at almost 29.1 million tons, showing a slight decrease by 1.8% compared to 2021.

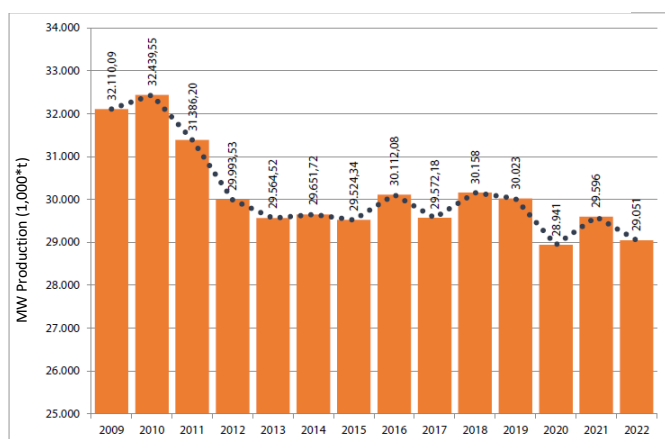
**Table 2.5 – Overall municipal waste production by region, years 2018-2022**

| Region                | 2018              | 2019              | 2020              | 2021              | 2022              |
|-----------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
|                       | (t)               |                   |                   |                   |                   |
| Piemonte              | 2,162,096         | 2,143,652         | 2,075,790         | 2,134,953         | 2,107,724         |
| Valle d'Aosta         | 75,056            | 75,825            | 75,887            | 74,242            | 75,746            |
| Lombardia             | 4,810,952         | 4,843,570         | 4,680,306         | 4,774,012         | 4,617,814         |
| Trentino Alto Adige   | 543,626           | 546,636           | 512,341           | 542,792           | 522,980           |
| Veneto                | 2,363,232         | 2,403,335         | 2,320,680         | 2,368,470         | 2,309,796         |
| Friuli Venezia Giulia | 595,729           | 603,107           | 597,621           | 599,862           | 589,473           |
| Liguria               | 832,333           | 821,949           | 791,481           | 822,293           | 813,782           |
| Emilia Romagna        | 2,945,291         | 2,960,609         | 2,844,728         | 2,839,418         | 2,803,812         |
| <b>Northern Italy</b> | <b>14,328,313</b> | <b>14,398,682</b> | <b>13,898,833</b> | <b>14,156,042</b> | <b>13,841,126</b> |
| Toscana               | 2,284,143         | 2,277,254         | 2,153,388         | 2,199,464         | 2,153,005         |
| Umbria                | 460,610           | 454,254           | 438,903           | 445,321           | 442,039           |
| Marche                | 810,118           | 796,289           | 753,387           | 785,640           | 764,224           |
| Lazio                 | 3,026,441         | 2,982,549         | 2,815,268         | 2,883,852         | 2,861,424         |
| <b>Central Italy</b>  | <b>6,581,313</b>  | <b>6,510,346</b>  | <b>6,160,946</b>  | <b>6,314,278</b>  | <b>6,220,692</b>  |
| Abruzzo               | 603,838           | 600,278           | 585,046           | 587,165           | 577,428           |
| Molise                | 116,491           | 111,241           | 109,137           | 112,195           | 108,581           |
| Campania              | 2,602,769         | 2,595,166         | 2,560,489         | 2,652,820         | 2,613,566         |
| Puglia                | 1,898,348         | 1,871,828         | 1,851,161         | 1,864,835         | 1,829,588         |
| Basilicata            | 199,425           | 197,214           | 188,717           | 193,214           | 191,815           |
| Calabria              | 785,414           | 767,270           | 723,486           | 758,516           | 739,278           |
| Sicilia               | 2,292,421         | 2,233,279         | 2,151,927         | 2,209,545         | 2,200,814         |
| Sardegna              | 749,947           | 737,730           | 711,634           | 746,912           | 728,425           |
| <b>Southern Italy</b> | <b>9,248,654</b>  | <b>9,114,005</b>  | <b>8,881,597</b>  | <b>9,125,202</b>  | <b>8,989,496</b>  |
| <b>Italy</b>          | <b>30,158,280</b> | <b>30,023,033</b> | <b>28,941,376</b> | <b>29,595,552</b> | <b>29,051,314</b> |

Source: ISPRA

Considering a longer period, we note that between 2009 and 2010 production remained constantly above 32 million tons. Following the sharp drop started in 2011 (concomitant with the contraction in gross domestic product and household consumption), production constantly remained below 30 million tons up until 2015. Later, with the exception of 2017, the value grew again above 30 million tons, and then started to decrease – to a limited extent in 2019 and more significantly in 2020, due to the pandemic. Conversely, the trend reversed in 2021, consistently with the post-pandemic economic recovery, although production remained below 30 million tons. In 2022, despite the positive effects of the post-pandemic recovery, a drop was recorded on the previous year, nearing the levels of 2020 with approximately 29 million tons, as opposed to the increasing trend in GDP (3.7%) and household consumption (6.1%) (Figure 2.1 and Figure 2.2).

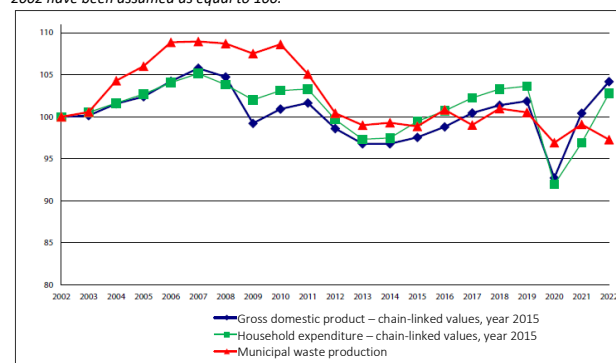
**Figure 2.1 – Trend of municipal waste production, years 2009-2022**



Source: ISPRA

**Figure 2.2 – Trend of municipal waste production and socio-economic indicators, years 2002-2022**

Notes: The values of municipal waste production, GDP and household expenditure for year 2002 have been assumed as equal to 100.



Source: ISPRA; data of socio-economic indicators: ISTAT

As far as environmental remediation is concerned, it is worth recalling that, according to the Italian regulation on contaminated sites (Legislative Decree no. 152/06 and following amendments and integrations), a “contaminated” site is an area where contaminant concentrations in the various environmental matrices (soil, subsoil, fill, groundwater) are such to pose an unacceptable risk to the health and the environment, in the light of its intended use.

These sites require remediation, that is, actions aimed at removing sources of pollutions from the environmental matrices at issue, and/or reducing their concentrations under contamination threshold values (Concentrazioni Soglia di Contaminazione – CSC) as defined in the regulations depending on the intended use for the site, or under site-specific risk threshold values (Concentrazioni Soglia di Rischio – CSR), which are calculated based on Risk Analysis procedures.

The first measures to implement at the site are emergency safety measures (Messa in Sicurezza di Emergenza – MISE) aimed at containing contamination and preventing it from spreading. Until “remediated”, a site is subject to restrictions of use in order to ensure the safety of users depending on its specific intended use.

Sites of National Interest (Siti di Interesse Nazionale – SINs) are selected based on the features of the site, quality and hazardousness of pollutants, impact on the surrounding environment in terms of health and environmental risk, as well as damages to cultural heritage and environmental assets; the Ministry of the Environment and Energy Security (MASE) is in charge of the corresponding remediation procedures.

Please note that many Sites of National Interest are the largest industrial areas of the country, both disused and still in operation.

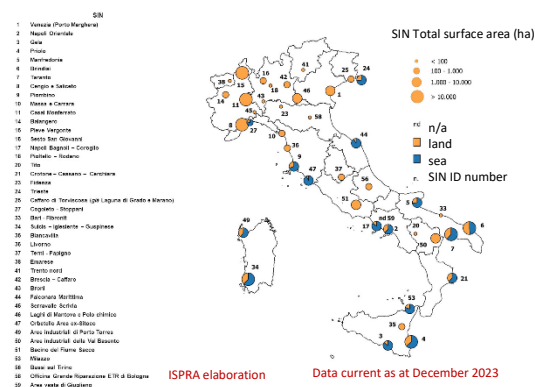
To access the remediation market, one needs to register with the National Register of Environmental Managers kept by the MASE; according to the latest data available, there are over 1,500 remediation operators, 20% of which are based in Lombardy, while other regions such as Lazio, Campania, Puglia and Sicily account for 8.6-9.4% of the total each.

There are currently 42 SINs; their aggregate surface area on land is 170,708 hectares, i.e. 0.57% of the surface area of Italy, while the aggregate surface area of SINs in the sea is 77,155 hectares.

As far as SINs are concerned, there are 5 of them in Lombardy:

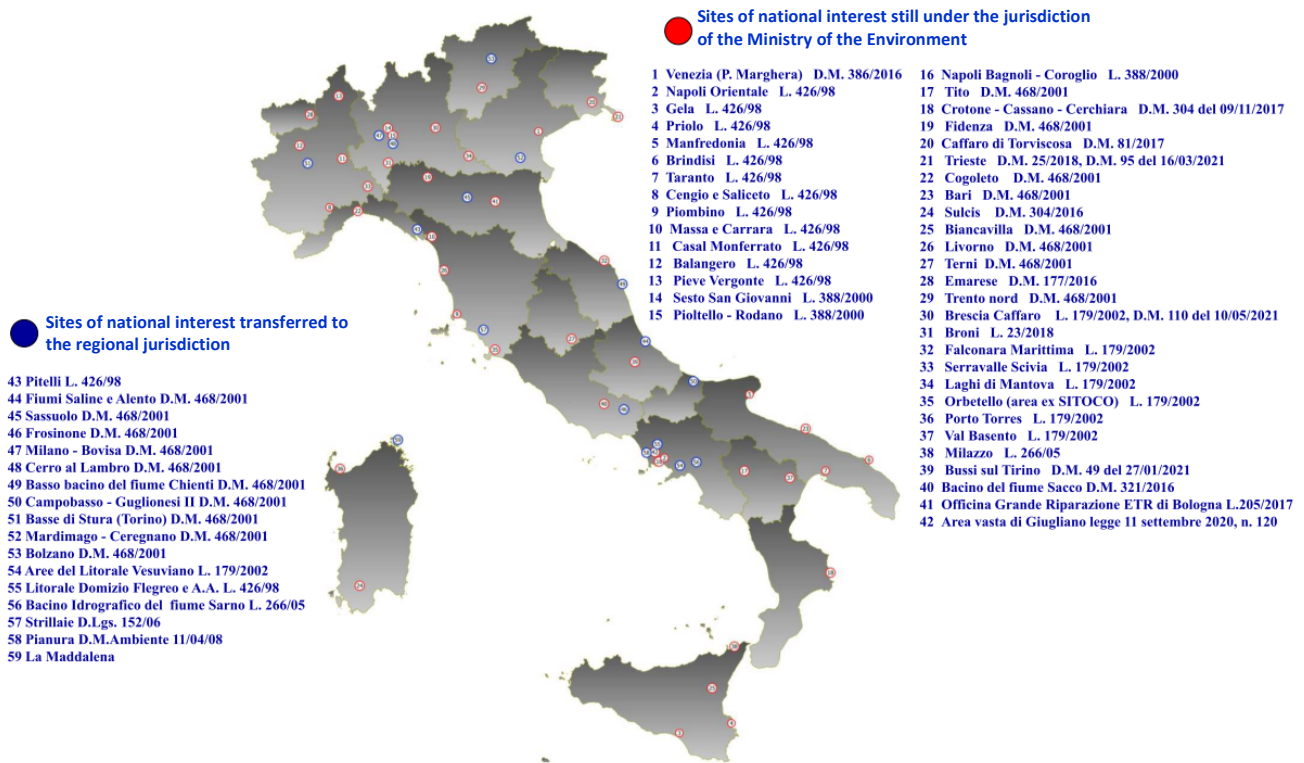
- Sesto San Giovanni (former Falck area);
- Pioltello and Rodano Chemical Complex;
- Broni (former Fibronit area);
- Brescia Caffaro;
- Mantua Chemical Complex and Mantua lakes.

The following map shows the SINs by geographical area and jurisdiction:



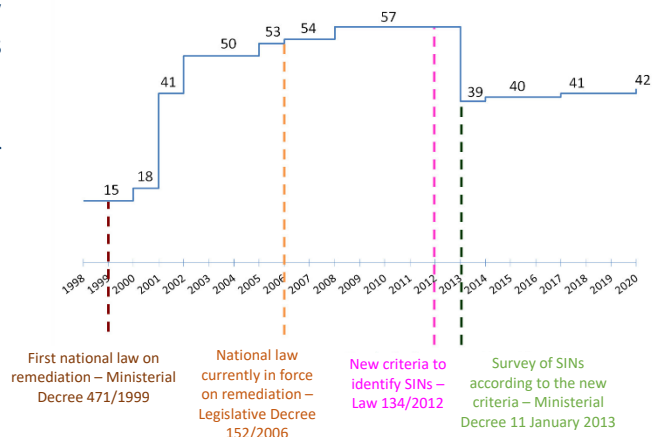


### Jurisdiction over remediation activities at sites of national interest



Furthermore, according to the Report on the State of the Environment drafted by the Regional Environmental Protection Agency of Lombardy (Agenzia Regionale per la Protezione dell'Ambiente – ARPA), there are 1,077 sites regarded as “contaminated” under the current regulation (Legislative Decree no. 152/06 and following amendments and integrations, Part IV, Title V), as at 31/12/2022. In most cases, their contamination is linked to industrial areas still in operation or brownfields and to the presence of fuel storage/loading facilities. Contaminated sites are concentrated in the Province of Milan (49.3%) and, to a lesser extent, in the Provinces of Brescia (8.4%) and Bergamo (8%) – i.e. areas that have traditionally hosted industrial settlements.

Although remediation activities are not specifically regulated on a shared basis nationwide, law-makers are increasingly interested in the matter. The chart to the side shows the evolution in the number of SINS as the applicable law on the matter changes.





## Development strategies

The **paradigms** around which our development strategies revolve are **Profit, Planet and People** (the “**3P Approach**”).

On the other hand, the **guidelines** that have shaped our business plan include **Growth in size, Technological innovation and Convergence of different businesses**, while the **fundamentals** on which such guidelines rest are **growth and development, efficiency improvement**, introduction of **process and digital technology, training** and business **culture, sustainability** and **reputation**.



All the above with a view to better facing the “internal” and “external” challenges raised by the ecological, energy and digital transition.



More specifically, the Greenthesi Group’s development strategies are based on the following key assumptions:

- **Value creation** based on a selected, high-quality order book, a strong commercial drive and support to liquidity and capital strengthening.
- Strong **acceleration of the process to maximise commercial action and development of new business initiatives (in Italy and abroad)**, to reach higher turnover levels and an operational phase for internationalisation, especially in Eastern Europe and in the Eastern and Middle Eastern market (GCC Countries).
- **Achievement of specific objectives in terms of innovation and efficiency** in response to the increasingly competitive market scenario through, on the one hand, the focus on the core business (environmental remediation and treatment, recovery and disposal of industrial waste) combined with the disposal of non-core or non-strategic assets; on the other hand, the implementation of policies and business decisions aimed at achieving cost saving targets in the areas of operating costs and overheads.
- Attention for **sustainability** with an integrated approach to social responsibility, innovation, circular economy and human capital enhancement.

## SUMMARY OF ECONOMIC AND FINANCIAL PERFORMANCE OF THE GREENTHESIS GROUP AS AT 31/12/2023

| ECONOMIC DATA                              | 31/12/2023 | 31/12/2022 | Variation % |
|--|------------|------------|-------------|
| Values in thousands of Euros               |            |            |             |
| Revenues                                   | 173,413    | 171,742    | 1.0%        |
| Operating costs                            | -131,886   | -130,458   | 1.1%        |
| Gross operating margin (Ebitda)            | 41,527     | 41,284     | 0.6%        |
| Amortisation, depreciation and write-downs | -14,978    | -12,094    | 23.8%       |
| Net operating margin (Ebit)                | 26,549     | 29,190     | -9.0%       |
| Profit/(loss) before tax                   | 20,766     | 25,051     | -17.1%      |
| Final net result – Profit/(loss)           | 15,776     | 18,636     | -15.3%      |

| ECONOMIC DATA                              | 31/12/2023 | 31/12/2022 | Variation % |
|--|------------|------------|-------------|
| Values in thousands of Euros               | adjusted*  | adjusted*  |             |
| Revenues                                   | 173,413    | 170,063    | 2.0%        |
| Operating costs                            | -131,650   | -130,309   | 1.0%        |
| Gross operating margin (Ebitda)            | 41,763     | 39,754     | 5.1%        |
| Amortisation, depreciation and write-downs | -13,590    | -12,094    | 12.4%       |
| Net operating margin (Ebit)                | 28,173     | 27,660     | 1.9%        |
| Profit/(loss) before tax                   | 22,390     | 23,521     | -4.8%       |
| Final net result – Profit/(loss)           | 17,010     | 17,498     | -2.8%       |

\*Adjusted data express economic values, net of non-recurring items

| EQUITY DATA                  | 31/12/2023 | 31/12/2022 | Variation % |
|------------------------------|------------|------------|-------------|
| Values in thousands of Euros |            |            |             |
| Net working capital *        | 71,516     | 18,443     | 287.8%      |
| Total assets                 | 419,820    | 344,819    | 21.8%       |
| Equity                       | 38,959     | 26,362     | 47.8%       |

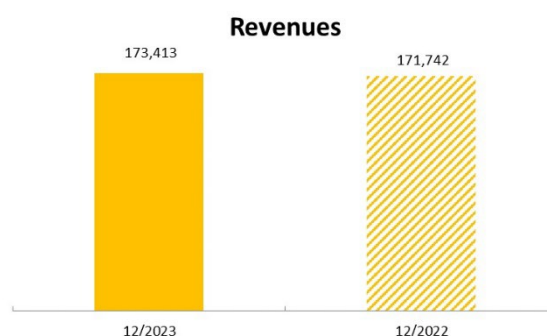
\* Please note that cash and cash equivalents include provisions for company acquisitions completed as at 31 January 2024, i.e. approximately Euro 25.3 million

| NFD                          | 31/12/2023 | 31/12/2022 | Variation % |
|------------------------------|------------|------------|-------------|
| Values in thousands of Euros |            |            |             |
| Net financial debt           | -85,121    | -75,492    | 12.8%       |

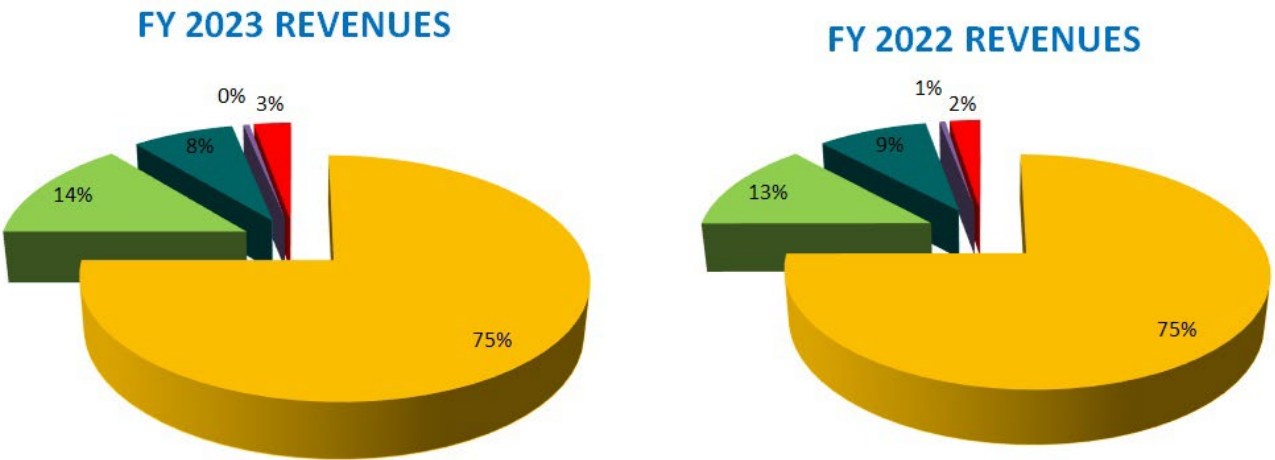
### Operating performance

Consolidated net revenues generated by the Greenthesi Group in 2023 amounted to **Euro 173,413 thousand**, up by 1.0% compared to the previous year, when they amounted to Euro 171,742 thousand.

Namely, our main business areas – “Waste disposal, treatment and recovery”, “Environmental remediations” and “Energy production” – went up 3.1% and 10.3%, and down -11.4%, respectively, compared to the same period in the previous year.



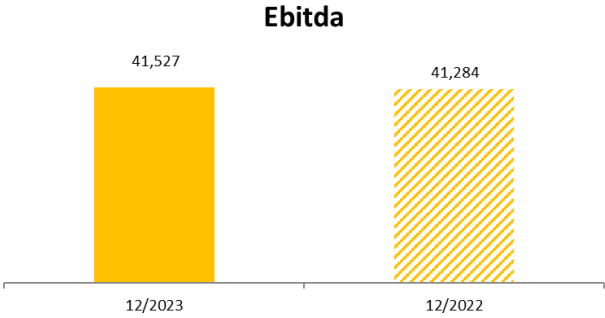
The breakdown of “Revenue from contracts with customers” for 2023 and the previous year is shown in the table and charts below:



| REVENUE FROM CONTRACTS WITH CUSTOMERS<br>Values in thousands of Euros | 31/12/2023     | 31/12/2022     | Variation % |
|---|----------------|----------------|-------------|
| Waste disposal, recovery and treatment                                | 129,186        | 125,261        | 3.1%        |
| Remediations  | 24,189         | 21,923         | 10.3%       |
| Energy production   | 13,276         | 14,988         | -11.4%      |
| Plant construction  | 813            | 804            | 1.1%        |
| Other services  | 4,800          | 4,132          | 16.2%       |
| <b>TOTAL REVENUE FROM CONTRACTS WITH CUSTOMERS</b>                    | <b>172,264</b> | <b>167,108</b> | <b>3.1%</b> |

**Consolidated operating costs** in 2023 amounted to **Euro -131,886 thousand**, up by 1.1% compared to the previous year, when they amounted to Euro -130,458 thousand.

In detail, “Purchases of raw materials, semi-finished and other products” increased slightly by 0.3%, “Services” decreased by -2.7%, “Personnel costs” increased by 10.7%. “Other operating costs” grew by 35.1%, while “Costs for leases” decreased by -16.0% and, finally, “Provisions” went up 46.5%.



The **consolidated gross operating margin** was positive for **Euro 41,527 thousand**, up by 0.6% compared to the same figure for 2022, when it stood at Euro 41,284 thousand (**Euro +243 thousand**).

The **final consolidated net result** was positive in the amount of **Euro 15,776 thousand** (against a profit of Euro 18,636 thousand in FY 2022), after expensing amortisation, depreciation and write-downs for Euro -14,978 thousand (against Euro -12,094 thousand in FY 2022).

The margins of economic significance have been adjusted for those non-recurring and extraordinary cost items that emerged in 2023 and in 2022.

In this regard, such non-recurring income and expense items are listed below, details of which are also provided in the explanatory notes:

| Values in thousands of Euros                               | 31/12/2023    | 31/12/2022   |
|--|---------------|--------------|
| Greenthesi's supplier settlement                           | 0             | 1,679        |
| Extraordinary maintenance pertaining to previous years     | -236          |              |
| Release of provision for risks Aimeri in liquidation       | 0             | 775          |
| Consulting for share listing                               | 0             | -356         |
| Amount set aside to Provision for risks from Ekotekno sale | 0             | -568         |
| <b>Change on Ebitda</b>                                    | <b>-236</b>   | <b>1,530</b> |
| Adjustment of prices for works at "La Torrazza"            | -1,388        | 0            |
| <b>Change on Profit/(loss) before tax</b>                  | <b>-1,624</b> | <b>1,530</b> |

The **gross operating margin**, net of non-recurring items (**adjusted**), amounted to **Euro 41,763 thousand** against a positive margin of Euro 39,754 thousand in the previous year (Euro +2,009 thousand), thus recording an increase by 5.1% compared to FY 2022.

| ECONOMIC DATA<br>Values in thousands of Euros | 31/12/2023    | 31/12/2022    | Variation %   | Adjusted data* |               |              |
|---|---------------|---------------|---------------|----------------|---------------|--------------|
|   |               |               |               | 31/12/2023     | 31/12/2022    | Variation %  |
| Revenues                                      | 173,413       | 171,742       | 1.0%          | 173,413        | 170,063       | 2.0%         |
| Operating costs                               | -131,886      | -130,458      | 1.1%          | -131,650       | -130,309      | 1.0%         |
| <b>Gross operating margin (Ebitda)</b>        | <b>41,527</b> | <b>41,284</b> | <b>0.6%</b>   | <b>41,763</b>  | <b>39,754</b> | <b>5.1%</b>  |
| Amortisation, depreciation and write-downs    | -14,978       | -12,094       | 23.8%         | -13,590        | -12,094       | 12.4%        |
| <b>Net operating margin (Ebit)</b>            | <b>26,549</b> | <b>29,190</b> | <b>-9.0%</b>  | <b>28,173</b>  | <b>27,660</b> | <b>1.9%</b>  |
| <b>Profit/(loss) before tax</b>               | <b>20,766</b> | <b>25,051</b> | <b>-17.1%</b> | <b>22,390</b>  | <b>23,521</b> | <b>-4.8%</b> |
| <b>Final net result – Profit/(loss)</b>       | <b>15,776</b> | <b>18,636</b> | <b>-15.3%</b> | <b>17,010</b>  | <b>17,498</b> | <b>-2.8%</b> |

\*Adjusted data express economic values, net of non-recurring items

|                       |       |       |       |       |
|-----------------------|-------|-------|-------|-------|
| EBITDA/Revenues ratio | 23.9% | 24.0% | 24.1% | 23.4% |
|-----------------------|-------|-------|-------|-------|

The adjusted operating margin translates into a highly satisfactory level of performance (24.1% against 23.4% in the previous year).

The **final consolidated net result**, also net of non-recurring items (**adjusted**), was positive for **Euro 17,010 thousand** (compared to Euro 17,498 thousand in 2022), down by -2.8% on the previous year.

If we were to consider how recent acquisitions – having particular regard to "Bigaran S.r.l." and the "former Ethan" Group – have impacted on the above results, **revenues would have reached approximately Euro 225 million, the gross operating margin would have stood at about Euro 50 million, while the final net result before tax would have touched Euro 20 million.**

The total net financial debt (**NFD**) as at 31 December 2023, as per the ESMA document “Guidelines ESMA32-382-1138”, stood at **Euro -85,121 thousand**, against Euro -75,492 thousand as at 31 December 2022. The leverage ratio – understood as the ratio between net financial debt and EBITDA – was 2.040.

| <b>NET FINANCIAL DEBT</b>                        |                 |                |
|--|-----------------|----------------|
| Values in thousands of Euros                     | 31/12/2023      | 31/12/2022     |
| A. Cash  | 70              | 76             |
| B. Cash equivalents                              | 68,094          | 34,007         |
| C. Other current financial assets                | 22,394          | 8,545          |
| - of which from related parties                  | 1,706           | 1,701          |
| <b>D. Cash and cash equivalents (A)+(B)+(C)</b>  | <b>90,558</b>   | <b>42,628</b>  |
| E. Current financial payables                    | -9,360          | -10,501        |
| F. Current portion of non-current debt           | -26,044         | -16,979        |
| <b>G. Current financial debt (E)+(F)</b>         | <b>-35,404</b>  | <b>-27,480</b> |
| <b>H. Net current financial debt (G)-(D)</b>     | <b>55,154</b>   | <b>15,148</b>  |
| I. Non-current financial payables                | -107,236        | -63,449        |
| J. Issued bonds                                  | -22,334         | -14,939        |
| K. Trade payables and other non-current payables | -14,513         | -16,495        |
| - of which to related parties                    | 0               | 0              |
| <b>L. Non-current financial debt (I)+(J)+(K)</b> | <b>-144,083</b> | <b>-94,883</b> |
| <b>M. ESMA Net financial debt (H)-(L)</b>        | <b>-88,929</b>  | <b>-79,735</b> |
| N. Long-term financial assets                    | 3,808           | 4,243          |
| - of which from related parties                  | 3,363           | 3,296          |
| <b>O. Total net financial debt (M)-(N)</b>       | <b>-85,121</b>  | <b>-75,492</b> |



We are building  
a **NEW EARTH**

## Significant events occurred during the year 2023

### ■ Acquisition of new job orders

During FY 2023, the acquisition of new job orders amounted to a total of Euro 211 million. The main job orders obtained include the following:

- The award, in January 2023, of a contract for works concerning “Abandoned waste removal, characterisation, asbestos removal, and monitoring of drinking, irrigation and domestic water” within the “Bacino del Fiume Sacco” Site of National Interest (SIN), on behalf of client Regione Lazio. The aggregate value of the contract is approximately Euro 2.9 million.
- The award, on 09 March 2023, of an environmental remediation contract covering “all services, works and supplies for soil remediation in the disused areas of the Kuwait plant in Naples, former Lot 1 (former chemical area) and former Lot 2 (former refinery area), and in the adjacent area on Via Del Pezzo”, for a total value of approximately Euro 104 million, to be carried out over 49 months. Greenthesi S.p.A. will act in the capacity as Lead Company holding a share of 49% in the Temporary Business Grouping established with Eni Rewind S.p.A. and Sirai S.r.l.
- The award of a contract for “Emergency safety measures (Messa in Sicurezza di Emergenza – MISE) for full-scale HFO removal from soils of the Enel industrial site in Piombino (LI)” to a Temporary Business Grouping in which Greenthesi S.p.A. holds a share of 30%. The total amount of works awarded is approximately Euro 20.0 million.
- The award, in September 2023, of a joint contract for technical services covering detailed design, services and works concerning remediation of the so-called “Parco Urbano”, remediation of former infrastructure and building of new infrastructure at the Bagnoli SIN in Coroglio (NA). The works, for an aggregate value of approximately Euro 261.1 million, will be carried out within a Temporary Business Grouping. The corresponding contract is pending signature.
- The award, in December 2023, of a joint contract for technical services covering detailed design, services and works concerning remediation of the so-called “Lotto Fondiarie” at the Bagnoli SIN in Coroglio (NA). The works, for an aggregate value of approximately Euro 69.7 million, will be carried out within a Temporary Business Grouping. The corresponding contract is pending signature.

The **order book** as at 31 December 2023, exclusively for “contract” activities, amounted to approximately **Euro 327.5 million**, of which Euro 321.1 million in the environmental remediation sector and Euro 1.4 million in the plant construction sector.

### ■ Greenthesi S.p.A. and Andion Italy S.p.A.’s partnership for joint development of projects in the field of energy and biomethane production from food and agricultural waste, by-products and livestock manure

On 07 February 2023, Greenthesi S.p.A. and Andion Italy S.p.A. – the Italian branch of Andion Global, a world leader in designing, manufacturing and supplying solutions for the energy valorisation of waste thanks to the anaerobic digestion of agricultural by-products and organic waste – signed a framework agreement to launch a joint development initiative that seeks to acquire, upgrade and operate a cluster of plants for treatment and energy valorisation of food and agricultural waste, by-products and livestock manure to produce biomethane.

The agreement aims to seize investment opportunities in biogas plants to convert to biomethane, thus allowing both companies to expedite their growth and diversification in the renewable energy industry, while adhering to their missions and contributing to the energy transition by reducing greenhouse gas emissions and producing renewable energy (biomethane). This, in turn, will result in environmental and socio-economic benefits for the communities that have to deal with liquid and organic waste management issues.

The partnership will benefit from the synergy between the two organisations, which will join forces to take advantage of their respective competencies – Greenthesi will be in charge of operating the plants, of their supply chain, and of marketing the biomethane produced, while Andion will provide all design inputs and carry out the works to convert the plants to biomethane, also by applying its own innovative proprietary technologies.

- **Confirmation of public rating B1.2 (Investment Grade)**

On 08 May 2023, Cerved Rating Agency S.p.A. – Italian rating agency specialising in the assessment of non-financial businesses' creditworthiness – confirmed the public rating of Greenthesi S.p.A. as B1.2, i.e. within the investment-grade class.

- **Issue of an Euro 10 million debenture loan**

On 07 July 2023, Greenthesi S.p.A., as Issuer, placed a new, non-convertible, non-subordinated and unsecured debenture loan having a principal amount of Euro 10,000,000.00, represented by no. 100 Securities having par value of Euro 100,000.00 each, ISIN IT0005555211, which was subscribed 50% by Unicredit S.p.A. and 50% by Credit Agricole S.p.A.

The Loan repayment plan will be based on an amortisation schedule over 6 years, inclusive of a pre-amortisation period of 18 months. Interest on bonds will be calculated based on 6-month Euribor + 285 basis points and paid every six months on a deferred basis.

- **Appointment of Greenthesi S.p.A.'s General Manager**

On 19 July 2023, the Board of Directors of Greenthesi S.p.A. appointed Vincenzo Cimini as General Manager of the Company, vested with the power to manage the business as a whole and its various ordinary operations, without prejudice to the powers reserved to the Board of Directors pursuant to the law or the Articles of Association. Grown as a professional within the Company, Mr Cimini's appointment in the position of General Manager aims to address the growing complexity that the market and the new business model will bring about, with a view to achieving the expected growth and development targets.

- **Confirmation of legality rating**

In August 2023, as proof of the fact that the Group has always paid great attention to the proper management of its own business, Greenthesi S.p.A. obtained confirmation of the best score available of "three stars" ★★★ in the Legality Rating assigned by the Italian Competition Authority (Autorità Garante della Concorrenza e del Mercato – AGCM).

- **Acquisition of a business unit from the company Alfalfa Energia S.r.l.**

On 29 November 2023, the recently incorporated, wholly-owned subsidiary Agromet Barbianello S.r.l. finalised the acquisition of a business unit from Alfalfa Energia S.r.l., an agricultural company specialising in the production of green electricity from the digestion of biomass from the agri-food chain.

At the same time, Agromet Barbianello also purchased a plot of land adjoining the current site to follow up on the plant development project, envisaging the doubling of the biogas production capacity of the plant by 2026 and its conversion from electricity to biomethane.

- **Signing of a loan agreement with a pool of Credit Institutions to support investments for industrial development and dimensional growth in line with the Strategic Plan**

On 18 December 2023, Greenthesi signed a new Euro 50 million loan agreement with banks Natixis S.A. and Intesa Sanpaolo S.p.A., to support the Group's industrial development and external growth in size.

The financing comprises two separate credit lines – an amortising loan and a bullet loan – and may be converted within one year of the closing date into a Sustainability-Linked Loan upon reaching certain environmental, social and governance targets, measurable from FY 2024.

- **Acquisition of a 70% stake in Bigaran S.r.l.**

Last December, Greenthesi acquired a 70% stake in the company Bigaran S.r.l., specialising in the collection, transport, recovery, disposal and brokerage of all types of waste in Veneto and northern Italy. Specifically, the company operates two plants in San Biagio di Callalta (TV) and Megliadino San Vitale (PD), with an authorised waste selection and sorting capacity of one hundred thousand tons per year.

- **Joint Venture with GKSD S.r.l. for the delivery of highly specialist services in the areas of environmental treatments, waste management, medical waste disinfection, environmental remediations, and energy generation and recovery**

Greenthesi holds a 40% stake in a new company called GKSD Green Solutions S.r.l., which was established in partnership with GKSD S.r.l., a company of the San Donato Group.

The transaction aims to combine the two partners' know-how in order to develop, particularly in emerging countries, new initiatives concerning the design, construction and operation of waste treatment plants, remediation of polluted soil and groundwater, and energy recovery.

- **Real estate development of SI Green UK's area in Swansea**

The real estate development of the property owned by the subsidiary company SI Green UK, launched in 2021, continued with the sale of residential units, reaching 46% of the overall plan.

- **Update on the Polish subsidiary Ekotekno Sp. Z o.o.**

The divestment of the subsidiary originally set up to build a permanent waste storage, treatment and multi-material waste valorisation plant continued, along with the necessary updates of the permits required to start construction of the plant itself.

- **Distribution of 2022 dividends**

The Shareholders' Meeting held on 24 May 2023 resolved to distribute a gross dividend of Euro 0.01885 per outstanding ordinary share entitled to profits, i.e. an aggregate amount of Euro 2,840 thousand (Euro 1,462 thousand in the previous year). The dividend was paid starting from 06 June 2023 (payment date).



- **Update on the preliminary sales agreement for Casei Gerola (PV) property complex**

On 17 July 2019, following extensive negotiations, Greenthesi entered into a preliminary agreement with a leading operator in the field of real estate development in the framework of industrial logistics, subject to a number of conditions precedent being satisfied and concerning the sale of the aforesaid property complex.

The Prospective Buyer successfully carried out the Due Diligence process by the deadline of 31 March 2021, as per the eighth addendum. The Parties have agreed to postpone the final deadline first to 30 April 2022, then to 31 December 2023, and lastly to 31 December 2024, pending satisfaction of the last condition precedent, i.e. the permit to build.

- **Inclusion of three business development initiatives for circular economy proposed by the Greenthesi Group in the preliminary shortlist to receive NRRP funding**

Three circular economy projects submitted by the Greenthesi Group have been included in the shortlist prepared by the Ministry for the Ecological Transition (now the Ministry of the Environment and Energy Security), first on a preliminary basis, in the last quarter of 2022, and later on a final basis, in the first quarter of 2023. This is a mandatory requirement to receive funding under the National Recovery and Resilience Plan (NRRP) for Italy in the framework of so-called “flagship” projects, highly innovative projects for the treatment and recycling of refuse coming from strategic chains.

For the first initiative, Greenthesi has partnered with a renowned consortium of leading operators in connection with the disposal of end-of-life wind turbine blades. The special treatment and valorisation process will allow recovering fiberglass from the blades to produce a secondary raw material (so-called “end-of-waste material”) that can be put back into the production cycle.

The second initiative focusses on recovering and valorising non-recyclable, end-of-life plastics, thanks to a pyrolysis process from which a mineral oil is obtained that can be reused for the production of new materials.

The third initiative, intended for the fashion and textile industry, aims to recover pre-consumer and post-consumer materials

(unsold garments or processing residues), from which a secondary raw material can be obtained and used for regenerated fibre spinning, production of nonwoven fabric, or as padding/insulation.

- **Compliance with the covenants for the two debenture loans issued in the framework of “Programma Elite – Intesa Sanpaolo Basket Bond”**

Having regard to debenture loans “ISIN IT0005406043”, “ISIN IT0005504037” and “ISIN IT0005555211”, placed by Greenthesi S.p.A. as Issuer of the Securities on 31 March 2020, 28 July 2022 and 07 July 2023, respectively, the specific economic and financial covenants provided for in the Rules governing the debenture loans and regarding certain threshold values in terms of Net Financial Position/EBITDA – “Leverage Ratio”, Net Financial Position/Shareholders’ Equity – “Gearing Ratio” and EBITDA/Gross interest payments – “Interest Cover Ratio” were met.

The covenant parameters relating to the 2023 financial statements are as follows:

| BOND COVENANTS              | 31/12/2023 |
|-----------------------------|------------|
| < 2,5x Leverage ratio       | 1,6x       |
| > 4,0x Interest cover ratio | 4,8x       |
| < 2,0x Gearing ratio        | 1,8x       |

The parameters used to calculate the three covenant levels were measured as per the Rules governing the debenture loans.

## Events occurred after the end of FY 2023

### ▪ Acquisition of new job orders

After the end of FY 2023, Greenthesi s was awarded a contract covering detailed design and performance, based on the final design, of decommissioning, remediation and implementation of permanent safety measures at the Caffaro plant in Brescia (BS), “First Stage Lot”, worth approximately Euro 44.8 million in aggregate. Remediation works will be carried out within a Temporary Business Grouping, and the portion ascribable to Greenthesi s will be worth approximately Euro 17.0 million.

To date, the order book, exclusively for “contract” activities, amounts to approximately **Euro 340.0 million**.

### ▪ Acquisition of an 80% stake in five operating companies of the Ethan Group

On 31 January 2024, Greenthesi s.p.a. closed the acquisition of an 80% stake in the companies Euro Veneta S.r.l., Ecorex S.r.l., Elite Ambiente S.r.l., Emme Trasporti S.r.l. and Execo S.r.l., forming part of the Ethan Group. They are mostly active in Northeast Italy, in the management of different types of hazardous and non-hazardous waste, with a strong focus on the recovery of materials.

Following the Transaction, Greenthesi s will be able to take advantage of the Ethan Group’s know-how and resources, as well as develop global synergies to improve efficiency in operations and its range of services across northern Italy. This in turn will allow Greenthesi s to reach new customers and markets, expanding its operating importance and the population it serves. The acquired companies – with a staff of about 80 people and, with reference to the expected results for FY 2023, an aggregate turnover of about Euro 30 million, an aggregate gross operating margin of over Euro 6 million, and an aggregate positive net financial position of about Euro 4.8 million as at 30 September 2023 – carry out their business at six different waste treatment plants located in the provinces of Vicenza, Verona and Padua.

### ▪ Acquisition of an indirect minority interest in Greenthesi s by Greta Lux S.à r.l.

On 05 April 2024, Planesys S.p.A. – a company owned by the Grossi family, which holds the majority, i.e. approximately 85.758%, of the share capital of Greenthesi s.p.a. – and PATRIZIA SE, a leading partner for investments in the global real estate and infrastructure market through its European mid-market infrastructure strategy, entered into a sale and purchase and investment agreement based on which PATRIZIA, through its wholly-owned subsidiary Greta Lux S.à r.l., will acquire an indirect minority interest in Greenthesi s. Upon completion of the Transaction, a mandatory takeover offer will be launched with the aim of delisting the Company’s shares, given an equity value of Greenthesi s of approximately Euro 340 million.

Through this Transaction, Planesys and PATRIZIA intend to foster the strategic development of Greenthesi s with the aim of contributing to growth and value creation within the very dynamic and challenging environmental services market.

The Transaction provides that PATRIZIA will acquire from Planesys an equity stake of approximately 28.33% in the share capital of Greenthesi s (net of treasury shares) at a price of Euro 2.25 per share, cum dividend, with the simultaneous contribution of the total equity stake held in Greenthesi s, equal to approximately 88.33% of the share capital (net of treasury shares), to a newly incorporated company (“NewCo”).

It is currently expected that the completion of the Transaction, with the subsequent launch of the Takeover Offer, may occur by 31 July 2024.

Upon completion of the Transaction, Planesys will continue to hold a majority stake in Greenthesys. The parties will enter into a shareholders' agreement to regulate the governance and stabilise the ownership structure of NewCo and Greenthesys, which, with a view to creating long-term industrial value and in line with what has been carried out so far, will provide for the recognition in favour of PATRIZIA of certain governance prerogatives, as well as certain covenants aimed at stabilising the ownership structures as per common practice in similar transactions. In this context, no forced exit mechanisms will be provided for the majority stake held by Planesys.

### *Intra-group relations and related parties*

With regard to transactions with related parties, it should be noted that the same fall within the normal course of business of the Group companies and are regulated at market conditions, taking into account characteristics of the goods or services involved. Please note that the above transactions do not qualify as either atypical or unusual.

For details regarding relations with related parties, please refer to the explanatory notes to the consolidated financial statements.

## *Operating outlook*

In continuity with the year just ended, and in spite of the market being affected by not entirely favourable macro-economic variables (inflationary trend, cost of money, economic growth), forecasts are aligned with the positive outlook expected according to the medium-term plan, also thanks to the new additions that will fully express their economic effects in the current year. There is a chance that the 2027 targets of Euro 250 million in turnover and a 22%-24% EBITDA may be achieved earlier than expected.

We also expect to increase efforts and focus on environmental sustainability issues, the reduction of the impact of production activities on climate and the improvement of business management policies, in line with the new EU standards (CSRD) and industry best practices.

## Human resources and employment data

In 2023, the income statement includes Euro -20,805 thousand of personnel costs.  
The Group's staff composition at the end of the year, broken down by category, is as follows:

| NUMBER OF EMPLOYEES | 31/12/2023 | 31/12/2022 | Variation |
|---------------------|------------|------------|-----------|
| Executives          | 18         | 16         | 2         |
| White collars       | 211        | 175        | 36        |
| Blue collars        | 195        | 152        | 43        |
| <b>Total</b>        | <b>424</b> | <b>343</b> | <b>81</b> |

## Information on the environment

The commitment on the issues of social responsibility and of the territory is now an integral part of the Group's principles and conduct, oriented to technological excellence, maintenance of high levels of safety, environmental protection and energy efficiency, as well as training, awareness and involvement of staff on social responsibility issues.

The Group's environmental strategy, therefore, is based on the following principles:

- *optimise the use of energy sources and natural resources;*
- *minimise negative environmental impacts and maximise positive ones;*
- *spread the culture of a correct approach to environmental issues;*
- *progressively improve environmental performances;*
- *minimise environmental risks by taking advantage of the various investment opportunities offered by the market;*
- *adopt purchase policies sensitive to environmental issues.*

For further information, reference is made to the Sustainability Report.

## Research and development

During FY 2023, the Group's research activities continued to focus on the analysis of operating measures to optimise the management of owned plants, as well as on the development of innovative technologies to recover energy and material from residues and waste of various business sectors.

For further information, reference is made to the Sustainability Report.

## Risks and uncertainties

The main risk factors to which the Group is exposed, each described with an indication of the corresponding management and mitigation strategies and policies pursued, are classified into the following four macro-categories and are separately commented on below:

- I. Financial Risks
- II. Operational Risks
- III. Strategic Risks
- IV. Compliance Risks

### I. – FINANCIAL RISKS (FR)

#### FR - credit

| <i>Risk Class</i> | <i>Brief Description</i> | <i>Detailed Description</i>  |
|-------------------|--------------------------|--|
| Financial         | Credit risk              | Risk linked to the possibility that business counterparties may not fulfil the obligations assumed |

For the Group, the credit risk is mainly its exposure to potential losses arising from business partners' non-compliance with obligations.

Given that trade receivables are classified into three macro-areas (from "Third parties", from "Public Administration/Subsidiaries of Public Administration" and from "Related-Party Companies"), the Group believes that it is exposed to the type of risk in question only for what concerns the area of "Receivables from Third Parties", representing about 62.0% of the total receivables.

For what concerns procedures, customers' solvency and reliability are subject to specific assessments both prior to the possible establishment of the business relationship, by means of preventive analysis of each potential customer in terms of creditworthiness, and in the course of the same business relationship, through constant credit assessment activities, designed to monitor the economic and financial reliability conditions of each customer on a continuous basis and, by this means, to provide timely information to verify the appropriateness of the payment terms applied at any given time and, more generally, to set up and possibly update correct management policies of each single credit position over time.

More specifically, the Group governs the aforementioned aspects of this type of risk by means of the following measures, which in turn represent the various stages of the trade receivables management process – from establishing a business relationship, to collecting any overdue accounts receivable:

- 1) During a preliminary stage, retrieval of appropriate information, both of an economic nature and of a legal and administrative nature (as well as historical), on each potential customer, which is aimed at the preliminary evaluation of all the qualitative aspects of the related reliability profile of each of them, as well as their actual creditworthiness;
- 2) Provision of appropriate contractual guarantee clauses, such as advance payments and issuance of sureties (mainly in the form of bank sureties);
- 3) Continuous and systematic monitoring of all outstanding receivables;
- 4) Periodic update of the reliability analyses carried out, including any possible change – if deemed necessary – of the credit ratings given and of the corresponding credit limits granted;
- 5) Early detection of any delays in payments and/or insolvencies;

- 6) Launch of pre-established debt reminding and collection activities;
- 7) Management of extrajudicial and/or judicial recovery phases.

Credit to each customer is managed at a central level. In order to further improve the effectiveness of the process in question, in particular of the steps related to the collection and constant updating of detailed information on potential or already acquired customers, the Parent Company Greenthesi S.p.A. has chosen to activate, with a national information provider, a special credit information service that enables it to continuously evaluate and monitor customer reliability on the basis of a solvency analysis updated in real-time, integrating information at different levels of depth.

It should also be noted that there are no particular seasonal phenomena in credit exposure and that, with regard to the “Environmental Remediation and Rehabilitation” business line in particular, the timing of work progress reports makes it possible to effectively and even more systematically monitor any credit risk of the customer.

Finally, the operational synergies established between the Loans Office and the Purchasing Office (both central offices) allow to efficiently manage the relations, also according to an integrated approach, with all those who, for the Group, are at the same time not only customers but also suppliers.

#### FR - liquidity

| <i>Risk Class</i> | <i>Brief Description</i> | <i>Detailed Description</i>  |
|-------------------|--------------------------|--|
| Financial         | Liquidity risk           | Risk linked to the difficulty of meeting payment obligations at the agreed deadlines due to the lack or insufficient availability of the necessary financial resources |

The liquidity risk to which the Group is potentially exposed is due to the lack or insufficient availability, under favourable economic conditions, of monetary resources necessary to fulfil its financial obligations within the pre-established terms and deadlines, both in relation to the current operations, and for what concerns the development of planned industrial and commercial activities.

More precisely, this risk may derive from the lack or inadequacy of financial resources to meet its obligations within the pre-established terms and deadlines, or from the possibility that the Group finds itself in the situation of having to fulfil its financial liabilities before their natural maturity date (for example, in the event of a sudden cancellation of previously agreed financing lines).

The overall financial management of the Group is essentially centralised at the Parent Company Greenthesi S.p.A., which, according to established practices based on prudence and stakeholder protection policies, negotiates credit lines with the banking system and continuously monitors the financial flows of each company within the Group.

For what concerns ordinary operations, the Group normally generates adequate liquidity sources, through which it addresses both cash requirements and its obligations of a strictly financial nature. These sources derive, on the one hand, from business margins and, on the other hand, from compliance with payment terms applied to counterparties, whose collection times are subject to constant monitoring, as already pointed out with reference to the management of the “Credit risk”.

On the other hand, liquidity requirements for investments are mostly covered by ad hoc financial transactions negotiated with primary Credit Institutions.

Namely, in order to contain the risk in question, the Group has adopted some specific strategies, based, in particular, on the elements listed below:



- 1) Special attention is paid to both the main indicators of financial structure and the various aspects of reputational nature, that the banking system assesses to attribute creditworthiness and the rating agencies consider for the attribution of public ratings;
- 2) The ongoing monitoring of current and prospective liquidity conditions in order to be able to identify sufficiently in advance any misalignments between the availability and the total amount of financial resources which, from time to time, is considered to be functional to ensure the level of operational flexibility deemed appropriate over time;
- 3) The implementation of judicial recovery actions and the obtaining of appropriate guarantees to safeguard the Group's assets;
- 4) The definition, with primary Credit Institutions, of dedicated transactions aimed at increasing the available financing lines, including through the structuring of specific programmes for the sale of trade receivables originated by the Parent Company; in this regard, please note that, on 15 July 2016, the agreement originally signed on 23 July 2015 between Greenthesi S.p.A. and other Group companies, on the one part, and Banca IMI S.p.A., on the other, was updated. Such agreement, relating to so-called "rolling" credit lines totalling Euro 18 million, which is currently tacitly renewed every six months, has allowed, over time, to provide single companies with more credit lines in support of their own operations.

As at 31 December 2023, the Group had available credit lines – including those for sureties – totalling approximately Euro 204 million, drawn for about Euro 159 million (approximately Euro 7 million of which for sureties), plus approximately Euro 3 million of the specific factoring line, currently undrawn.

Finally, it should be noted that the Group does not have significant liquidity risk concentrations for what concerns trade payables.

#### FR - price

| <i>Risk Class</i> | <i>Brief Description</i> | <i>Detailed Description</i>  |
|-------------------|--------------------------|--|
| Financial         | Price risk               | Risk related to the possibility that fluctuations in the purchase price of some production factors may have a negative impact on the profitability of the business |

The Group mitigates the risk associated with the volatility of the purchase cost of production factors by defining contracts – typically annual contracts – at a fixed price or by maintaining consolidated supply relations that allow for price reductions or, in any event, price stability of the goods or services purchased.

In addition, the Group seeks to reduce the risk in question also through specific investments to increase the efficiency of its plants, in order to achieve savings in its energy and raw material consumption, as well as the optimisation of the different operating processes.

In particular, it should be noted that the Central Purchasing Office for Disposal and Transportation, now fully operational, has allowed not only to centralise and better coordinate all the activities related to the management of providers of such services, considered critical to the whole Group's business, but also to obtain significant improvements in terms of costs incurred, all the above with clearly positive effects across the entire procurement system.

Finally, the latest updated and implemented version of the "Procurement" procedure was defined and put into effect, thus introducing an even more detailed qualification process for suppliers.

## FR - exchange rate

| <i>Risk Class</i> | <i>Brief Description</i>  | <i>Detailed Description</i>   |
|-------------------|---------------------------|---|
| <i>Financial</i>  | <i>Exchange rate risk</i> | <i>Risk linked to possible unfavourable exchange rate changes that could, as a result of the translation of assets and liabilities denominated in foreign currencies, result in a potential economic loss</i> |

During the reference period, the Group operated mainly within the domestic market and did not carry out significant foreign currency transactions, thus avoiding significant exposures in this respect. In turn, the three foreign subsidiaries included in the scope of consolidation, namely the English company SI Green UK Ltd, the Polish company Ekotekno Sp. Z o.o., and the UAE company Ambienthesis Middle East DMCC, established in April 2019, did not have significant effects in this regard.

## FR - interest rate

| <i>Risk Class</i> | <i>Brief Description</i>  | <i>Detailed Description</i>   |
|-------------------|---------------------------|---|
| <i>Financial</i>  | <i>Interest rate risk</i> | <i>Risk related to the possibility of an increase in financial liabilities due to an unfavourable variation of the interest rates</i> |

Exposure to interest rate risk is mainly due to short-term and long-term variable-rate financial payables, negotiated to maintain a balance between financial sources and uses and, to a lesser extent, from the indexation of finance lease agreements.

Negotiation and raising of short and medium-to-long term financing in the market are carried out by Greenthesis S.p.A. for all the Group companies and exposure to interest rate risk is constantly monitored by the Parent Company on the basis of the Euribor curve, in order to immediately assess the need for any measures to contain the risk of a potential rise in market interest rates.

Please note that, as at 31/12/2023, the Group was mostly exposed to medium-to-long term bank loans. On each occasion, the Group assesses whether or not to enter into dedicated IRS hedge agreements.

## II. – OPERATIONAL RISKS (OR)

### OR - authorisations/certifications

| <i>Risk Class</i>  | <i>Brief Description</i>                              | <i>Detailed Description</i>   |
|--------------------|---|---|
| <i>Operational</i> | <i>Risk linked to authorisations / certifications</i> | <i>Risk linked to the lack of authorisations and/or certifications that are required or useful for operations</i> |

The Group mitigates the risk of possible failure to maintain over time the authorisations and certifications that are required or useful for its activities, especially in terms of their deadlines and periodic renewals, by means of adequate internal information monitoring and control systems.

For this purpose, the Group uses a specific instrument for continuous management and monitoring of renewals/deadlines of authorisations and certifications, overseen directly by the Technical Managers of the various plants and/or Operating Divisions and supervised by the Group's "Quality, Environment and Safety" function.

For the sake of completeness, the certifications currently held by the individual companies of the Group are summarised below.

The Parent Company **Greenthesi S.p.A.** is in possession of the following certificates:

- i) Multi-site certificate UNI EN ISO 9001:2015 – Quality, issued (in its latest version) on 20 April 2022, regarding both the plants of Orbassano (TO) and San Giuliano Milanese (MI), and the headquarters in Segrate (MI), referring to the operational field of activities for “design and carrying out of environmental remediation; design and construction of plants for the treatment/disposal of waste; design of energy recovery plants”;
- ii) Multi-site certificate UNI EN ISO 14001:2015 – Environment, issued (in its latest version) on 22 April 2022 and regarding both the plants of Orbassano (TO), S. Giuliano Milanese (MI) and Liscate (MI), and the headquarters in Segrate (MI), referring to the operational field of activities for “design and carrying out of environmental remediation; design and construction of plants for the treatment/disposal of waste; design of energy recovery plants; operation of mobile treatment plants for waste treatment in the framework of authorised campaigns”;
- iii) EMAS – Environment Certificate, issued (in its latest version) on 02 August 2022 and relating to the plant of Liscate (MI), concerning the treatment and disposal of hazardous and non-hazardous waste;
- iv) Multi-site certificate UNI ISO 45001:2018 – Safety, issued (in its first version following transition from the previous multi-site certificate BS-OHSAS 18001:2007) on 07 June 2022 and regarding both the plant of Orbassano (TO) and the headquarters in Segrate (MI), referring to the operational field of activities for “design and carrying out of working sites for decommissioning of disused sites and remediation of contaminated sites”.

The subsidiary company **Bioagritalia S.r.l.** is in possession of the following certificates:

- 1) Certificate UNI EN ISO 9001:2015 – Quality, issued (in its latest version) on 04 October 2022 and related to the Corte De’ Frati (CR) plant, concerning the treatment and storage of non-hazardous special waste (biological sludge) to be spread on soil for the benefit of agriculture;
- 2) Certificate UNI EN ISO 14001:2015 – Environment, issued (in its latest version) on 06 October 2022 and related to the Corte De’ Frati (CR) plant, concerning – also in this case – the treatment and storage of non-hazardous special waste (biological sludge) to be spread on soil for the benefit of agriculture.

The subsidiary company **La Torrazza S.r.l.** is in possession of the following certificates:

- 1) Certificate UNI EN ISO 14001:2015 – Environment, issued (in its latest version) on 12 January 2023 and also related to the plant of Torrazza Piemonte (TO), concerning – also in this case – the operation of the landfill for hazardous and non-hazardous special waste, as well as post-operation management of exhausted cells in the same landfill;
- 2) EMAS – Environment Certificate, issued (in its latest version) on 24 February 2023 and also related to the plant of Torrazza Piemonte (TO), concerning waste treatment and disposal operations.

The subsidiary company **Eureko S.r.l.** is in possession of the following certificates:

- 1) Certificate UNI EN ISO 14001:2015 – Environment, issued (in its latest version) on 28 February 2024 and related to the plant of Peschiera Borromeo (MI), concerning the storage of hazardous and non-hazardous special waste, the preliminary storage, preliminary reconditioning and recovery of non-hazardous special waste;
- 2) Certificate UNI ISO 45001:2018 – Safety, issued (in its first version following transition from the previous certificate BS-OHSAS 18001:2007) on 20 February 2022 and also regarding the plant of Peschiera Borromeo (MI), concerning the storage and recovery of non-hazardous special waste by means of grinding, screening and soil washing processes;
- 3) EMAS – Environment Certificate, issued (in its latest version) on 14 December 2021 and also related to the plant of Peschiera Borromeo (MI).

The subsidiary company **C.R. S.r.l.** is in possession of the following certificates:

- 1) Certificate UNI EN ISO 9001:2015 – Quality, issued on 05 May 2021 and related to the plant of Sannazzaro de' Burgondi (PV), concerning the collection, transport, temporary storage, treatment and disposal of waste to recovery plants and landfills; waste brokerage without storage and consulting on waste management;
- 2) Certificate UNI EN ISO 14001:2015 – Environment, also issued on 05 May 2021 and also related to the plant of Sannazzaro de' Burgondi (PV), concerning the same activities as the certificate above;
- 3) Certificate UNI ISO 45001:2018 – Safety, also issued on 05 May 2021 and also related to the plant of Sannazzaro de' Burgondi (PV), concerning the same activities as the two certificates above.

The associated company **Daisy S.r.l.** is in possession of the following certificates:

- 1) Certificate UNI EN ISO 14001:2015 – Environment, issued (in its latest version) on 22 January 2024 and related to the plant of Barletta (BT), concerning the operation of the landfill for non-hazardous special waste equipped with a treatment section;
- 2) EMAS – Environment Certificate, issued (in its latest version) on 04 May 2021 and also relating to the Barletta (BT) plant, concerning the treatment and disposal of non-hazardous waste.

The Company **REA Dalmine S.p.A.** is in possession of the following certificates:

- 1) Certificate UNI EN ISO 9001:2015 – Quality, issued on 20 September 2021 and related to the plant of Dalmine (BG), concerning waste-to-energy activities involving municipal solid waste and non-hazardous special waste with energy recovery. Waste-to-energy plant ordinary and extraordinary maintenance. Waste brokerage without storage. Design and construction of waste treatment/disposal and energy recovery plants;
- 2) Certificate UNI EN ISO 14001:2015 – Environment, issued on 26 October 2023 and also related to the plant of Dalmine (BG), concerning waste-to-energy activities involving municipal solid waste and special waste and similar waste by combustion with pollutant reduction, residues management and heat recovery, electricity generation by steam turbine, waste brokerage without storage;
- 3) Certificate UNI EN ISO 45001:2018 – Safety, issued on 21 June 2021 and also related to the plant of Dalmine (BG), concerning waste-to-energy activities involving municipal solid waste and similar waste with heat recovery and electricity generation.

The Company **Enval Srl** is in possession of the following certificates:

- 1) Certificate UNI EN ISO 9001:2015 – Quality, issued on 07 September 2021 and related to the plant of Brissogne (AO), concerning municipal waste disposal by pressing, recovery of recyclable waste, energy recovery from landfill gas, non-hazardous special waste disposal, construction of waste disposal and recovery plants and environmental remediation and recovery plants;
- 2) Certificate UNI EN ISO 14001:2015 – Environment, also issued on 07 September 2021 and also related to the plant of Brissogne (AO), concerning municipal waste disposal by pressing, recovery of recyclable waste, energy recovery from landfill gas, non-hazardous special waste disposal;
- 3) Certificate UNI EN ISO 45001:2018 – Safety, issued on 28 September 2021 and also related to the plant of Brissogne (AO), concerning disposal of municipal waste and similar waste.

The Company **GEA Srl** is in possession of the following certificates:

- 1) Certificate UNI EN ISO 9001:2015 – Quality, issued on 14 March 2023 and related to the plant of Sant’Urbano (PD), concerning the design, construction, management, with production of electricity from biogas, of landfills for municipal waste and non-hazardous special waste. Post-closure management of landfills and management of biogas plant of landfills for municipal waste and non-hazardous special waste;
- 2) Certificate UNI EN ISO 14001:2015 – Environment, issued on 18 February 2022 and also related to the plant of Sant’Urbano (PD), concerning the management of non-hazardous waste landfill through the following phases: construction, use and related energy recovery from biogas for electricity generation. Waste brokerage and trade without storage. Post-closure management of non-hazardous waste landfill.

The Company **Ind.Eco Srl** is in possession of the following certificate:

- 1) Certificate UNI EN ISO 14001:2015 – Environment, issued on 22 October 2021 and related to the plant of Borgo Montello (LT), concerning the design, construction, post-closure management, with production of electricity from biogas, of landfills for non-hazardous waste.

The Company **GTH Agromet Srl** is in possession of the following certificate:

- 1) Certificate UNI EN ISO 9001:2015 – Quality, issued on 27 May 2021 and concerning management and operation of the plant for recovery and disposal of agricultural and food waste.

#### **OR - litigation**

| <i>Risk Class</i>  | <i>Brief Description</i> | <i>Detailed Description</i>                                    |
|--------------------|--------------------------|--|
| <i>Operational</i> | <i>Litigation risk</i>   | <i>Risk related to current or potential future litigations</i> |

The risk involved is mitigated through different measures depending on the type of possible litigation. As regards, in particular, relationships with customers and suppliers, this risk is primarily managed through the contractual instrument as an element to minimise the onset of possible disputes between the parties beforehand.

In this regard, please note that the Group, in the definition of contracts with its counterparties, provides for the inclusion of a special clause prescribing compliance with the principles and rules contained in Legislative Decree

no. 231/2001, as well as the duty to read the Code of Ethics and the extract of the Organisational, Management and Control Model pursuant to Legislative Decree no. 231/2001 (the “Organisational Model”) of Greenthesi S.p.A.

#### OR - plants

| <i>Risk Class</i>  | <i>Brief Description</i> | <i>Detailed Description</i>   |
|--------------------|--------------------------|---|
| <i>Operational</i> | <i>Plant risk</i>        | <i>Risk related to possible malfunctioning of the plants or sudden shutdown of the same</i> |

The Group considers the constant maintenance and the progressive modernisation of its facilities as critical elements to ensure the efficiency of the work performed and therefore the quality of the services provided. In order to limit the risk of a possible interruption of production due to breakdown or malfunctioning of the plants, ordinary and extraordinary maintenance is constantly carried out, in accordance with periodic service contracts specifically executed for this purpose, based on specific inspection protocols established by the manufacturers and characterised by high service levels that must be guaranteed by the provider in charge of performing maintenance operations from time to time.

The Group schedules and periodically monitors internal and external maintenance using a dedicated software; special formalised procedures are also in place to deal with emergencies, such as an unforeseen block in the operation of the same plants. In general, maintenance works are managed in accordance with the instructions and procedures of each business unit’s Management Systems. Moreover, the Prevention and Protection Service Manager (RSPP) of each operating unit is in charge of preparing an interference risk assessment document, if maintenance operations involve third-party companies and/or individuals.

All plant implementations are in line with the BATs – Best Available Technologies in the industry, with a view to significantly improving the overall environmental, economic and energy performance of our facilities.

#### OR - accidents at work

| <i>Risk Class</i>  | <i>Brief Description</i> | <i>Detailed Description</i>               |
|--------------------|--------------------------|---|
| <i>Operational</i> | <i>Accident risk</i>     | <i>Risk of accidents in the workplace</i> |

The Group adopts high levels of control to ensure full compliance with the legislation on health and safety of workers.

In particular, the system of proxies and powers of attorney in place ensures that the corporate subjects responsible for the various health and safety issues (the latter chosen for this purpose, as they possess the necessary knowledge) are at the same time given the management and spending powers to meet these needs in a timely manner, even in cases of urgency.

Namely, to boost accident-prevention tools, REA Dalmine, Enval, CR, Eureko and Greenthesi hold the UNI ISO 45001:2018 certification (having completed the transition from the previous standard of reference, BS-OHSAS 18001:2007), respectively for the sites of Dalmine (BG), Brissogne (AO), Sannazzaro de’ Burgondi (PV), Peschiera Borromeo (MI) and Orbassano (PV), as well as for the site of Segrate (MI) for the “design and carrying out of working sites for decommissioning of disused sites and remediation of contaminated sites”, which attests to their compliance with high standards as to the overall workplace safety management system.

In addition to the dedicated audits carried out by highly specialised independent third parties, the Group has adequate procedures to perform periodic internal audits aimed at assessing the degree of safety of the various work environments, paying particular attention to production sites, and constantly invests in workplace health and safety training, delivering specific courses periodically, which are different for each professional role.

In the future, GEA's landfill expects to improve its performance relating to the health and safety of workers by implementing a Safety Management System in compliance with the UNI EN ISO 45000 standard.

#### **OR - subjects in Temporary Business Associations/Joint Ventures**

| <i>Risk Class</i>  | <i>Brief Description</i>                    | <i>Detailed Description</i>   |
|--------------------|---|---|
| <i>Operational</i> | <i>Risk related to subjects in TBAs/JVs</i> | <i>Risk related to the identification of subjects for the establishment of TBAs/JVs</i> |

The Group mitigates the risk associated with relationships with TBA/JV partners, potentially relevant to the business of environmental remediation, through a particularly targeted selection of the same, which is conducted on the basis of a careful prior evaluation of their reliability and operational, technical and financial capacity, also in order to comply with the different requirements set out in any invitation to tender and to ensure the actual performance of any works awarded.

On the basis of a consolidated practice, each TBA is structured to ensure the complementarity of the skills required. In this sense, all members of each TBA must meet specific requirements, attested by technical documents and verified by the Tender Office beforehand.

The Group complies with legal protocols designed to activate, in accordance with the Anti-Mafia Guidelines, specific coordinated monitoring and supervisory procedures for data across the entire chain of businesses involved in the individual contracts.

#### **OR - counterparty requirements**

| <i>Risk Class</i>  | <i>Brief Description</i>             | <i>Detailed Description</i>  |
|--------------------|--------------------------------------|--|
| <i>Operational</i> | <i>Counterparty requirement risk</i> | <i>Risk related to the possibility of dealing with subjects (suppliers/customers) who are not in possession of adequate requirements (capital/financial/ethical)</i> |

With reference to the various sectors in which it operates, the Group mitigates this risk (on the supplier side) through a scrupulous process of selection and timely evaluation of the various suppliers to which it can potentially resort, as formalised within the Group purchasing procedure ("Procurement" procedure).

In the most important cases, the Group carries out special audits at final disposal facilities managed by third parties in order to verify their adequacy in terms of requirements and authorisations held.

The Group, in the definition of contracts with its counterparties, provides for the inclusion of a special clause prescribing compliance with the principles and rules contained in Legislative Decree no. 231/2001, as well as the duty to read the Code of Ethics and the extract of the Organisational Model under Legislative Decree no. 231/2001 of Greenthesi S.p.A. or of other operating units of the Group, depending on the parties involved.

As already mentioned for the above type of risk, the Group complies with legal protocols designed to activate, in accordance with the Anti-Mafia Guidelines, specific coordinated monitoring and supervisory procedures for data across the entire chain of businesses involved in the individual contracts.

## OR - information systems in support of the Purchasing Office

| <b>Risk Class</b> | <b>Brief Description</b>   | <b>Detailed Description</b>   |
|-------------------|--|---|
| Operational       | Risk linked to information systems in support of the Purchasing Office | Risk linked to the possible occurrence of technical-operational problems in information systems supporting procurement activities |

The Group manages the risk that information systems supporting purchases are not suitable to changing business dynamics by dedicating specific resources to the ongoing improvement of existing systems, as well as by maintaining and enhancing an integrated information system, fed by a special database where all information, both of personal and technical nature, relating to all the suppliers, is collected and catalogued.

This activity is carried out by the Purchasing Office's staff in close collaboration with the IT Function and Quality Function, as well as with the providers of information systems themselves.

An application has been implemented to assess the sustainability performance of key operators included in the supplier list of the Company and the Group.

## OR - information systems in support of the Tender Office

| <b>Risk Class</b> | <b>Brief Description</b>  | <b>Detailed Description</b>   |
|-------------------|---|---|
| Operational       | <i>Risk linked to information systems in support of the Tender Office</i> | <i>Risk linked to the possible occurrence of technical-operational problems in information systems to support the monitoring, identification and selection of tenders</i> |

The Group mitigates the risk of technical and operational issues in the information system dedicated to the monitoring, identification and selection of tenders mainly by maintaining a strong relationship with its long-term provider of the service.

The Tender Office's staff also have the professional and technical skills necessary to independently search for tenders through additional channels, thus minimising the potential risk of incomplete or inaccurate identification of all bidding opportunities of potential interest for the Company and the Group.



## OR - organisational structure

| <i>Risk Class</i>  | <i>Brief Description</i>             | <i>Detailed Description</i>  |
|--------------------|--------------------------------------|--|
| <i>Operational</i> | <i>Organisational structure risk</i> | <i>Risk linked to an organisational structure that proves not to be aligned with the pursuit of strategic objectives</i> |

The Group mitigates possible risks deriving from a type of organisational structure not aligned with the strategic objectives pursued by the Group itself by defining and periodically reviewing the structure itself, in order to ensure that it is always sufficiently articulated both in terms of staff numbers and in terms of skills required.

In particular, this is made possible by constantly monitoring and assessing that the overall structure is consistent with the objectives of the Group and of each single business line.

The first event to report is the appointment of Vincenzo Cimini as General Manager, vested with the power to manage the business as a whole.

Other changes were made to the operational and functional structure of the Company, especially as regards its business areas, with the appointment as Chief Business Officer (CBO) of Gianluca Santovito for the “Industrial waste management” area and of Roberto Zocchi for the “Development of new technologies and renewables” area. They joined Damiano Belli, “Environmental remediations and rehabilitations” CBO, and Marco Sperandio, “Civil waste management” and “Waste brokerage” CBO.

Please note that, in order to achieve strategic goals, a dedicated Engineering Unit coordinated by Roberto Zocchi (CTO – Chief Technology Officer) was set up, particularly to develop new and innovative business projects in the Green and Circular Economy fields. Giuseppe Farolfi was appointed as Corporate Social Responsibility (CSR) & Sustainability Manager, in charge of coordinating projects to further improve the Company’s performance in terms of ESG (Environmental, Social and Governance). Finally, Davide Carlo Galfrè was appointed as ERM Manager, tasked with making the overall Enterprise Risk Management system evolve in an increasingly integrated way and depending on the various risks existing in the ESG field.

Finally, the constant reinforcement of the two separate operating-business Divisions, one for the “Waste Disposal, Transport and Storage” area and the other for the “Environmental Remediation and Rehabilitation” area, together with the upgrading and progressive optimisation of the sales network, are all interventions in the organisational field aimed to further increase the quality of services offered to customers, on the one hand, and to meet, in a more timely and precise manner, the various needs expressed by each individual customer, on the other.

## OR - job orders evaluation

| <i>Risk Class</i>  | <i>Brief Description</i>          | <i>Detailed Description</i>                                    |
|--------------------|-----------------------------------|--|
| <i>Operational</i> | <i>Job orders evaluation risk</i> | <i>Risk linked to an incorrect estimate of job order costs</i> |

The Group operates mainly by means of contracts within the environmental remediation business. In order to closely monitor the performance of job order costs, the Group has adopted a structured process of analysis covering, for each contract: (i) the expected costs and possible deviations of the costs from what was estimated upon definition of the budget; (ii) the related margins; (iii) extra-budget amounts; (iv) any revised budget.

The progress of the various job orders is checked through the regular preparation of the corresponding Work Progress Reports (Stati di Avanzamento Lavori – SALs) and of specific detail reports, through which the costs and revenues referring to each of them are recorded analytically.

In particular, the Management Control Office monitors the costs incurred and the resulting revenues accrued on a monthly basis, by implementing a single summary table of cost and revenue items for all ongoing job orders.

#### OR - risk of non-realisation of revenues

| <i>Risk Class</i>  | <i>Brief Description</i>                   | <i>Detailed Description</i>   |
|--------------------|--|---|
| <i>Operational</i> | <i>Risk of non-realisation of revenues</i> | <i>Risk related to the reduction of market shares/business volumes or lack of control over order variations</i> |

In order to minimise the risk associated with a possible reduction in market shares and/or business volumes, the Group has continued to strengthen and improve its technical and sales network, a process that it had already started in previous years.

Specific actions have continued in this area to maximise sales activities as far as the quantities of incoming waste at the different treatment plants of the Group are concerned, both for the solid waste line and for the liquid waste one.

The possibility of a non-timely identification and evaluation of the possible commercial opportunities arising from participation in tenders is mitigated by the presence, within the company structure, of a Tender Office specifically designated for this purpose, as well as by a dedicated service provided by an external provider and specifically aimed at identifying and reporting bidding opportunities of potential interest for the Group.

As to revenues from ongoing remediation job orders, whose progress is intrinsically subject to the possible occurrence of unpredictable events that could lead to a distribution of the revenues in question over a longer time span, the Group evaluates the definition of specific agreements with the customer in order to establish the related variations or any reservations to be indicated in the Work Progress Reports. Variations to job orders are usually defined in agreement with the customer through the preparation of appropriate reports.

Based on the latest Business Plan approved last 9 April, which follows up on the actions already successfully completed in the most recent years, the Group aims not only at reaching higher turnover levels, but also at diversifying its operations on a geographical and offered service level.

#### OR - cyber risk

| <i>Risk Class</i>  | <i>Brief Description</i>                                     | <i>Detailed Description</i>   |
|--------------------|--|---|
| <i>Operational</i> | <i>Risk of malicious intrusion into corporate IT systems</i> | <i>Risk associated with possible hacking and online piracy activities aimed at extracting/editing/destroying sensitive data or injecting ransomware</i> |

The Group's IT Office is aware that cyber risk is becoming increasingly important and that, unless properly protected, corporate IT assets could be the target of cyberattacks aimed at extracting, editing or destroying sensitive data or injecting ransomware.

To such end, the IT Office supervises the system by implementing the following control levels:

- IT infrastructure design and engineering;
- data storage tools and database access methods;
- definition and application of access policies to corporate systems and networks;
- identification of policies and prevention and protection measures implemented in the Cybersecurity field.

By means of the measures listed above, the IT Office ensures constant and effective monitoring of the entire corporate IT network to prevent any vulnerabilities that might enable cyberattacks and, more generally, acts of online piracy.

In addition, the most advanced antivirus software has been installed in the corporate network and is kept up-to-date.

Finally, security checks are in place also on computer activities performed by users, by preventing access to Internet websites that fail to meet the highest IT security protocols and by requiring multi-level passwords (tokens) to access from terminals outside the network.

### III. – STRATEGIC RISKS (SR)

#### SR - macroeconomic trend

| <i>Risk Class</i> | <i>Brief Description</i>        | <i>Detailed Description</i>   |
|-------------------|---------------------------------|---|
| <i>Strategic</i>  | <i>Macroeconomic trend risk</i> | <i>Risk linked to the possibility that the Group's equity, financial and economic position may be adversely influenced by exogenous macroeconomic factors</i> |

The Group systematically monitors the reference macroeconomic framework in order to detect, in a timely manner, potential unfavourable trends and to plan, if necessary, related corrective actions.

Namely, as regards the current situation linked to the ongoing conflicts between Russia and Ukraine and between Israel and Palestine, the Group is monitoring their evolution over time and assessing any potential impacts on the sectors and markets in which it operates, especially as far as the dynamics that could affect the domestic and global economy are concerned.

#### SR - competition

| <i>Risk Class</i> | <i>Brief Description</i> | <i>Detailed Description</i>   |
|-------------------|--------------------------|---|
| <i>Strategic</i>  | <i>Competition risk</i>  | <i>Risk linked to the possible entry of new competitors into the business sectors</i> |

The risk of new competitors entering the sectors in which the Group operates is mitigated by factors that are inherent to the sectors themselves, such as market of reference fragmentation, difficulty in entering the market and need to have specific authorisations and certifications, including SOA certifications, which involve periodic verification of the possession of adequate technical, organisational, financial and economic requirements.

The Tender Office regularly monitors, by constantly updating a special database, the percentage of tenders won over the total number of invitations to tender in which the Group companies participate.

The Group intends to further mitigate the competition risk on the domestic market, also by gradually increasing its presence in the foreign market, especially in the United Arab Emirates and, more generally, in the Middle Eastern market.

## SR - business growth

| <i>Risk Class</i> | <i>Brief Description</i>               | <i>Detailed Description</i>   |
|-------------------|--|---|
| <i>Strategic</i>  | <i>Risk of lack of business growth</i> | <i>Risk related to the lack of monitoring of business opportunities that arise on the market or mismanagement of the same</i> |

The Group mitigates the risk linked to a possible lack of monitoring of business opportunities in the market or mismanagement thereof through the use of a formalised procedure to identify, select and assign to the competent functions the various opportunities that may arise.

The risk of lack of growth in the waste treatment and disposal business is managed proactively by means of actions aimed at optimising the mix between organic growth, through commercial action, and external growth, through acquisitions of target companies in order to implement vertical and horizontal integration processes.

With regard to the environmental remediation business, the Group constantly monitors the opportunities offered by both public and private customers, with growing attention to the foreign market. As already mentioned, the Tender Office, also by using the support of a specialised provider, monitors the invitations to tender in which the Group can participate on a daily basis.

Finally, as already mentioned in this case too, the Group is gradually increasing its presence in the foreign market, especially in the United Arab Emirates and, more generally, in the Middle Eastern market, which is regarded as a market with high potential for the Group's core business by virtue of the significant know-how of the Group itself.

## SR - dependence on customers

| <i>Risk Class</i> | <i>Brief Description</i>               | <i>Detailed Description</i>   |
|-------------------|--|---|
| <i>Strategic</i>  | <i>Risk of dependence on customers</i> | <i>Risk related to contractual dependence on one or a few customers</i> |

The Group mitigates this type of risk through constant monitoring of its customer base in order to identify potential contractual dependence situations where the turnover obtained from a single counterparty significantly exceeds incidence thresholds over the aggregate turnover in each business line.

Monitoring is carried out by means of monthly and quarterly reports, checked by the Sales Department and also used to assess the performance level of each sales manager.

## SR - dependence on suppliers

| <i>Risk Class</i> | <i>Brief Description</i>               | <i>Detailed Description</i>   |
|-------------------|--|---|
| <i>Strategic</i>  | <i>Risk of dependence on suppliers</i> | <i>Risk related to contractual dependence on certain suppliers such to lead to blocks in the normal business operations</i> |

The Group mitigates the potential risk of contractual dependence on suppliers by using the following measures:

- 1) the constant updating and periodic verification of the effectiveness and appropriateness of the Group purchasing procedure ("Procurement" procedure) for the purpose of regulating: (i) the flow of supply activities; (ii) roles and related responsibilities; (iii) the specific risks of the various stages of the process; (iv) controls on the process; (v) how to manage and file the documentation; (vi) the distinction, on the basis of predefined parameters, between critical and non-critical suppliers for the various business activities;
- 2) the centralisation of the business function in question;
- 3) the implementation of a structured filing system of data and information on bids issued by potential suppliers;
- 4) the regular use of a number of suppliers for the same activity, where possible.

## SR - dependence on key human resources

| <i>Risk Class</i> | <i>Brief Description</i>                         | <i>Detailed Description</i>   |
|-------------------|--|---|
| <i>Strategic</i>  | <i>Risk of dependence on key human resources</i> | <i>Risk related to the possible dependence on human resources considered as key</i> |

The Group constantly monitors the risk in question, in relation, particularly, to sales and technical personnel working in the various business lines, as well as with reference to resources with highly specific skills.

More specifically, in order to contain said risk, the Group intervenes through: (i) continuous training at all business levels, delivered in the framework of broad and structured training programmes; (ii) incentives and benefits; (iii) the structure of operating proxies.

With specific reference to training, just like the most recent years, 2023 has been characterised by the design and execution of training programmes covering all the main company areas and aimed at consolidating and updating the specific skills of the human capital and consequently at increasing their intrinsic value and potential.

## SR - reputational

| <i>Risk Class</i> | <i>Brief Description</i> | <i>Detailed Description</i>  |
|-------------------|--------------------------|--|
| <i>Strategic</i>  | <i>Reputational risk</i> | <i>Risk linked to the possible deterioration of the image of the Group and the reputation it has on the market, which is likely to have adverse effects on the overall performance of the business</i> |

The Group pays particular attention to the management of reputational risk. This is done through initiatives that involve an active role in projects with key players in the industry (with reference to this, please note that Greenthesi S.p.A. is also a member of Confindustria Cisambiente), as well as by having companies within the scope of listing attend major trade fairs in the reference market (e.g. Ecomondo).

In order to manage the risk more effectively, Greenthesi has implemented a specific Web Reputation service for the entire Group; this service is an integral part of a broader project that has focussed on the redefinition of the Group's image and brand.

In August 2023, as proof of the fact that the Group has always paid great attention to the proper management of its own business, Greenthesi S.p.A. obtained confirmation of the best score available of "three stars" ★★★ in the Legality Rating assigned by the Italian Competition Authority (Autorità Garante della Concorrenza e del Mercato – AGCM).

The Legality Rating is a synthetic indicator designed by AGCM itself in partnership with the Ministry of the Interior and the Ministry of Justice, which certifies compliance with high transparency, ethical and responsibility standards in carrying out the Company's business.

As a further measure to protect its own image, the Group established an internal Communication Office in charge of managing the Group's image to the outside and to third parties by producing ad hoc contents, using social media, publishing technical and scientific or promotional articles, arranging meetings with schools or trade associations and promoting competitions for scholarships dedicated to young graduates whose dissertations focus on environmental matters, land protection or the promotion of the key principles of circular economy.

Finally, it should be noted that the Parent Company and main subsidiaries are included in the list established by the Prefecture pursuant to Article 1, paragraphs 52-57 of Law no. 190/2012 (so-called "Whitelist").

#### **SR - full use of production capacity**

| <i>Risk Class</i> | <i>Brief Description</i>                                  | <i>Detailed Description</i>  |
|-------------------|---|--|
| <i>Strategic</i>  | <i>Risk of failing to use production capacity in full</i> | <i>Risk related to failure to use/exploit plants and/or production capacity in general, with consequent impacts on the business volumes that can be achieved</i> |

Just like in past years, the Group demonstrated a satisfactory capacity utilisation of its plants throughout FY 2023.

Retention of full production capacity is supported from a structural point of view through a capillary plan of technical and plant investments, which is updated on an annual basis, aimed at maintaining the competitive capacity of the various operating sites.

#### IV. – COMPLIANCE RISKS (CR)

##### CR - waste classification

| <i>Risk Class</i> | <i>Brief Description</i>         | <i>Detailed Description</i>  |
|-------------------|----------------------------------|--|
| <i>Compliance</i> | <i>Waste classification risk</i> | <i>Risk associated with an incorrect classification of waste and therefore inadequate management of the same</i> |

All Group companies operate continuously to minimise the risk of incorrect classification of waste and therefore inadequate management of the same. To this end, each Group's operating unit has adopted a precise and structured procedure that governs the entire waste disposal cycle from the acceptance phase to the last scheduled destination and which guarantees full tracking throughout the chain. In addition, by means of a dedicated central function, the Parent Company provides the necessary technical training following any updates to the legislation on the classification of waste. As a matter of fact, among the main tools of risk response are the high skills and life-long learning of the technical staff in charge of classification activities.

##### CR - corporate governance code

| <i>Risk Class</i> | <i>Brief Description</i>  | <i>Detailed Description</i>   |
|-------------------|---|---|
| <i>Compliance</i> | <i>Risk of failing to comply with the Corporate Governance Code</i> | <i>Risk associated with non-compliance or partial compliance with the recommendations of the Corporate Governance Code for listed companies</i> |

The Parent Company is aware of the importance and the opportunity to conform its Corporate Governance system to the guidelines contained in the Corporate Governance Code for listed companies.

During the reference period, Greenthesi, with the specific commitment and under the supervision of both the Control, Risk and Sustainability Committee and the Board of Statutory Auditors, has continued to focus on the centrality of its Internal Audit and Risk Management System, furthering the development and gradual implementation of a "Risk-Based Audit Plan", which is in turn the result of a precise process of risk analysis and prioritisation which, in the scope identified by the Code, leads to the identification of specific tests aimed at verifying the effectiveness of the internal audit system with explicit reference to the risks selected and considered a priority.

The ESG-specific activities that the Group is currently performing allow, among other things, to fully implement sustainability as a pillar of the strategies we pursue.

## CR - regulation 231/01

| <i>Risk Class</i> | <i>Brief Description</i>                             | <i>Detailed Description</i>  |
|-------------------|--|--|
| <i>Compliance</i> | <i>Risk of failing to comply with 231 regulation</i> | <i>Risk associated with non-compliance or partial compliance with the regulation under Legislative Decree no. 231/2001</i> |

The Group pays attention to identifying the conditions required to ensure that its organisational and operating structure complies with the regulatory requirements set forth by Legislative Decree no. 231/2001 (the “Decree”) on administrative liability of companies.

Greenthesi S.p.A. and the Group companies equipped with an Organisational, Management and Control Model pursuant to Legislative Decree no. 231/2001 (the “Organisational Model”) are constantly engaged in the periodic updating of the relevant Organisational Models in order to keep them in line with both the regulatory and organisational evolution.

The updating process of Organisational Models is always supervised by the companies’ respective Supervisory Bodies, which – in view of a broader integration of all control activities – regularly interact with the other parties involved in the internal audit system, such as the Control, Risk and Sustainability Committee, the Board of Statutory Auditors and the Group’s Internal Audit function.

Aware of the importance that training and information aspects acquire in a prevention perspective in accordance with the Decree, the companies – with the support of the Supervisory Bodies – provide for the internal distribution of the up-to-date versions of their Organisational Models and the related training activities, carrying on with the training courses already undertaken in the previous years.

In this regard, the Parent Company’s Supervisory Body has also introduced a periodic newsletter addressed both to top management and to all department heads, aimed at providing broad disclosure on issues relating to the regulations set out in the Decree.

## CR - regulation 262/05

| <i>Risk Class</i> | <i>Brief Description</i>                             | <i>Detailed Description</i>   |
|-------------------|--|---|
| <i>Compliance</i> | <i>Risk of failing to comply with 262 regulation</i> | <i>Risk associated with non-compliance or partial compliance with the regulation under Law no. 262/2005</i> |

The Group has implemented the requirements of 262 regulation, having appointed the Executive in charge of drafting the Company’s financial statements and having adopted a Model for certification of financial statements and the management report pursuant to Article 154-bis of Legislative Decree no. 58/98 ( “Manual of Administrative and Accounting Procedures”), with the aim of providing the Executive and his/her staff with a set of operating procedures to support their activities, so as to allow the issuing of the certification provided for by Law no. 262/2005.

The global update of procedures in the Manual – a process that the Parent Company has implemented also in cooperation with specialised consultants – is ultimately aimed at ensuring better adherence of the whole procedure in question not only to the new organisational set-up, but also to the new administrative-management software, whose implementation at all Group companies and across the various functions concerned is now at an advanced stage of completion.



## RC - environmental regulation

| <i>Risk Class</i> | <i>Brief Description</i>   | <i>Detailed Description</i>  |
|-------------------|--|--|
| <i>Compliance</i> | <i>Risk of failing to comply with the environmental regulation</i> | <i>Risk associated with non-compliance or partial compliance with the environmental regulation</i> |

The Group constantly monitors any evolution of environmental regulation in order to ensure, in particular, the full respect of both the provisions of the Environmental Code (Legislative Decree no. 152/2006) and the fulfilment of the requirements of the European Regulation on cross-border transportation.

The measures to ensure the Group's constant alignment with the relevant regulation are represented by:

- 1) skills of the Technical Managers of each business line for the continuous monitoring of legislative and regulatory changes;
- 2) detailed operating procedures constantly updated in line with regulatory evolution;
- 3) periodic control activities (external and internal audits and checks pursuant to Legislative Decree no. 231/2001);
- 4) internal audits carried out thanks to the supervision of the aforementioned Technical Managers, as well as the Group Internal Audit function;
- 5) controls on all cross-border transporters, both on arrival at local units and along the waste transport route;
- 6) maintenance over time of specific authorisations and certifications; the latter are also considered as a way to keep in line with the regulations;
- 7) subscription to regulatory newsletters issued by trade associations;
- 8) use of special IT tools, such as online regulatory databases.

Please also note that, as a further measure to manage environmental risks, both the Parent Company and the subsidiaries are equipped with an Organisational Model pursuant to Legislative Decree no. 231/2001 based on an accurate risk assessment, among others, of environmental offences.

Among the various environmental authorisations, special importance is attributed to the Integrated Environmental Authorisation, which has replaced dozens of different authorisations previously required, and whose renewal enables individual facilities to constantly comply with applicable regulatory standards.

## CR - regulation on health and safety at work

| <i>Risk Class</i> | <i>Brief Description</i>  | <i>Detailed Description</i>   |
|-------------------|---|---|
| Compliance        | <i>Risk of failing to comply with the regulation on health and safety at work</i> | <i>Risk associated with non-compliance or partial compliance with the regulation under Legislative Decree no. 81/2008</i> |

The Group mitigates the risk of non-compliance or partial compliance with the regulations on Health and Safety at work, as well as with all the requirements set forth by the Consolidated Act on Safety at Work (Legislative Decree no. 81/2008), through constant maintenance and updating of the “Safety Management System” over time.

Namely, REA Dalmine, Enval, CR, Eureka and Greenthesi hold the UNI ISO 45001:2018 certification (former BS-OHSAS 18001:2007), covering the waste-to-energy plant of Dalmine (BG), the plants of Brissogne (AO), Sannazzaro de’ Burgondi (PV), Peschiera Borromeo (MI) and Orbassano (TO), and environmental remediation activities, which attests to their compliance with high standards as to the overall workplace safety management system.

The main measures taken to handle this risk are represented by:

- 1) continuous training, an element considered of strategic importance by the Group and in which the latter constantly and systematically invests;
- 2) constant and accurate maintenance of plant and machinery;
- 3) periodic control activities (external and internal audits and checks pursuant to Legislative Decree no. 231/2001);
- 4) subscription to regulatory newsletters issued by trade associations;
- 5) use of special IT tools, such as online regulatory databases;
- 6) strict application of the health surveillance required;
- 7) appointment of internal Prevention and Protection Service Managers (RSPPs) who constantly receive updates and training.

In this case too, please also note that, as a further measure to manage risks linked to health and safety at work, both the Parent Company and the main subsidiaries are equipped with an Organisational Model pursuant to Legislative Decree no. 231/2001 based on an accurate risk assessment, among others, of offences in this field.

## CR - Consob regulation on “Related Parties”

| <i>Risk Class</i> | <i>Brief Description</i>   | <i>Detailed Description</i>  |
|-------------------|--|--|
| Compliance        | <i>Risk of failing to comply with Consob regulation on “Related Parties”</i> | <i>Risk associated with non-compliance or partial compliance with the Consob Regulation on “Related Parties”</i> |

In November 2010, the subsidiary Greenthesi adopted its internal rules on transactions between Related Parties, in accordance with the specific rules issued by Consob.

If there are no deviations expressly stated, the aforementioned internal rules provide for the adoption of a specific procedure for the examination and approval of transactions between Related Parties, aimed at the identification of the following elements in detail:

- 1) the essential features of the transaction at issue (price, conditions, payment deadlines);
- 2) the underlying economic reasons;
- 3) the description and analysis of the related economic, equity and financial effects;
- 4) the assessments on the fairness of consideration in relation to market values for similar transactions.

Greenthesi has drawn up and keeps a specific list of its Related Parties updated over time.

Upon preparation of its Annual and Half-Year Financial Reports, Greenthesi develops and updates all the relevant disclosures summarising transactions during the reported period.

The agenda of the meetings of the Parent Company's Board of Directors covers the analysis and discussion of any transactions with Related Parties.

Within the listed subsidiary's Board of Directors, the body responsible for the prior examination of transactions with Related Parties is the Control, Risk and Sustainability Committee.

The latest version of the internal rules relating to transactions between Related Parties was approved by the Board of Directors of Ambienthesis S.p.A. (now Greenthesi S.p.A.) at its meeting held on 25 June 2021, in accordance with the provisions of the new Consob Regulation.

## SUSTAINABILITY REPORT

(Pursuant to Legislative Decree no. 254 of 30 December 2016, the Company is not obliged to prepare this non-financial disclosure; however, it is considered useful to provide the following information)

### *Introduction and methodological overview*

Integrating sustainability reporting into the Annual Financial Report allows the Greenthesi Group to inform all of its stakeholders on the corporate performance not only from a financial, but also from an environmental and social perspective. Although the Sustainability Report is a voluntary disclosure for the Group, the decision to launch a well-structured reporting process on non-financial matters was made in order to achieve an increasingly transparent and thorough information to its main interlocutors, also in the light of the high technological, economic, business, social and environmental value of the activities performed to ensure the safety of citizens and local communities, protect the environment and safeguard future generations.

This Sustainability Report has been prepared in accordance with the **GRI Standards**: Core option, published in 2016 by the Global Reporting Initiative, which currently represent the most widespread and globally recognised non-financial reporting standard. To make it easier for readers to find information in the document, the corresponding **GRI Context Index** is provided at pages 98-100.

The Sustainability Report was drafted following a **well-structured reporting process**, which provided for the engagement of all corporate Departments in charge of material fields and the corresponding data and information to be covered by the non-financial disclosure. They were actively involved in the following steps:

- ✓ identification and assessment of material topics;
- ✓ selection of significant initiatives and projects to be described in the document;
- ✓ data collection, analysis and consolidation, by checking and certifying all information in the document (each of them for the corresponding area of competence).

The information contained in this chapter refers to the **2023 fiscal year** and was reviewed by the **Board of Directors of Greenthesi** at its meeting of 09 April 2023. Where possible, the data and information relating to the last financial year have been compared with those relating to the previous two financial years for the same scope.

The **scope of reporting** covers all of the main operating companies of the Greenthesi Group (hereinafter also the “**Group**”), i.e.

- ✓ **Greenthesi S.p.A.**, Parent Company specialised in both environmental remediation and rehabilitation and in the treatment, recovery and disposal of hazardous and non-hazardous special waste. As well as managing and operating, in Orbassano (TO), the largest platform in Italy for the treatment of special waste, with an authorised capacity 500,000 tons per year, the Company owns and operates two other plants. The first, located in Liscate (MI), provides a specific disposal service for various types of liquid waste of both civil and industrial origin; the second, located in San Giuliano Milanese (MI), is intended for the storage of many waste types and specialises in the disposal of hazardous waste containing asbestos;
- ✓ **Bioagritalia S.r.l.**, a 70% subsidiary company that operates a waste treatment plant for subsequent recovery of biological sludge to be used in agriculture, located in Corte de’ Frati (CR);
- ✓ **Carborem S.r.l.**, a 65% subsidiary company of Greenthesi S.p.A. based in Rovereto (TN), which specialises in the construction of innovative industrial plants to treat sewage sludge, digestate and organic waste;
- ✓ **C.R. S.r.l.**, a company that owns a multifunctional platform located in the Municipality of Sannazzaro de’ Burgondi (PV) in an area of approximately 30,000 m<sup>2</sup>, authorised to carry out hazardous and non-hazardous industrial waste treatment, recovery and disposal. The company mainly devotes itself to recovering and valorising industrial solid and liquid waste intended for waste-to-energy plants;

- ✓ **Enval S.r.l.**, a 51% subsidiary company of Rea Dalmine S.p.A. that operates the Valle d'Aosta Regional Centre for the treatment of municipal and similar waste. The site, located in Brissogne (AO), has an annual treatment capacity of 70,000 tons and a storage capacity of 433,000 m<sup>3</sup>;
- ✓ **Eureko S.r.l.**, a company that owns a plant in Peschiera Borromeo (MI), authorised to carry out industrial waste treatment, recovery and disposal. For over 40 years, the company has specifically devoted itself to treating and recovering inert waste and soil from environmental remediations and land regeneration activities;
- ✓ **Gea S.r.l.**, a 100% subsidiary company located in Sant'Urbano (PD) that operates in the construction and management of landfills for hazardous and non-hazardous waste and in related activities such as the management of biogas recovery plants with electricity generation;
- ✓ **GTH Agromet S.r.l.**, a 100% subsidiary company based in Segrate (MI) that operates in the recovery of waste from the food and agricultural industry. 95% of waste is recovered in the form of packaging residues or organic matrix to be treated at renewable electricity and biomethane production plants;
- ✓ **Ind.Eco S.r.l.**, a 100% subsidiary company based in Latina (LT) that operates in the landfill management sector for non-hazardous waste and carries out closely related activities such as biogas production and energy recovery from biogas;
- ✓ **La Torrazza S.r.l.**, a 100% subsidiary company of the Parent Company Greenthesi S.p.A. that operates a landfill for the final disposal of hazardous and non-hazardous special waste located in the Municipality of Torrazza Piemonte (TO);
- ✓ **Rea Dalmine S.p.A.**, a 100% subsidiary company that operates in the disposal, recovery and waste-to-energy sector, with related energy production. The company owns a waste-to-energy plant located in Dalmine (BG), with a disposal capacity of 160,000 tons of municipal waste per year and a production of energy of about 100 GWh/year.

The scope of reporting also includes the newly incorporated company Agromet Barbianello S.r.l., which, on 29 November 2023, acquired a plant to generate electricity from biogas, and Bigaran S.r.l., in which a 70% stake was acquired by the Group on 18 December 2023:

- ✓ **Agromet Barbianello S.r.l.**, a 100% subsidiary company of the Parent Company that operates a plant to generate electricity from biogas with a production capacity of 999 KWh/h, located in Barbianello (PV);
- ✓ **Bigaran S.r.l.**, which owns two waste treatment and disposal plants – in San Biagio di Callalta (TV) and in Megliadino San Vitale (PD) – with a capacity of 100,000 tons/year each<sup>1</sup>.

The data concerning **Daisy S.r.l.**, a 50% subsidiary company of Greenthesi S.p.A. based in Barletta (BT), will not be considered in the following paragraphs, in order to take into account the same scope of reporting as the consolidated financial statements (Daisy S.r.l. is consolidated using the equity method, rather than the full consolidation method, just like **Tre Monti S.r.l.**, a 49% subsidiary, **Barricalla S.p.A.**, a 35% subsidiary, and the recently incorporated company **GKSD Green Solutions S.r.l.**, a 40% subsidiary). Any other changes in the scope of this reporting, in order to provide stakeholders with additional information or specific clarifications, have been duly indicated on each occasion.

<sup>1</sup> As both Agromet Barbianello and Bigaran were added to the scope of reporting in the last months of 2023, their figures are only included in the "Greenthesi and its people – Composition" section.

## SUSTAINABILITY HIGHLIGHTS

FY2023

**175,403**

thousand Euros

**Economic  
value  
generated**

**148,513**

thousand Euros

**Economic  
value  
distributed**

**93.4%**

permanent  
employment  
contracts

**Employment**

**25.6**

hours per capita

**Training**

**60.09%**

waste recovered

**Environment**

**15,159**

MWh of renewable  
electricity sold to the  
grid

**Environment**



## Responsible management for sustainability

**Sustainability**, understood in its broadest sense, has always been a core value in the strategy followed by Greenthesi S.p.A. and the companies of the Group. As a matter of fact, the growing integration of the principles of corporate social responsibility into its business model allows the Group to develop technological and operational solutions to:

- ✓ Maximise the efficiency of corporate processes and activities, with clear benefits linked to the consolidation of competitiveness in the markets;
- ✓ Actively contribute to sustainable development from the environmental, economic and social viewpoints in the areas where it operates.

Greenthesi, through the constant and effective implementation of the reference principles set out by its **Integrated Quality, Health & Safety, Environment Policy** (QHSE Policy), is particularly dedicated to guaranteeing, within its value system (as set out in the Code of Ethics and incorporated into the Organisational, Management and Control Model pursuant to Legislative Decree no. 231/2001), a solid compliance with the various reference regulations, a strong attention to the protection of the health and safety of workers, a continuous drive for technological innovation, a constant orientation towards the development of its human capital, as well as an ever-increasing engagement of the various categories of stakeholders.

Consistently with international standards ISO 9001:2015, ISO 14001:2015 and ISO 45001:2018, the QHSE Policy also reiterates the importance of a **constant analysis and monitoring of risks and opportunities** associated with the Company's business, which aims to continuously improve its performance in many respects, by defining specific objectives and then verifying their achievement.

In particular, some of the distinctive elements of the QHSE Policy concern the **protection and sustainable use of the "natural capital"** and are linked to objectives aimed at guaranteeing the effectiveness of environmental protection through energy and raw material consumption containment at the Company, constant use of the best available technologies (BATs) in the sector and long-term collaborations with institutes and research laboratories to promote new techniques for the reduction of environmental impact. After all, the Greenthesi Group's increasingly pragmatic approach to environmental sustainability is emphasised by the payoff adopted by all of its companies: *"Think Green, Act Smart"*.

At the same time, the Company recognises that the focal and distinctive point of its whole business strategy are the people, who form its **"human capital"**. For this reason, the Group aims to provide training, ongoing updates and development for its personnel by organising engagement, in-depth information and dissemination activities aimed at raising awareness on the Company's objectives, internal operating procedures and issues relating to environmental protection and local development.

The main Group companies, i.e. Greenthesi S.p.A., Gea S.r.l., Rea Dalmine S.p.A., Enval S.r.l., Bioagritalia S.r.l. and C.R. S.r.l., have also defined **specific company policies** in line with those adopted by the Parent Company and in compliance with the UNI EN ISO 9001:2015 and UNI EN ISO 14001:2015 standards.

In addition, Greenthesi S.p.A., Rea Dalmine S.p.A., Enval S.r.l. and C.R. S.r.l. hold the UNI EN ISO 45001:2018 certification.

Ind.Eco S.r.l. holds the UNI EN ISO 14001:2015 certification and GTH Agromet S.r.l. the UNI EN ISO 9001:2015 certification, while Eureko S.r.l. is certified under UNI EN ISO 45001:2018 and 14001:2015.

The three EMAS certificates for the plant located in Liscate, the landfill operated by La Torrazza S.r.l. and the plant of Eureko S.r.l. stand out as a further guarantee of:

- ✓ effective interaction of processes, resources, data and information at strategic, tactical, organisational and operational levels;
- ✓ clear and transparent communication between all stakeholders;
- ✓ correct management of data and information to support the strategic decision-making process;
- ✓ economic, social and environmental sustainability throughout the service life cycle;
- ✓ constant improvement of the quality of the service offered.

### ***Focus Box no. 1 – Greenthesi S.p.A.’s Legality Rating***

In August 2023, as proof of the fact that the Parent Company has always paid great attention to the proper management of its own business, Greenthesi S.p.A. obtained the best score available of “three stars” ★★★ in the Legality Rating assigned by the Italian Competition Authority (Autorità Garante della Concorrenza e del Mercato – AGCM).

This is a synthetic indicator designed by AGCM itself in partnership with the Ministry of the Interior and the Ministry of Justice, which certifies compliance with high transparency, ethical and responsibility standards in carrying out the Company’s business. From that perspective, the Legality Rating also represents a competitive advantage, as holding it allows acquiring certain benefits in terms of more favourable bank credit conditions and facilitated access to public funding and invitations to tender.



## Materiality analysis

In order to better define the nature of its sustainability strategies and for the subsequent preparation of this Sustainability Report, the Group carried out a **materiality analysis** aimed at identifying and giving priority to issues considered relevant and significant for its business and stakeholders. These issues are defined as “**material**” because they reflect the economic, social and environmental impacts of the Group and because they can influence the decisions of internal and external stakeholders. In order to identify material and significant topics for the Group, investigations were carried out based on a **well-structured process** in the following steps:

- ✓ analysis of the **existing internal documentation**, both with reference to the Parent Company and considering the subsidiaries;
- ✓ analysis of public documents, articles, statistics and results of observers on the **type of international standards and frameworks** adopted in sustainability reporting;
- ✓ analysis of the **characteristics of the relevant sector**, in order to identify the main issues on which competitors also tend to focus.

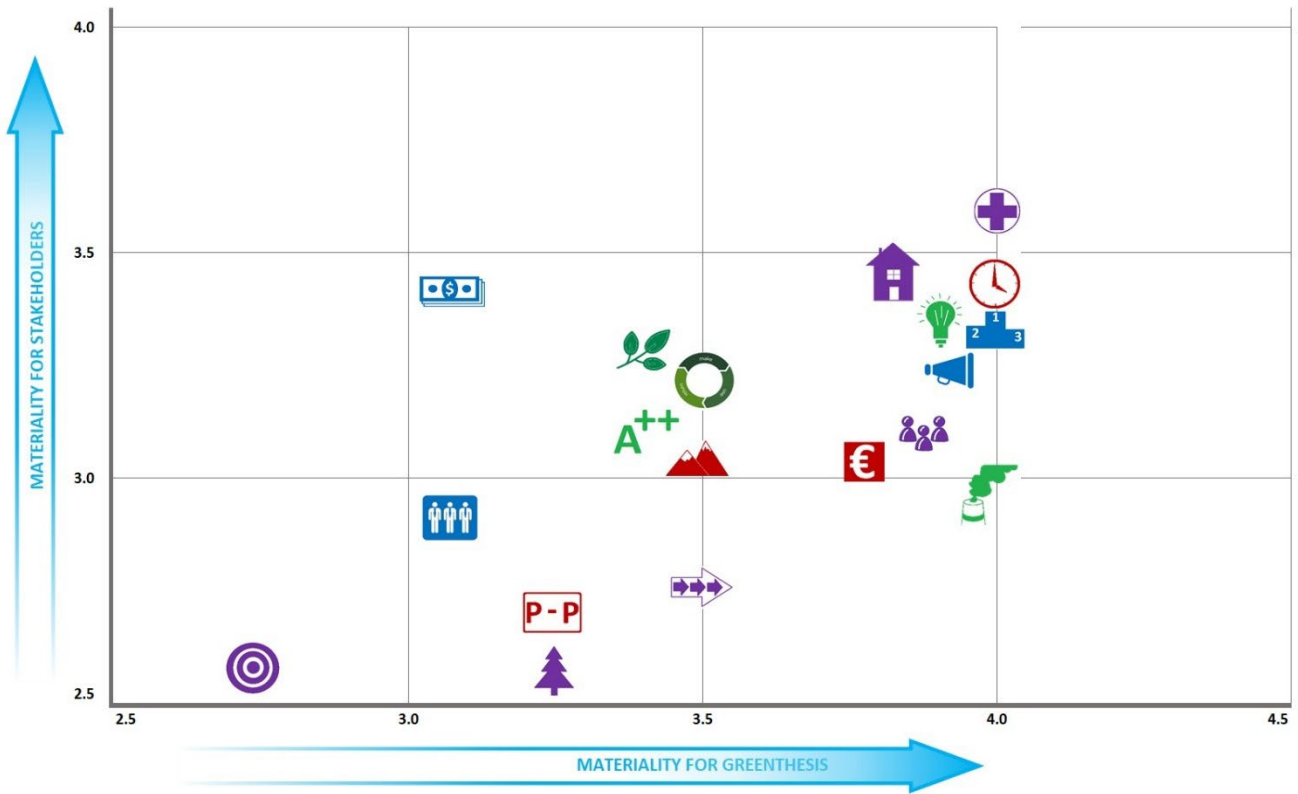
This analysis allowed to identify **23 main topics** related to **4 different macro-areas**: Governance, Economic Responsibility, Environmental Responsibility and Social Responsibility.

In order to select those topics that are actually material for the Greenthesi Group, a so-called materiality questionnaire was prepared and then assessed separately by **12 representatives of the main corporate functions** and by a substantial sample of **166 employees**. This made it possible to further investigate the actual level of materiality associated with the topics being analysed from the stakeholders’ point of view.

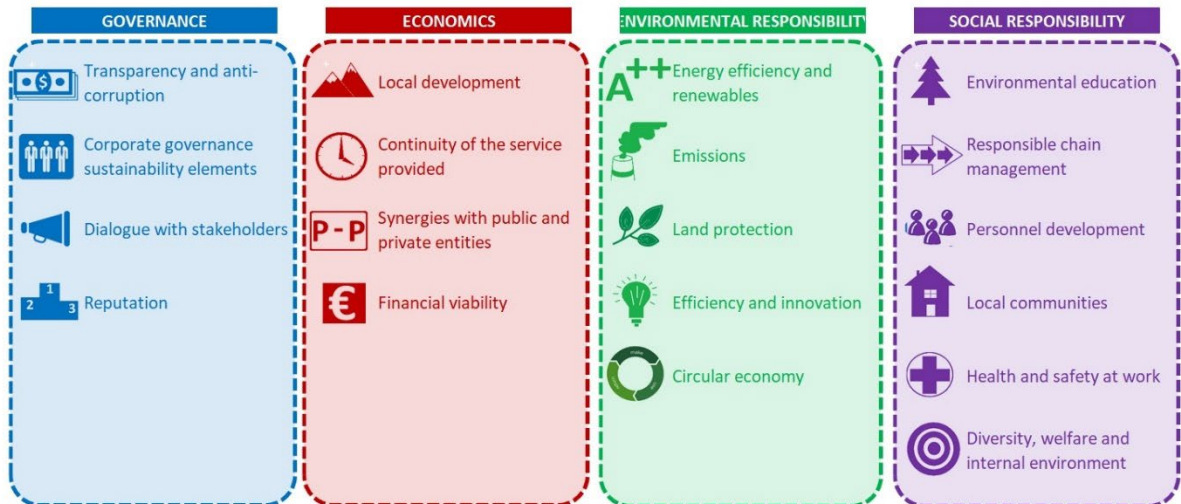
The outcomes of these investigations are presented in the materiality matrix, shown below, in which material topics are represented by symbols on a plane defined by two axes representing the level of importance attributed to any given topic from the point of view of the Group (abscissa axis) and from the point of view of the stakeholders (ordinate axis), respectively.

Only the 19 topics that have exceeded the so-called **materiality threshold** are represented, i.e. those that have obtained an average rating of more than 2.5 on a scale from 0 (negligible aspect) to 4 (very relevant aspect) on both axes.

## Materiality matrix



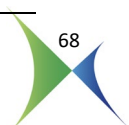
## Areas - Topics



The table below describes each of the material topics identified by the Group, together with: the **main risks** arising from a given topic; the **scope** within which actual and potential impacts generate; the **type** of such impacts (direct or indirect); the **topic-specific GRI Standards of reference**; the **main policies adopted by the Group** to prevent or minimise adverse impacts linked to such topics.

| Macro-area | Material topic                     | Associated risks   | Scope of topic  | Type of impact      | GRI Indicators   | Supporting policies/instruments   |
|------------|------------------------------------|--|---|---------------------|--|---|
| Governance | Transparency and anti-corruption   | Reputational risk in terms of loss of trust of investors and customers;<br>Strategic risk  | GTH Group;<br>Suppliers; Public Administration;<br>Investors                                | Direct and indirect | GRI 102-16<br>GRI 102-17<br>GRI 102-18<br>GRI 205-3<br>GRI 417-3   | GTH Legality Rating<br>Code of Ethics<br>Model pursuant to Legislative Decree no. 231/01  |
|            | Governance sustainability elements | Reputational risk in terms of loss of trust of investors and customers;<br>Strategic risk  | GTH Group;<br>Suppliers;<br>Investors   | Direct and indirect | GRI 102-14<br>GRI 102-16<br>GRI 102-18   | Compliance with the Corporate Governance Code for listed companies  |
|            | Dialogue with stakeholders         | Strategic and reputational risk  | GTH Group;<br>Suppliers;<br>Customers;<br>Public Administration;<br>Community;<br>Investors | Direct and indirect | GRI 102-40<br>GRI 102-42<br>GRI 102-43   | Corporate Policy<br>ISO 9001<br>ISO 14001<br>OHSAS 18001 EMAS<br>“Risk and Opportunity Analysis” Procedure<br>“Context Analysis”<br>Model pursuant to Legislative Decree no. 231/01<br>Code of Ethics |
|            | Reputation                         | Reputational risk in terms of loss of customers and competitiveness  | GTH Group;<br>Suppliers;<br>Customers;<br>Investors   | Direct and indirect | GRI 102-16<br>GRI 102-17<br>GRI 202-3<br>GRI 307-1<br>GRI 406-1<br>GRI 408-1<br>GRI 409-1<br>GRI 417-3<br>GRI 418-1<br>GRI 419-1 | GTH Legality Rating<br>ISO 9001<br>ISO 14001<br>OHSAS 18001 GTH<br>EMAS<br>Model pursuant to Legislative Decree no. 231/01<br>Code of Ethics  |
| Economics  | Local development                  | Reputational risk in terms of loss of trust of the community and employees<br>Strategic risk in terms of loss of competitiveness | GTH Group;<br>Suppliers;<br>Customers;<br>Public Administration;<br>Community               | Direct and indirect | GRI 202-2<br>GRI 203-1<br>GRI 203-2<br>GRI 204-1<br>GRI 413-1  | Corporate Policy<br>“Risk and Opportunity Analysis” Procedure<br>“Context Analysis”   |
|            | Continuity of the service provided | Reputational risk in terms of loss of trust of customers and investors<br>Strategic risk   | GTH Group;<br>Suppliers; Public Administration  | Direct and indirect | GRI 102-7<br>GRI 102-9   | Corporate Policy<br>“Risk and Opportunity Analysis” Procedure<br>“Context Analysis”<br>Emergency Plans  |

|                              |  |  |   |                     |   |   |
|------------------------------|--|--|---|---------------------|---|---|
|                              | Synergies with public and private entities | Strategic risk in terms of exit from/inability to enter specific markets                                     | GTH Group; Suppliers; Customers; Public Administration; Community | Direct and indirect | GRI 102-2<br>GRI 102-6<br>GRI 102-9<br>GRI 102-13                           | Corporate Policy Strategic and Operational Plans "Risk and Opportunity Analysis" Procedure "Context Analysis"   |
|                              | Financial viability                        | Liquidity risk; Operational risk; Strategic risk; Reputational risk  | GTH Group; Suppliers; Investors                                   | Direct and indirect | GRI 201-1<br>GRI 204-1<br>GRI 419-1   | Corporate Policy Strategic and Operational Plans "Risk and Opportunity Analysis" Procedure "Context Analysis"   |
| Environmental responsibility | Energy efficiency and renewables           | Compliance risk; Reputational risk; Strategic risk in terms of exit from/inability to enter specific markets | GTH Group; Suppliers; Customers                                   | Direct and indirect | GRI 302-1<br>GRI 302-4  | Energy audit "Environmental Analysis" document pursuant to ISO 14001<br>Environmental Disclosure<br>Integrated Management System Objectives<br>ISO 14001<br>EMAS  |
|                              | Emissions                                  | Compliance risk; Reputational risk; Strategic risk in terms of exit from/inability to enter specific markets | GTH Group; Suppliers; Customers                                   | Direct and indirect | GRI 305-1<br>GRI 305-2<br>GRI 305-5   | Environmental Analysis "Environmental Analysis" document pursuant to ISO 14001<br>Environmental Disclosure<br>Integrated Management System Objectives<br>ISO 14001<br>EMAS<br>Model pursuant to Legislative Decree no. 231/01<br>Code of Ethics |
|                              | Efficiency and innovation                  | Strategic risk in terms of exit from/inability to enter specific markets; Reputational risk                  | GTH Group; Suppliers; Customers                                   | Direct and indirect | GRI 102-13<br>GRI 203-1<br>GRI 203-2<br>GRI 204-1<br>GRI 302-4<br>GRI 305-5 | Corporate Policy Integrated Management System Objectives<br>Internal Engineering Team   |
|                              | Circular economy                           | Strategic risk in terms of exit from/inability to enter specific markets; Reputational risk                  | GTH Group; Suppliers; Customers; Public Administration; Community | Direct and indirect | GRI 302-4<br>GRI 303-1<br>GRI 305-5<br>GRI 306-2                            | Training Strategic and Operational Plans  |



|                       |                              |  |   |                     |   |  |
|-----------------------|------------------------------|--|---|---------------------|---|--|
|                       |                              |  |   |                     |   | Integrated Management System Objectives<br>Internal Engineering Team   |
|                       | Land protection              | Compliance and reputational risk   | GTH Group;<br>Suppliers;<br>Customers;<br>Public Administration;<br>Community | Direct and indirect | GRI 302-4<br>GRI 303-1<br>GRI 305-5<br>GRI 306-2  | Corporate Policy “Risk and Opportunity Analysis”<br>Environmental Disclosure<br>Emergency Plans<br>ISO 9001<br>ISO 14001 EMAS<br>Model pursuant to Legislative Decree no. 231/01<br>Code of Ethics |
| Social responsibility | Environmental education      | Reputational risk in terms of loss of trust of the community and employees   | GTH Group;<br>Suppliers;<br>Customers;<br>Public Administration;<br>Community | Direct and indirect | GRI 102-43<br>GRI 203-1   | GTH Legality Rating<br>Code of Ethics<br>Model pursuant to Legislative Decree no. 231/01   |
|                       | Responsible chain management | Reputational risk in terms of loss of trust of investors and customers;<br>Strategic risk  | GTH Group;<br>Suppliers;<br>Customers;<br>Public Administration;<br>Investors | Direct and indirect | GRI 102-9<br>GRI 102-16<br>GRI 102-17<br>GRI 102-43<br>GRI 408-1<br>GRI 409-1                         | Corporate Policy<br>Procedures and Instructions of the Integrated Management System<br>Model pursuant to Legislative Decree no. 231/01<br>Code of Ethics   |
|                       | Personnel development        | Strategic and reputational risk in terms of loss of competitiveness and of trust of employees                                    | GTH Group;<br>Suppliers   | Direct              | GRI 404-1<br>GRI 405-1<br>GRI 406-1   | Corporate Policy<br>Training programmes<br>Corporate welfare<br>Integrated Management System Objectives<br>Model pursuant to Legislative Decree no. 231/01<br>Code of Ethics                       |
|                       | Local communities            | Reputational risk in terms of loss of trust of the community and employees<br>Strategic risk in terms of loss of competitiveness | GTH Group;<br>Suppliers;<br>Customers;<br>Public Administration;<br>Community | Direct and indirect | GRI 102-43<br>GRI 203-1<br>GRI 203-2<br>GRI 305-5<br>GRI 306-2<br>GRI 307-1<br>GRI 413-1<br>GRI 419-1 | Corporate Policy “Risk and Opportunity Analysis”<br>Environmental Disclosure<br>Emergency Plans<br>ISO 9001<br>ISO 14001 EMAS<br>Model pursuant to Legislative Decree no. 231/01<br>Code of Ethics |

|  |   |  |                                       |                     |  |  |
|--|---|--|---------------------------------------|---------------------|--|--|
|  | Health and safety at work                       | Operational risk in terms of increase in the number of accidents and occupational illnesses;<br>Reputational risk in terms of loss of trust of employees | GTH Group;<br>Suppliers;<br>Customers | Direct and indirect | GRI 403-1  | Corporate Policy<br>Risk Assessment<br>Internal Prevention and Protection Service<br>Procedures and Instructions of the Integrated Management System<br>OHSAS 18001<br>Model pursuant to Legislative Decree no. 231/01<br>Code of Ethics |
|  | Diversity, welfare and internal environment     | Reputational risk in terms of loss of trust of employees   | GTH Group;<br>Suppliers               | Direct              | GRI 102-16<br>GRI 102-17<br>GRI 405-1<br>GRI 406-1 | Corporate Policy<br>Training programmes<br>Corporate welfare<br>Integrated Management System<br>Objectives<br>Model pursuant to Legislative Decree no. 231/01<br>Code of Ethics  |
|  | Human rights at the company and along the chain | Reputational risk in terms of loss of trust of employees   | GTH Group;<br>Suppliers               | Direct              | GRI 102-16<br>GRI 102-17<br>GRI 408-1<br>GRI 409-1 | Corporate Policy<br>Application of National Collective Bargaining Agreements (CCNL)<br>Procedures and Instructions of the Integrated Management System<br>Model pursuant to Legislative Decree no. 231/01<br>Code of Ethics              |

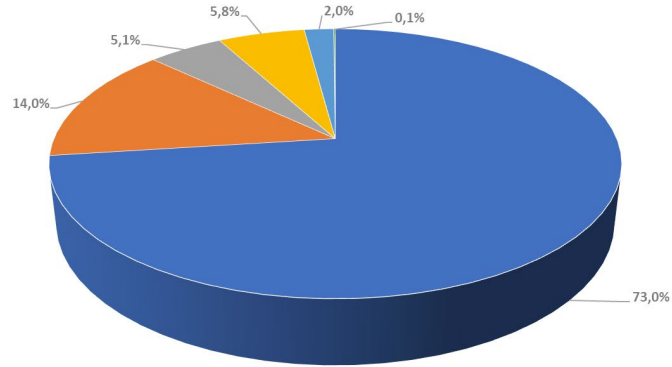
## Generated and distributed wealth

The following table shows a reclassification of the income statement in accordance with the Global Reporting Initiative (GRI) methodology. This determination of the **economic value generated and distributed** better demonstrates **the Greenthesi Group's ability to generate wealth** over the reference period for the benefit of some of its main stakeholders, while respecting management cost-effectiveness and the expectations of stakeholders themselves.

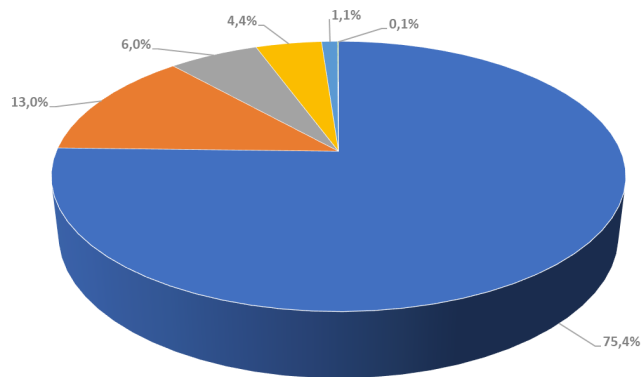
The values shown in the table below refer to the values in the two respective consolidated financial statements.

| <b>ECONOMIC VALUE GENERATED AND DISTRIBUTED</b>                       |                   |                   |
|---|-------------------|-------------------|
| <b>(values in thousands of Euros)</b>                                 |                   |                   |
|   | <b>31/12/2023</b> | <b>31/12/2022</b> |
| <b>A) Economic value generated</b>                                    | <b>175,403</b>    | <b>171,997</b>    |
| Value of production   | 173,413           | 171,742           |
| Other financial income  | 1,990             | 255               |
| <b>B) Economic value distributed</b>                                  | <b>148,513</b>    | <b>144,960</b>    |
| Remuneration of suppliers   | 108,385           | 109,316           |
| Remuneration of personnel   | 20,805            | 18,797            |
| Remuneration of loan capital  | 8,687             | 6,434             |
| Remuneration of Shareholders and members (risk capital)               | 2960              | 1552              |
| Remuneration of Public Administration                                 | 7,524             | 8,756             |
| Community (donations to associations, non-profit organisations, etc.) | 152               | 105               |
| <b>C) (=A-B) Economic value retained</b>                              | <b>26,890</b>     | <b>27,037</b>     |
| Amortisation, depreciation and write-downs                            | 14,064            | 10,054            |
| Provisions for risks  | 5                 | 4                 |
| Allocations to Reserves (allocation of the result for the year)       | 12,816            | 17,084            |

### ECONOMIC VALUE DISTRIBUTED – YEAR 2023



### ECONOMIC VALUE DISTRIBUTED – YEAR 2022



- Remuneration of suppliers
  - Remuneration of Public Administration
  - Remuneration of Shareholders and members (risk capital)
- Remuneration of personnel
  - Remuneration of loan capital
  - Community (donations to associations, non-profit organisations, etc.)



## Greenthesis and its people

For the Group, human resources management is aimed not only at attracting talents and enhancing their professional skills, but also at creating a work environment that favours the establishment and maintenance of positive collaboration relations, as well as the drive and passion for each task carried out, along with the definition of paths for the real growth and development of people.

The **selection** process is based on the analysis of needs and a careful assessment of profiles, not only referring to the technical skills and experience required, but also taking into account the values that can be communicated by the candidates.

As to collaborators, the Parent Company carries out **training and refresher courses** aimed at allowing each one to express his or her full potential. These training courses are implemented in the light of the organisational needs, as well as based on the role and skills of each resource.

The **human resources management policies** adopted by Group companies reflect the principles contained in the Code of Ethics, ensuring the dignity and equal opportunities of individuals, the full realisation of their potential and the absence of obstacles to professional development for reasons related to aspects such as gender, religion, political orientation, ethnicity, age and sexual orientation.

### ▪ Composition

As at 31 December 2023, the Group had **424 employees**<sup>2</sup>. Most of them (over 40.3% of the total) operate within Greenthesis S.p.A. The number of workers increased compared to the previous year, when the Group had a total of 343 employees, confirming the upward trend of recent years.

In line with the average values that are typical of the waste treatment and environmental remediation sectors, where men are traditionally employed to a greater extent than women, male individuals account for the majority of staff employed (over 78% of the total), just like in past years. Equality between workers of both genders is in any case a fundamental value for the Group and the various companies are committed to avoiding any situation of discrimination within them.

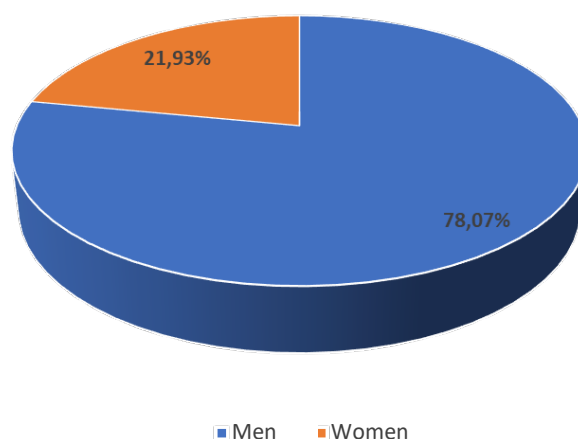
The recruitment procedures also ensure strict compliance with the national collective bargaining agreements.

The following tables provide an in-depth analysis of the composition of staff, broken down by a number of parameters, also combined with one another (gender, category, presence of disabled workers, contract type, seniority in the Group, age, turnover, education).

| BREAKDOWN OF EMPLOYEES BY GENDER AND CATEGORY |            |            |            |           |           |           |            |            |            |
|---|------------|------------|------------|-----------|-----------|-----------|------------|------------|------------|
| Classification                                | Men        |            |            | Women     |           |           | Total      |            |            |
|   | 2023       | 2022       | 2021       | 2023      | 2022      | 2021      | 2023       | 2022       | 2021       |
| Executives                                    | 16         | 14         | 13         | 2         | 2         | 3         | 18         | 16         | 16         |
| Middle managers                               | 19         | 15         | 10         | 3         | 3         | 2         | 22         | 18         | 12         |
| White collars                                 | 106        | 87         | 80         | 83        | 70        | 69        | 189        | 157        | 149        |
| Blue collars                                  | 190        | 145        | 126        | 5         | 7         | 3         | 195        | 152        | 129        |
| <b>Total</b>                                  | <b>331</b> | <b>261</b> | <b>229</b> | <b>93</b> | <b>82</b> | <b>77</b> | <b>424</b> | <b>343</b> | <b>306</b> |

<sup>2</sup> In addition to the employees of the main operating companies listed above, the figures also include those of Daisy S.r.l. and Aimeri Immobiliare in liq. S.r.l.

## BREAKDOWN OF EMPLOYEES BY GENDER (2023)



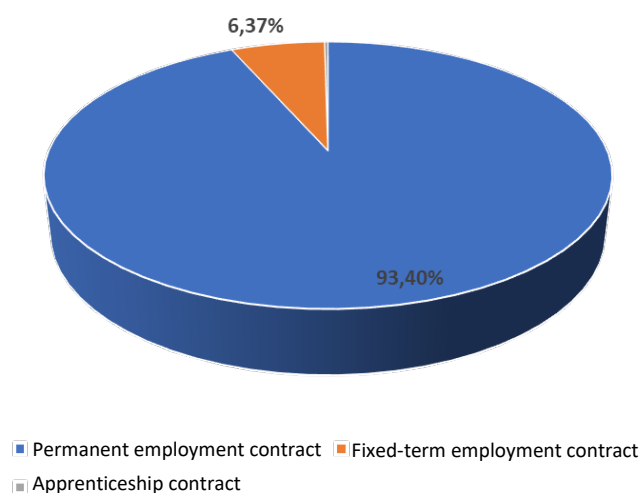
Taking into account the most significant operating sites, as at 31 December 2023, the Group did not employ senior managers from local communities.

There are 10 disabled workers at the Company, including 10 men and 4 women. 5 employees went on parental leave during the year.

Maintaining **continuity of employment** of employees over time is a fundamental objective for the Group companies. In the last three years, in fact, the percentage of employees with permanent contracts exceeded 90% of the total (93.4% in 2023).

| BREAKDOWN OF EMPLOYEES BY GENDER AND TYPE OF CONTRACT |            |            |            |           |           |           |            |            |            |
|---|------------|------------|------------|-----------|-----------|-----------|------------|------------|------------|
| Type of contract                                      | Men        |            |            | Women     |           |           | Total      |            |            |
|   | 2023       | 2022       | 2021       | 2023      | 2022      | 2021      | 2023       | 2022       | 2021       |
| Permanent   | 312        | 242        | 216        | 84        | 70        | 68        | 396        | 312        | 284        |
| Fixed-term  | 19         | 18         | 13         | 8         | 11        | 9         | 27         | 29         | 22         |
| Apprenticeship  | 0          | 1          | 0          | 1         | 1         | 0         | 1          | 2          | 0          |
| <b>Total</b>  | <b>331</b> | <b>261</b> | <b>229</b> | <b>93</b> | <b>82</b> | <b>77</b> | <b>424</b> | <b>343</b> | <b>306</b> |

## BREAKDOWN OF EMPLOYEES BY TYPE OF CONTRACT (2023)



| DISTRIBUTION OF EMPLOYEES BY AGE GROUP (2023) |           |           |            |            |           |            |
|---|-----------|-----------|------------|------------|-----------|------------|
| Gender  | 20-30     | 31-40     | 41-50      | 51-60      | >60       | Total      |
| Men   | 46        | 51        | 78         | 128        | 28        | 331        |
| Women   | 17        | 22        | 26         | 26         | 2         | 93         |
| <b>Total</b>                                  | <b>63</b> | <b>73</b> | <b>104</b> | <b>154</b> | <b>30</b> | <b>424</b> |

| DISTRIBUTION OF EMPLOYEES BY AGE GROUP (2022) |           |           |            |            |           |            |
|---|-----------|-----------|------------|------------|-----------|------------|
| Gender  | 20-30     | 31-40     | 41-50      | 51-60      | >60       | Total      |
| Men   | 36        | 39        | 72         | 98         | 17        | 262        |
| Women   | 10        | 17        | 30         | 24         | 0         | 81         |
| <b>Total</b>                                  | <b>46</b> | <b>56</b> | <b>102</b> | <b>122</b> | <b>17</b> | <b>343</b> |

| SENIORITY OF EMPLOYEES (2023) |            |           |           |           |           |            |
|-------------------------------|------------|-----------|-----------|-----------|-----------|------------|
| Gender                        | 0-5        | 6-10      | 11-15     | 16-20     | >20       | Total      |
| Men                           | 196        | 25        | 24        | 29        | 57        | 331        |
| Women                         | 46         | 9         | 13        | 7         | 18        | 93         |
| <b>Total</b>                  | <b>242</b> | <b>34</b> | <b>37</b> | <b>36</b> | <b>75</b> | <b>424</b> |

| SENIORITY OF EMPLOYEES (2022) |            |           |           |           |           |            |
|-------------------------------|------------|-----------|-----------|-----------|-----------|------------|
| Gender                        | 0-5        | 6-10      | 11-15     | 16-20     | >20       | Total      |
| Men                           | 136        | 18        | 28        | 25        | 54        | 261        |
| Women                         | 37         | 13        | 9         | 6         | 17        | 82         |
| <b>Total</b>                  | <b>173</b> | <b>31</b> | <b>37</b> | <b>31</b> | <b>71</b> | <b>343</b> |

The Group mainly employs workers over the age of 40, with a significant percentage of personnel belonging to the over-50 age group (approximately 43.4% of the total). However, in 2023, 17 people in the 20-30 age group joined the staff (+36.9%).

Considering male employees only, the age group with the highest number of workers is between 51 and 60 years old (about 38.5% of the total); with reference to female employees, the most represented age groups are between 41 and 50 years old and between 51 and 60 years old (about 28% of the total each). The presence of employees under 40 years of age is still substantial, i.e. approximately 32% of the total, and has increased slightly compared to the previous year, when it stood at around 30%.

Considering staff at the end of 2023, over 57% of workers had been employed for less than five years. This is the result of a higher turnover rate, on the one hand, and of the addition of newly acquired companies to the scope of reporting, on the other.

| EMPLOYEES TURNOVER |        |                      |               |             |                  |
|--------------------|--------|----------------------|---------------|-------------|------------------|
| Year               | Gender | Terminated contracts | New contracts | Hiring rate | Termination rate |
| 2023               | Men    | 28                   | 52            | 9.79%       | 18.18%           |
|                    | Women  | 17                   | 19            | 20.48%      | 22.89%           |
| 2022               |        | 44                   | 68            | 12.83%      | 19.83%           |
| 2021               |        | 27                   | 55            | 8.82%       | 17.97%           |

3

<sup>3</sup> The 2022 hiring rate had to be adjusted because it accounted for 70 new contracts during the year, instead of 68.

The turnover rates<sup>4</sup> by gender were monitored in 2023 – as one can see, both the termination and hiring rates were higher for women.

| LEVEL OF EDUCATION OF EMPLOYEES BY GENDER |            |           |           |            |            |            |                             |            |            |
|---|------------|-----------|-----------|------------|------------|------------|-----------------------------|------------|------------|
| Gender                                    | Degree     |           |           | Diploma    |            |            | Other types of certificates |            |            |
|   | 2023       | 2022      | 2021      | 2023       | 2022       | 2021       | 2023                        | 2022       | 2021       |
| Men                                       | 70         | 53        | 41        | 132        | 83         | 74         | 102                         | 125        | 94         |
| Women                                     | 39         | 27        | 23        | 42         | 43         | 43         | 11                          | 12         | 11         |
| <b>Total</b>                              | <b>109</b> | <b>80</b> | <b>64</b> | <b>174</b> | <b>126</b> | <b>117</b> | <b>113</b>                  | <b>137</b> | <b>105</b> |

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The information about the employees' level of education reveals that most workers have a high school diploma (41%) or other types of certificates (26.6%), while a minority of them have a degree (25.7%). Finally, 28 resources have no qualification.

### ▪ Health and safety

Also by virtue of its activities, the Group has always considered the issues of health and safety at work and the prevention of accidents and occupational diseases as fundamental themes of its work.

For this reason, the diffusion of an internal health and safety culture at all organisational levels and the constant strive to improve our behaviours and procedures are an essential objective for the Group.

Although the individual **number of accidents** occurring each year within the Group does not, as such, provide a complete and exhaustive overview of the efficiency of prevention and protection activities, it is one of the data to assess the progress of safety management at a company.

In addition to this figure, all the Group companies use the following two indicators to monitor the trend of accidents:

- ✓ the **Frequency Rate**, given by the formula:  $[(\text{No. of accidents}/\text{No. of hours worked}) \times 1,000,000]$ ;
- ✓ the **Severity Rate**, given by the formula:  $[(\text{No. of days of accident}/\text{No. of hours worked}) \times 1,000]$ .

While the Frequency Rate measures the accident trend in relation to the number of cases reported per million hours worked, the Severity Rate expresses the severity of accidents at work on conventional lost days per thousand hours worked.

<sup>4</sup> The turnover rates are calculated as the number of terminated or hired employees by gender/total number of employees by gender.

<sup>5</sup> The 2022 and 2021 figures had to be adjusted. Specifically, the information concerning Enval S.r.l. and C.R. S.r.l. had to be amended because some employees were included in the wrong level of education.

| ACCIDENTS AND HOURS WORKED               |            |            |            |            |            |            |            |            |            |
|--|------------|------------|------------|------------|------------|------------|------------|------------|------------|
|  | Men        |            |            | Women      |            |            | Total      |            |            |
|  | 2023       | 2022       | 2021       | 2023       | 2022       | 2021       | 2023       | 2022       | 2021       |
| No. of accidents at work                 | 2.00       | 4.00       | 5.00       | 0.00       | 0.00       | 0.00       | 2.00       | 4.00       | 5.00       |
| No. of commuting accidents               | 2.00       | 0.00       | 1.00       | 0.00       | 0.00       | 0.00       | 2.00       | 0.00       | 1.00       |
| No. of lost working days due to accident | 263.00     | 32.00      | 191.00     | 0.00       | 0.00       | 0.00       | 263.00     | 32.00      | 191.00     |
| No. of lost working hours due to illness | 9,312.17   | 8,715.53   | 17,761.10  | 1,274.02   | 3,346.02   | 4,208.25   | 10,586.19  | 12,061.55  | 21,969.35  |
| Total number of deaths at work           | 0.00       | 0.00       | 0.00       | 0.00       | 0.00       | 0.00       | 0.00       | 0.00       | 0.00       |
| Total number of hours worked             | 494,426.24 | 459,537.54 | 404,191.35 | 131,984.42 | 139,286.43 | 123,249.37 | 626,410.66 | 598,823.97 | 527,440.72 |
| Total number of overtime hours           | 42,406.31  | 41,112.99  | 37,308.25  | 10,278.53  | 9,971.80   | 9,507.58   | 52,684.84  | 51,084.79  | 46,815.83  |
| Frequency Rate                           | 4.05       | 8.70       | 12.37      | 0.00       | 0.00       | 0.00       | 3.19       | 6.68       | 9.48       |
| Severity Rate                            | 0.53       | 0.07       | 0.47       | 0.00       | 0.00       | 0.00       | 0.42       | 0.05       | 0.36       |

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During 2023, 2 accidents occurred at the plants and sites of Greenthesi S.p.A. Both were regarded as serious accidents, totalling over 40 lost working days each. The Prevention and Protection Service Managers, together with the Employers, proceeded to take all the necessary measures to manage the accidents in accordance with the applicable regulations, carefully analysing each occurrence and organising internal training sessions for all workers employed at the sites.

For each of the operating units that fall within the scope of reporting, the **four key figures** according to the **Consolidated Act on Health and Safety at Work (Legislative Decree no. 81/08)** have been identified, i.e. Employer, Prevention and Protection Service Manager (RSPP), Workers' Representative for Safety (RLS) and Medical Officer (the same for all units). Hence, all Group's employees are represented within the dedicated official committees set up to deal with these issues. Every accident (including commuting and minor accidents) involving a worker must be immediately reported to the Personnel Office, which is in charge of informing INAIL (Italian National Institute for Insurance against Accidents at Work), and to the Prevention and Protection Service Manager, who is responsible for storing accident data and statistics.

Pursuant to Article 35 of the Consolidated Act, **Greenthesi S.p.A. holds an annual meeting of the four key figures mentioned above** to discuss accident indicators and circumstances, as well as any occupational diseases recorded in the year. To be in line with the Parent Company's efforts and allow a shared management of topics concerning health and safety at work, other Group companies voluntarily arrange similar meetings on an annual basis, although they are not required to do so under Legislative Decree no. 81/08.

In 2023, Greenthesi S.p.A. also improved its procedure for reporting near-misses and accidents, and updated its risk assessment document.

<sup>6</sup> The 2022 and 2021 figures had to be adjusted. Specifically, the information concerning the number of accident at Eureka S.r.l. had to be amended and the number of both lost working hours and hours worked was corrected upwards.

## ▪ Remuneration

The Group companies have adopted a general remuneration policy aimed at **attracting, motivating and retaining** resources with the professional qualities required to profitably pursue the Group's strategic objectives. This policy has been developed in such a way as to align the interests of the various stakeholders and to enable the pursuit of the priority objective to create sustainable value in the medium and long term by consolidating the link between remuneration and individual and company performance.

All Group employees are covered by **national collective bargaining agreements (CCNL)**. After a certain assessment period, **career advancements** are recognised as the employee's performance improves, so as to make the function performed by the individual employee as consistent as possible in respect of the provisions of the contract.

Even if there is no direct report from the Head of Function, the Personnel Office may still make specific proposals to the Administrative Body for career advancements in the light of the assessments made.

## ▪ Personnel development

Proper business development necessarily involves enhancing the role of all employees within the Organisation. Using the tools of training and assessment of staff potential and performance, it is possible to define appropriate career paths for individual resources. These are growth processes that are implemented over time and that, if carried out systematically and consistently, lead to the creation, for each area of the Company, of internal resources with high soft and hard skills.

Overall, Training enables the Group to effectively cope with changes in a sector that increasingly requires multidisciplinary knowledge and the ability to offer technologically advanced solutions. For this reason, in some cases, the recognition of ad hoc **attendance bonuses** to workers who voluntarily choose to attend optional training sessions is considered. At the moment, all staff employed at the Orbassano facility are potentially eligible to receive these types of bonuses, with the exception of executives and two sales agents.

The training initiatives in which the employees of the entire Greenthesi Group participate are **managed at a central level** and may be grouped into **five main categories**:

- ✓ **Training funded by FONDIR** – specialised courses dedicated to executives and part of an inter-company training programme that involves the main companies of the Greenthesi Group. Participation in these courses can also be extended to other collaborators as audience;
- ✓ **Training funded by FONDIMPRESA** – compulsory and non-compulsory courses for all employees except executives. Also in this case, an inter-company plan is presented, which involves the companies Greenthesi S.p.A., Gea S.r.l., Ind.Eco S.r.l., Rea Dalmine S.p.A., Enval S.r.l., C.R. S.r.l., Eureka S.r.l.;
- ✓ **Non-funded (fee-based) training** – this category includes compulsory courses on topics such as safety and privacy, as well as training activities in the area of CFP credits for employed professionals enrolled in professional registers and other specific types of professional courses;
- ✓ **Internal training** – these are essentially courses organised internally by employees who meet the requirements of trainers on general and specific safety issues. This category also includes refresher courses focussing on the various management software used by the Company;
- ✓ **Free training** – seminars of various kinds organised by industry associations such as Assolombarda and Confindustria.

The **quality of the training programmes** developed by Greenthesis Group is recognised by the so-called *Fondi Interprofessionali*. In 2022, FONDIR approved the training programme called “**GREEN DIGITAL RE-VOLUTION**”, which was completed at the end of 2023. The programme seeks to develop a management culture to unlock new and innovative work methods, both to face the challenges of an increasingly competitive and complex market and to reach the Group’s strategic development and growth objectives. The programme focussed in particular on communication methods and staff engagement techniques, digital tools for effective and efficient cooperation at work, leadership and team management approaches and skills.

Having regard to the courses that will be offered in 2024, Greenthesis presented to Fondo Interprofessionale FONDIMPRESA a training programme called “**GR.E.CI.A – Greenthesis Economia Circolare e Ambiente**”. The plan aims to expand the workers’ knowledge of the circular economy, digital transition and innovation.

| TRAINING OF EMPLOYEES BY GENDER AND CATEGORY (2023) |                           |                          |                      |                                     |                           |                          |                      |                                     |
|---|---------------------------|--------------------------|----------------------|-------------------------------------|---------------------------|--------------------------|----------------------|-------------------------------------|
| Classification                                      | Men                       |                          |                      |                                     | Women                     |                          |                      |                                     |
|   | Total number of employees | No. of employees trained | Total training hours | Average training hours per employee | Total number of employees | No. of employees trained | Total training hours | Average training hours per employee |
| Executives  | 15                        | 15                       | 1,407.5              | 93.8                                | 2                         | 2                        | 158.0                | 79.0                                |
| Middle managers                                     | 19                        | 15                       | 1,247.7              | 65.7                                | 3                         | 3                        | 124.0                | 41.3                                |
| White collars                                       | 98                        | 86                       | 2,506.0              | 25.6                                | 73                        | 62                       | 1,541.1              | 21.1                                |
| Blue collars  | 152                       | 117                      | 2,392.8              | 15.7                                | 5                         | 1                        | 6.0                  | 1.2                                 |
| <b>Total</b>  | <b>284</b>                | <b>233</b>               | <b>7,554.0</b>       | <b>26.6</b>                         | <b>83</b>                 | <b>68</b>                | <b>1,829.1</b>       | <b>22.0</b>                         |

In 2023, 316 employees out of 367 received training, totalling 9,383<sup>7</sup> training hours. Average training hours per employee were 25.6<sup>8</sup>, i.e. 26.6 for men and 22.0 for women.

| NUMBER OF TRAINING INITIATIVES      |       |       |       |
|-------------------------------------|-------|-------|-------|
|                                     | 2023  | 2022  | 2021  |
| Number of courses provided          | 176   | 154   | 167   |
| Number of training hours            | 9,383 | 4,997 | 5,830 |
| Average training hours per employee | 25.6  | 17    | 19    |

Among the hard skills on which the Greenthesis Group’s development plans have focussed the most, many have concerned health and safety at work, environmental regulations, risk management, project management, use of software and the English language, with a view to improving work management while creating a shared corporate vision.

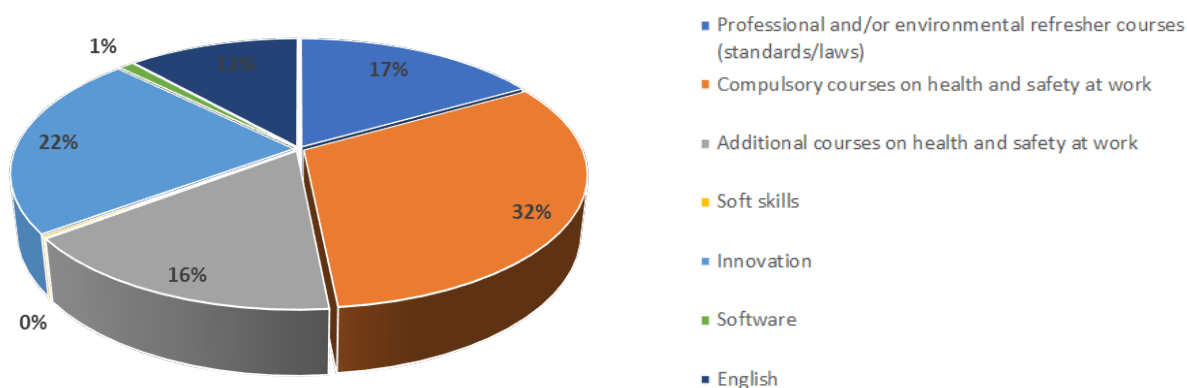
The number of training hours focussing on innovation increased significantly too, while soft skills training decreased.

<sup>7</sup> The increase in the number of training hours compared to previous years is the consequence of both a higher number of employees in training and an improvement in reporting.

<sup>8</sup> Average training hours per employee were calculated by comparing the total number of training hours with the total number of employees.

| TRAINING HOURS BY TYPE OF COURSE (2023)                              |                                   |                         |
|--|-----------------------------------|-------------------------|
| Type of course   | Training hours per type of course | Percentage of the total |
| Professional and/or environmental refresher courses (standards/laws) | 1,571                             | 17%                     |
| Compulsory courses on health and safety at work                      | 2,975                             | 32%                     |
| Additional courses on health and safety at work                      | 1,523                             | 16%                     |
| Soft skills  | 20                                | 0%                      |
| Innovation   | 2,109                             | 22%                     |
| Software   | 93                                | 1%                      |
| English  | 1,092                             | 12%                     |
| <b>TOTAL</b>   | <b>9,383</b>                      | <b>100%</b>             |

**TRAINING HOURS BY TYPE OF COURSE  
(2023)**



### Protection of Human Rights

Although respect for human rights is guaranteed by current legislation, **the Group companies demonstrate their commitment along the entire value chain** through the following actions:

- ✓ adherence to the principles of the **Code of Ethics** (adopted by the Parent Company and also endorsed by the other companies) which, in the area of human rights, deals above all with issues such as individual freedom, equality and fairness, integrity, confidentiality and the protection of privacy;
- ✓ in the procedure relating to the **management of suppliers**, provision for adherence (before supply) to the Group's ethical requirements, with consequent control and monitoring activities during the supply of products/services;
- ✓ **information and training for all personnel** on procedures and policies concerning human rights.



## ▪ **Anti-corruption**

Greenthesi S.p.A. has identified in its **Code of Ethics**, adopted in 2007 in its first version, the set of ethical values that inspire it in the exercise of its activities, as well as the guiding principles to which the conduct and the work of both its employees and all those who cooperate and collaborate with the Company in various ways for the pursuit of its mission must conform.

Since 2007, the Parent Company has also adopted and kept up to date its own **Organisational, Management and Control Model pursuant to Legislative Decree no. 231/2001** (the “Decree”), which contains the set of procedures, rules and controls aimed at preventing, stopping and combating any risk to commit the offences covered by the Decree (including both public and private corruption, false accounting, money laundering, violation of health and safety at work regulations, environmental crimes, etc.).

The other Group companies have also adopted their own Organisational Model and kept it up to date with the latest standards.

## ▪ **Work-life balance and corporate welfare**

Within the Greenthesi Group, the programmes aimed at improving the workers’ welfare and quality of life are regarded as key to **consolidate their sense of belonging** and **strengthen their trust** in the Group.

Below are **some of the initiatives implemented in this field**:

- ✓ **corporate accommodation** provided to employees living far from their workplace;
- ✓ flexibility in **granting holiday time abroad** to non-EU employees or employees with special needs;
- ✓ **paid leaves** guaranteed to all employees who need to undergo specialist medical examinations;
- ✓ as far as meals are concerned, **canteen serving free meals to all workers at the Orbassano plant** and **daily meal vouchers** provided to all staff at the other local units;
- ✓ **special arrangements** with a leading Credit Institution (in this case, employees who join the programme can reduce their current account fees) and with other parties (dental clinic, car dealer);
- ✓ **flexible work start time**;
- ✓ supplementary contribution of Euro 300 paid into the **Fonchim** fund (supplementary pension fund for chemical and pharmaceutical industry workers and the like) for each worker with a Chemical CCNL at the Orbassano plant.

To deal with the health emergency arising from the spread of COVID-19, a dedicated **remote work programme** was launched for all employees that qualify as “executives”, “middle managers” and “white collars”. Given the nature of the tasks performed by blue collars and technicians at the plants, remote working could not apply to all of the Group’s staff.

In order to further improve the work-life balance of its employees, the Group has adopted a flexible approach to remote working, depending on the needs that arise from time to time on a case-by-case basis.

## Greenthesis and its customers

In order to develop services that are always able to meet the needs of its customers, the Group companies have adopted specific management systems certified according to the standards **UNI EN ISO 14001:2015 and UNI EN ISO 9001:2015**. In particular, the adoption of a **UNI EN ISO 9001** certified management system allows the companies not only to monitor the effectiveness, efficiency and flexibility of their activities, but also to adapt promptly to the needs of a constantly evolving market. Moreover, the model used maximises the effectiveness of communication processes both within companies and between them and their customers.

### ▪ Customer relations in the field of waste treatment and disposal

With reference to the services offered for the treatment and disposal of waste, the Group's objective is to provide effective solutions for each type of waste treated and to ensure that these solutions always meet strict requirements in terms of safety, regulatory compliance and environmental protection.

The correct functioning of commercial relations between the Group's plants and their customers is guaranteed, from the start, by specific waste acceptance procedures: for the different types of waste for which the plants are authorised, adequate characterisation analyses and/or description sheets of the materials to be treated are requested in advance, thus defining the correct methods of treatment or final disposal.

Each customer is assigned to a sales manager to whom specific reference should be made for any commercial, technical, regulatory and administrative requirements. These staff act as key accountants in customer relations and are in charge of developing targeted and integrated solutions that are satisfactory for all the parties involved.

In the current market scenario, characterised by the lack of adequate infrastructure for the final management of industrial waste, the guarantee of a service provided on a continuous basis is a key aspect for customers. The Group is committed to meeting this need not only through the use of its various plants, but also by entering into new commercial agreements with strategic partners. Finally, the Group often invites customers to visit its own plants, and the plants managed by external partners with which it cooperates.

In addition, the level of customer satisfaction in relation to the activities carried out by the Group is regularly assessed also by means of ad hoc questionnaires. All complaints submitted by customers or other external stakeholders are classified as "nonconformities" by the management system. They are handled, on the one hand, by implementing appropriate immediate response strategies to solve the existing issues, and on the other, by developing corrective actions to remove the causes of misalignment with the management system.

### ▪ Relations with customers in the context of remediation activities

Our well-established relations with long-standing customers, the considerable attention paid to continuous commercial development, and the constructive and proactive approach taken in performing work make Greenthesis a highly regarded partner for environmental initiatives that entail the remediation of polluted sites, the implementation of safety measures at disused areas, and the performance of decommissioning activities. As the general situation of the remediation and land regeneration sectors is showing signs of recovery, it is worth noting that the Parent Company's customers include some of the major industrial groups operating in Italy (e.g. Eni, Enel, Edison, Ilva, Alcoa, Invitalia), alongside some of the most ambitious real estate developers of the Milan area.

In order to continuously improve the quality of the service offered to its customers, the Parent Company has adopted a strategy based on the achievement of the following objectives:

- ✓ **refinement of methods and tools to support the processing of technical and commercial information** provided by customers;

- ✓ **strengthening of the technical/design assistance** provided to the customers' top technicians, where it is considered appropriate to increase the efficiency, quality and speed of the professional intervention;
- ✓ **accurate service customisation** ensured on an operational level too, by adapting existing procedures to the needs of individual plants or operating sites;
- ✓ **broadening of the range of services provided to customers** by registering for other categories in the National Register of Environmental Managers (ANGA) and therefore improving the operating structure. In 2021, we registered for ANGA categories 2bis, 4 class C and 5 class C, by virtue of which we are now able to directly provide transport of both hazardous and non-hazardous waste. Registrations for categories 8 class A (brokerage) and 9 class A (remediation) were also renewed;
- ✓ **launch of a specialisation and technologization process** for the services we offer, having regard in particular to the valorisation of on-site remediation works and energy recovery.

Furthermore, the process aimed at gradually replacing some of the machines employed for remediation activities with **cutting-edge machinery** continued in 2023: (i) by expanding and organising those already existing and (ii) by introducing previously unavailable equipment characterised by a low environmental impact when in use. Our investments have also been aimed at expanding our service offering and directly performing some of the works or services requested by customers. Our operational structure has been adjusted in terms of staff composition too, with regard to both technical and non-technical roles, by hiring new figures as needed to perform our contracts.

## Greenthesis and its suppliers and partners

As at 31 December 2023, the Group had approximately 3,510 qualified suppliers, 1,256 of which had been active during the year. Almost all suppliers are located in Italy or within the European Union.

The Group, aware of the key role of the supply chain in achieving its business objectives, considers it necessary not only to have an impeccable and execution-oriented supply chain, but also to have a sustainable, reliable and ethical relationship with its suppliers, based on measurable parameters and on fundamental principles. The Group selects its suppliers with a view to establishing long-term relationships with them, in accordance with the principle of economic, social and environmental sustainability, and also in the light of their **adherence to the values stated in the Code of Ethics and 231 Model** (to which reference is systematically made in contracts) and their ability to perform even better than prescribed by the current environmental and social legislation.

With reference to the strategic approach in relation to supply chain management, the Group has outlined **five priorities** that also integrate environmental and social objectives:

- ✓ use only qualified suppliers;
- ✓ use only materials that have obtained an authorisation for their technical characteristics;
- ✓ develop “commodity strategies” that ensure continuity of supply and availability of the required volume. In particular, the financial health of the supplier and the maintenance of a modest dependence of the Group on specific suppliers are important;
- ✓ guarantee of on-time delivery and a high level of quality over time;
- ✓ competitive prices.

The Group has adopted a specific **procurement procedure** for this purpose. In particular, the procurement phase is carried out in accordance with **three basic principles**:

1. ensure maximum participation of the relevant market players, in accordance with the principles of free competition, equal treatment and non-discrimination;
2. procure works and services with a high technological content from highly qualified suppliers capable of providing the appropriate guarantees from the point of view of continuity and timeliness of supply;
3. prefer, where possible, “local” suppliers with respect to the scope of execution, so as to support the development of the territory in the different geographical areas in which the Group operates.

With reference to the last principle mentioned above, in 2023, approximately 50.5% of active suppliers were based in Lombardy, 15.2% in Piedmont and 12.9% in Veneto – the three regions where the main companies of the Group are based.

Moreover, **when carrying out remediation activities**, Greenthesis S.p.A. usually qualifies as a main contractor, i.e. as a specialised subject with know-how that makes use of external partners for the execution of the services. In this regard, the Company limits its supply chain to a single, first level of subcontracting; in the relevant orders, further subcontracting is systematically prohibited.

The Group has set up two different offices to manage collaborations with its **main categories of suppliers**: waste transport and disposal companies, on the one hand, and suppliers of all other services, on the other. The **selection of suppliers is a delicate process, especially considering the services of transport and disposal of waste** produced both in the plants owned by the Company and at the customer companies.

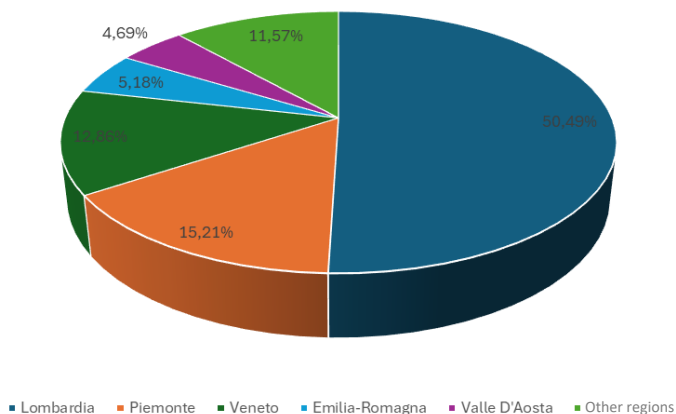
More in particular, the assessment of the plants of destination is carried out by integrating the analysis of business information and financial data of the company in question with the verification of other aspects, such as the possible possession of voluntary certifications or certain global standing ratings. In some cases, **real audits** are also conducted **within these plants**, in order to assess their reliability and compliance with environmental and personnel safety standards.

Also the selection of transporters, managed through a close collaboration between technical managers of the plants, logistics personnel, sales structure and Purchasing Office, is carried out not only with a view to efficiency,

but also, and above all, considering the history of the individual candidates. The corporate procedure to qualify new suppliers has been already implemented during the past financial years: suppliers are assessed on the basis of their environmental, social and governance performance too.

The **choice of suppliers** of products, machinery and technical services is carried out jointly by the managers of the individual plants and the centralised Purchasing Office. The Group has implemented a supplier qualification system called “**ESG Supply Chain Assessment**”, which allows us to assess any ESG risks along our supply chain.

### ACTIVE SUPPLIERS BY REGION



## Greenthesis and the community

### ▪ Group stakeholders

The Group recognises as stakeholders all those subjects – institutions, organisations, groups or individuals – with whom it communicates and who, in the perspective of a shared value, can influence the achievement of its objectives or be influenced by the same objectives.

**The identification of the various stakeholders** is made on the basis of the degree of influence that each party has on corporate decisions and the interest that each of these parties manifests in the activities of the Company. These two aspects are also assessed taking into account the presence of legal or contractual obligations and any link with company strategies.

With the help of external consultants and agencies specialising in engagement processes, the Group has launched a number of projects to identify its own stakeholders.

The following tools were used: interviews with the management, sector research, specific training courses and attendance to meetings with specialised consultants. Moreover, a multidisciplinary working group led by the Group's CSR Manager was established, with a view to monitoring initiatives and align data collection tools.

On the basis of these considerations, the Group has identified the following subjects as its **main stakeholders**:

- ✓ Local communities;
- ✓ Employees and families;
- ✓ Media;
- ✓ Local and national authorities and institutions;
- ✓ Suppliers and business associations;
- ✓ Customers;
- ✓ Schools and universities;
- ✓ Environmental associations;
- ✓ Scientific community;
- ✓ Professional associations.

**Relations with stakeholders** are based on dialogue, sharing of objectives and transparency, which lie at the heart of the “**Integrated Communication**” project. This aims to set out a new, shared communication strategy, analyse the current reputational position of the Greenthesis Group as a whole and develop a global image strengthening process.

Furthermore, with a view to developing **increasingly digital and paperless communication**, the Group has expanded its website and created a dedicated app where all information about the Company, its plants and remediation sites can be found.

### ***Focus Box no. 2 – Stakeholder Engagement: Greenthesi s as a Sustainability Ambassador***

In the framework of our Stakeholder Engagement project, during 2023, the Greenthesi s Group took part in a number of initiatives to promote a more sustainable future for our community, business and employees, including in particular:

- Greenthesi s and its plants featured on several episodes of “Italian Green – Viaggio nell’Italia sostenibile”, a TV programme aired on Rai2, which focusses on and raises awareness around the circular economy;
- The COP28 UN Climate Change Conference, held in Dubai from 30 November to 13 December, was attended by some of the Company’s managers, who participated as speakers in the panel “The Italian environmental industry’s recipe for the challenge of climate change”;
- Investopia Europe, held in Milan on 19 May, brought together 300 investors, entrepreneurs and experts to discuss investment opportunities and new businesses;
- Circonomia, the Festival of circular economy and ecological transition held every year in Alba (TO);
- SiCon, a workshop to share case studies and full-scale interventions involving rehabilitation of and implementation of safety measures at contaminated sites, with a focus on procedural, technical and operational aspects. Usually the workshop ends with a technical tour of the best performing site, which last year was Ind.Eco;
- “Adotta un Borgo”, a TV series conceived and created specifically for Greenthesi s to disseminate the principles and values of sustainable living;
- At Road To Key 2024 “Eolico: potenzialità e limiti di un protagonista per la transizione energetica” (Wind power: potential and limits of a key driver of the energy transition), an important conference on the development of new technologies and renewables, Greenthesi s’ CBO Roberto Zocchi participated as a speaker to present the “Wind New Life” project, which has been admitted to funding under the NRRP;
- Ecoforum Veneto: Innovazione e strategie regionali per la gestione dei rifiuti urbani (Innovation and regional strategies for urban waste management) was attended by the Chairman of Gea, Marco Sperandio, who presented the “R.U.L.E.” project, which has been admitted to funding under the NRRP and envisages the construction of a treatment plant for textile material.

### ***Focus Box no. 3 – “A Scuola di Economia Circolare”, Greenthesi s’ commitment to schools***

Given its success in the past years, the “A Scuola di Economia Circolare: i rifiuti da scarto a risorsa” (Circular economy at school: from waste to resource) project was proposed again to secondary school students.

The “Working with Greenthesi s” module proved especially popular – young participants had the opportunity to learn more about the roles within the Company and the necessary skills to undertake different careers.

The programme aimed at **primary schools** also continued, with a view to spreading the values of sustainability and respect for the environment among the youngest, through a targeted educational pathway and tools and kits specially designed by Greenthesi s.

### ***Focus Box no. 4 – “Open Plants” is back***

After a few years on hold because of the COVID-19 pandemic, “**Open Plants**” returned on 05 June, World Environment Day. Three of the Group’s plants – Gea’s landfill in Veneto, the Enval’s site in Valle d’Aosta and Rea Dalmine’s waste-to-energy plant – opened their doors to the public in order to raise the local communities’ awareness and making them more responsible in matters of waste and circular economy.

## ▪ The Group's commitment to the territory

The activities of the Greenthesi s Group contribute significantly to the development of social and economic systems in the territories where it operates. Indeed, where carried out in a careful and responsible manner, waste treatment and polluted site rehabilitation activities play a key role, not only in **preserving all citizens' health and safety**, but also in **protecting the environment**, thus ensuring that local communities can continue to benefit from the so-called "ecosystem services"<sup>9</sup> which lie at the heart of all economic and social systems.

There are a number of ways in which the Group companies generate a **positive impact on administrations, families and businesses**. Investments in new projects and the upgrading of existing plants, for instance, are enablers of infrastructure development and employment. When a local supply chain is activated (as a result of a contract being awarded for the regeneration of a polluted site), investments can trigger an increase in workplaces in the area and the creation of jobs of greater added value, which translate into a greater spending capacity for the citizens.

Where technical and technological knowledge is appropriate, local suppliers can take a leading role in providing the necessary goods and services to carry out the tasks; if this is not the case, an opportunity may arise to transfer know-how and improve professional knowledge on a local level. Finally, the high technological and business value created by Greenthesi s' solutions allows for new input linked to proper recovery and management of special waste to be integrated into the local production systems, such as the use of biological sludge from wastewater treatment in agriculture, as well as favouring, with reference to environmental remediation and rehabilitation, future developments in regenerated areas by giving them high economic, environmental and social value.

The development of local communities is pursued, as well as by means of business decisions, through the implementation of ad hoc actions in the field of corporate social responsibility. The Greenthesi s Group strongly believes in the voluntary responsibility it assumes towards a wide range of social partners, also in relation to the territory and the community in which it operates, in a manner that is constant and consistent with its founding values. In fact, it has always been committed to supporting concrete cultural and educational initiatives aimed both at promoting different forms of art and culture, and at enhancing the value of people and enriching the experiences of individuals. In recent years, the Group has pursued a strategy of sponsorships and donations that, in addition to supporting projects and initiatives that are socially useful for the benefit of the communities around its plants, also focusses on the theme of environmental education and covers the introduction of educational projects in schools.

The Group understands the professional growth of young people as a strength that companies cannot ignore and a lever to pursue the creation of a business model that is not only able to respond to the changing dynamics of the context in which it operates, but that is also environmentally sustainable and aimed at the protection and safeguarding of the environment. In general, and mostly thanks to the proactivity and generosity of many employees, the Group has strengthened **exchange activities with schools, universities and training centres** even further.

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<sup>9</sup> Ecosystem services, as defined in the Millennium Ecosystem Assessment supported by the United Nations and published in 2005, are "the multiple benefits provided by ecosystems to humans". Namely, ecosystem services are grouped into four broad categories:

- Supporting (such as nutrient cycles, soil formation, etc.);
- Provisioning (such as the supply of oxygen, drinking water, raw materials, etc.);
- Regulating (such as the control of climate and tides, self-purification of water, plant pollination, etc.);
- Cultural (such as educational and recreational opportunities, etc.).



### **Focus Box no. 5 – Supporting “our territory”**

Once again, Bioagritalia has renewed its support to “Progetto Mobilità Garantita” (Guaranteed mobility project) for the period 2020-2023. “Progetto Mobilità Garantita”, organised by the association PMG Italia and sponsored by the Municipality of Cremona – Social Policies Area, involves subsidising the purchase of a vehicle to transport the disabled and the elderly.

The Group sponsors several sports and cultural associations in the territories where it operates, in order to support them in organising their events.

Namely, in 2023:

- Gea launched a sponsorship to support Associazione Sportiva Dilettantistica Green Bike, an amateur cycling team based in the Municipality of Sant’Urbano;
- Once again, Rea Dalmine sponsored U.S. Dalmine (an amateur football club), while Greenthesi supported Virtus Inzago;
- Rea Dalmine sponsored the Donizetti Theatre of Bergamo;
- Greenthesi Orbassano granted 3 scholarships to outstanding local graduates from technical and environmental degree courses;
- Greenthesi supported the City of Milan in organising “Maggio Manzoniano”, an event dedicated to the memory of Alessandro Manzoni on the 150th anniversary of his death. Homage was paid to the writer with seventeen nights of stage readings from *The Betrothed* inside the Milan Cathedral;
- Rea Dalmine joined BergamoScienza, a Bergamo-based scientific popularisation association;
- Rea Dalmine launched a sponsorship to support Centro Studi e Ricerche MatER, a consortium company established by the Polytechnic of Milan. Its mission is to lay down a solid scientific foundation and find viable and sustainable solutions, thus contributing to the choice of the best environmental, energy and economic technologies and policies to recover materials and energy from waste;
- Enval sponsored Climathon Courmayeur, a 24-hour hackathon (i.e. an intensive workshop) bringing citizens, entrepreneurs and experts together to discuss the great challenge of climate change in the mountains.

### **Focus Box no. 6 – Responsible management of the Barricalla landfill**

The responsible management model adopted at the landfill operated by Barricalla S.p.A. (35% owned by Greenthesi S.p.A.), which over the years has become the main Italian landfill for hazardous and non-hazardous special waste, is worth noting. In its thirty years of activity, the plant has been able to become a cutting-edge facility and to set an example for all professionals in the sector, never generating any criticality in the territory, but rather establishing fruitful collaborations and opening up to the external context. The first four lots of the plant have been transformed into photovoltaic hills, as will also be the case with the fifth cell. Furthermore, it is customary for Barricalla S.p.A. to hold meetings and conferences in partnership with other local Bodies, focussing on waste disposal.

Around the year 2000, a bee farm was established within the landfill area, where it serves as a crucial bio-indicator. As a matter of fact, in spite of the challenges these extremely pollution-sensitive insects are facing across Europe, no threats to their life have ever been found at the Barricalla site. The honey they produce is analysed and then compared and contrasted with that produced in a rural area. No anomalous concentrations of pollutants have ever been recorded to date.

## Greenthesis and the environment

The Group considers the environment to be of primary importance, placing it at the heart of its mission and vision. The protection, safeguarding and preservation of the environment are an integral part of the Group's history and go beyond mere regulatory compliance.

The Group companies are committed not only to applying the highest standards in the field of environmental protection, but also to ensuring a proactive attitude by retaining their own certifications and to pursuing the continuous improvement of their environmental performance through the application of the best available technologies.

They work to offer their customers the most advanced solutions for the treatment and recovery of industrial waste and polluted sites, with a view to safeguarding economic growth and maintaining the balance of ecosystems. Wherever possible, every intervention that the Group companies are asked to carry out is primarily aimed at **regeneration** (consider, for example, the recovery of polluted sites so as to allow their redevelopment).

Aware of its **social function** deriving from the performance of rehabilitation and waste treatment activities, the Group is committed to protecting the environment, giving new life to areas that would otherwise be unusable and guaranteeing a sustainable and safe future for the next generations. Every Group company firmly believes that the environment is a fundamental right and its protection a duty.

In order to achieve such goals, Greenthesis has launched a process to monitor specific ESG **KPIs (Key Performance Indicators)**, including environmental ones, which are regarded as strategic for the Company, with a view to assessing the impact of ESG risks and ensuring business sustainability over time.

### ▪ Waste produced and managed by the Group

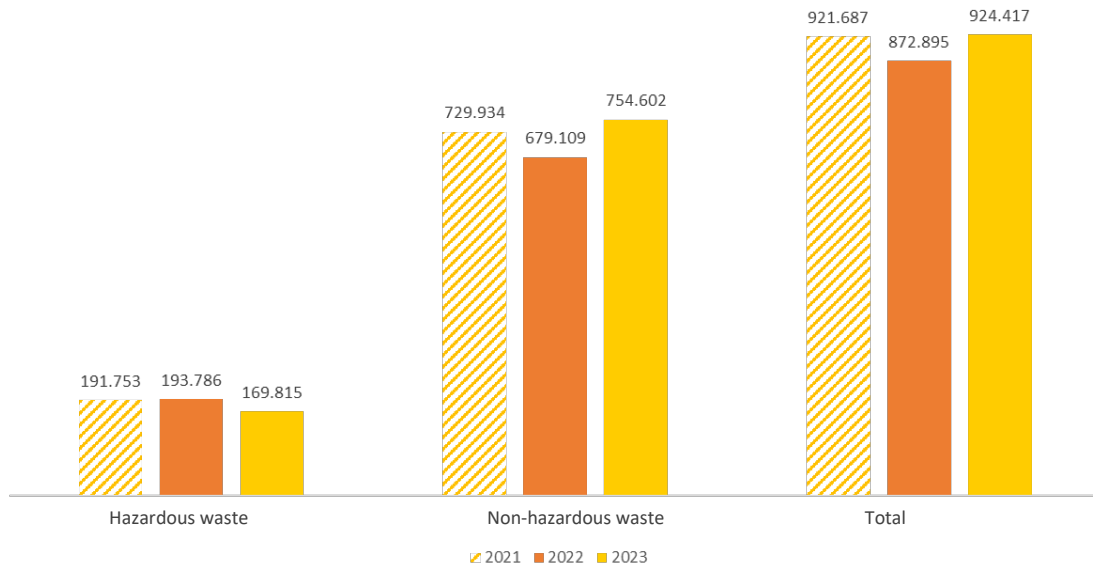
The Group companies manage both their own waste and waste produced by other bodies and communities by following the principles of prevention, sustainability and safety, according to an approach aimed at ensuring, on the one hand, the effectiveness of treatment and disposal processes and, on the other, the protection of the environment and compliance with current national and local regulations.

In 2023, **our own plants** treated a total of 924,417 tons of waste, of which 169,815 tons of hazardous waste and 754,602 tons of non-hazardous waste.

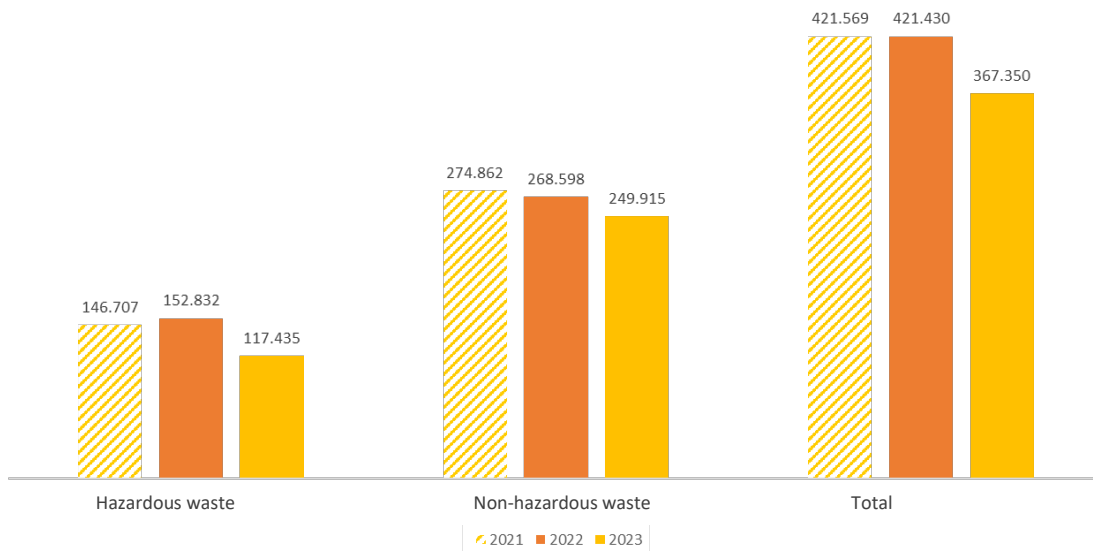
On the other hand, outgoing waste (i.e. waste treated at the plants) stood at 117,435 tons of hazardous waste and 249,915 tons of non-hazardous waste, totalling 367,350 tons.

Based on the monitoring of environmental KPIs carried out in the reference period, the percentage of waste recovered over the total quantity of outgoing waste from the plants was 60.09%, 23.64% of which intended for end-of-waste recovery.

### INCOMING WASTE AT GROUP PLANTS (tons)



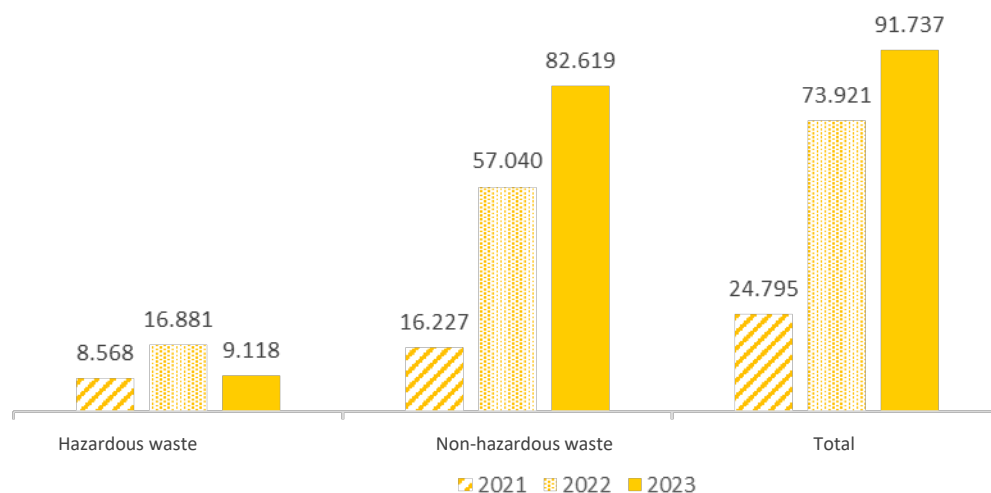
### OUTGOING WASTE FROM GROUP PLANTS (tons)



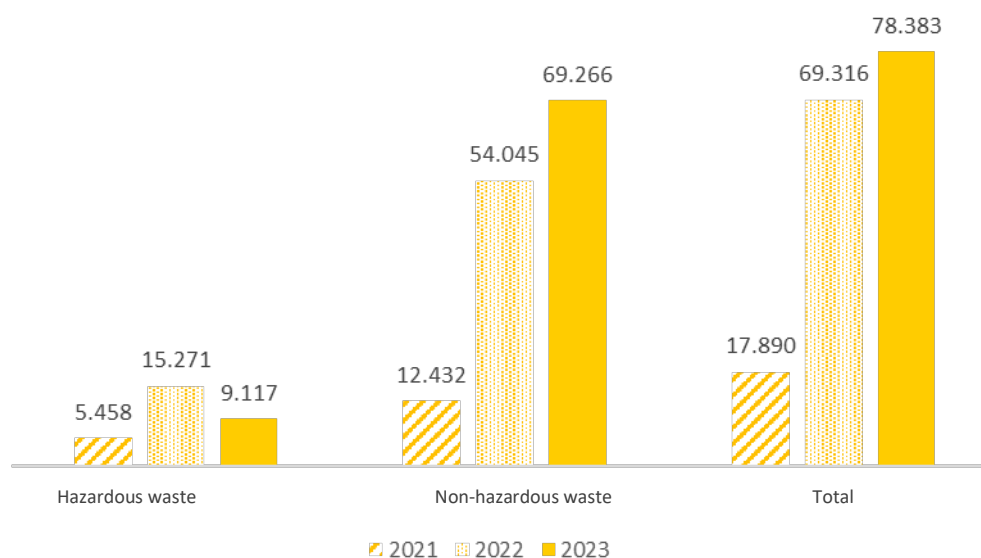
The **remediation activities** carried out by the Parent Company are also connected with the production of different types of waste, which, in accordance with each specific remediation project, can be confined and managed on site or transported to specialised treatment and disposal plants.

In the case of off-site disposal, the Company favours direct delivery to final plants (short supply chain), to recovery plants (greater sustainability) and to plants close to the intervention site (lower environmental impact), always in compliance with the homologation technical specifications of each destination plant. In 2023 the Company handled a total of approximately 91,737 tons of waste at its remediation sites, including about 9,118 tons of hazardous waste and 82,619 tons of non-hazardous waste. In particular, the Parent Company produced 78,383 tons of waste (including about 9,117 tons of hazardous waste and 69,266 tons of non-hazardous waste).

## WASTE MANAGED DURING REMEDIATION ACTIVITIES (tons)



## WASTE PRODUCED DURING REMEDIATION ACTIVITIES (tons)



As far as remediation activities are concerned, the main interventions in which Greenthesi S.p.A. is involved at the moment are:

- ✓ **On behalf of Tremonti S.r.l.**, remediation of the former Tre Monti area in Bussi sul Tirino (PE). The scope of the works covers the removal of waste along the banks of the Tirino river, as well as the remediation of contaminated soil using the thermal desorption technology;
- ✓ **On behalf of Eni Rewind**, relocation of the riverbed of the Marmazza stream and related drainage work of the water table at the Syndial site near Pieve di Vergonte (VB);
- ✓ **On behalf of Edison**, removal of waste and contaminated soils from the crater area of the Mantua chemical complex, which were accumulated over the years of operation of the city's petrochemical plant;
- ✓ **On behalf of ENEL**, implementation of emergency safety measures (Messa in Sicurezza di Emergenza – MISE) at the former ENEL power plant in Piombino, to remove heavy fuel oil (HFO) from soil fill in the tank area;

- ✓ **In the Municipality of Asola (MN)**, implementation of safety measures on the entire former Flucosit site, aimed at removing about 100,000 cubic metres of soil contaminated with volatile hydrocarbons and nitrogen organic substances deriving from the production processes of organic synthesis compounds;
- ✓ **In the Municipality of Mazzano (BS)**, completion of remediation activities and full implementation of safety measures at the Ciliverghe landfill;
- ✓ **Other minor works** for public and private customers across the country.

In order to carry out its environmental remediation and rehabilitation activities, the Parent Company also uses **modular mobile plants** authorised for the treatment of solid and liquid waste. These mobile plants make it possible to carry out on-site rehabilitation work, i.e. at specific site areas, and using this machinery allows to significantly contain the environmental impact of the work and to reduce off-site disposal, transportation and supply of clean soil from quarries. This type of equipment includes, for instance, a **soil washing plant**, a **soil vapour extraction plant** and a **thermal desorption plant** to remove contaminated materials from soils.

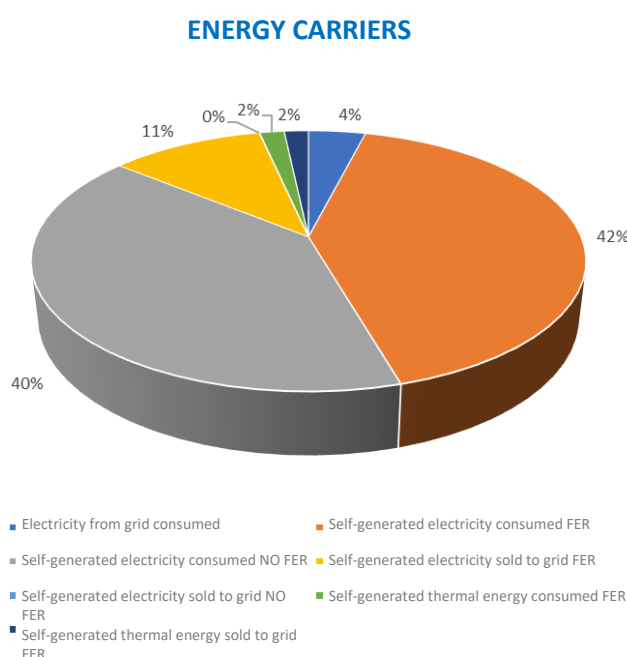
### ▪ Electricity and fuel consumption

In 2023, the **total consumption of electricity** by the Group's plants was 121,976,739 KWh, 116,346,103 KWh (95.4%) of which account for self-generated energy. The **total electricity fed into the grid** was 15,205,613 KWh, 15,159,587 of which from renewable sources.

It should be noted that the electricity consumed and withdrawn from the grid is fully certified as renewable in accordance with the corresponding **Guarantees of Origin (GO)**.

Furthermore, the biogas from Enval's landfill was fed into a co-generator to self-produce 4,824,400 KWh of renewable thermal energy, 2,430,000 KWh of which were self-consumed, while 2,394,400 KWh were sold to the district heating grid.

By monitoring it on a continuous basis, the Group is actively committed to reducing its impact linked to **energy consumption**, and the consequent emissions of pollutants and greenhouse gases into the atmosphere. In recent years, the Group has begun a process aimed at the improvement of its performance in terms of consumption containment and, in general, of electricity efficiency at remediation sites and treatment and disposal plants. Increasing attention is paid, in particular, to the **energy audit** of electricity flows on a corporate level and at each plant, in order to identify the elements to be improved in this respect in each case.



Fuel consumption during the year was as follows: 18,105,397 Nm<sup>3</sup> of biogas were extracted from the landfills of Enval, Gea and Ind.Eco and converted into electricity and thermal power; 2,692,226 Nm<sup>3</sup> of natural gas were consumed by the waste-to-energy processes of Rea Dalmine and by the Orbassano platform; finally, 573 tons of diesel oil, 0.135 tons of gasoline and 2 tons of LPG were used to feed machinery in use at the plants.

### Focus Box no. 7 – Towards e-mobility

As e-mobility is becoming increasingly important and widespread, Greentesis, in addition to progressively replacing its fleet with hybrid or electric vehicles, has installed some electric charging stations at its sites, in line with the Group's mission of promoting a sustainable culture and a pragmatic and innovative approach to our context of reference.

### Water consumption

The Group promotes the sustainable use of water resources and, to this end, the applicable systems for reducing the consumption of drinking and non-drinking water are constantly evaluated.

Taking into account all waste disposal and treatment plants within the scope of reporting, the **total water consumption** in 2023 was 205,769 cubic metres of water.

This value does not account for water volumes consumed at remediation sites, which are considered negligible given the absence of water-consuming activities.

For instance, at the Liscate local unit, **purified water from the plant is reused** as many times as possible for different purposes, such as washing machinery and equipment, in order to gradually reduce withdrawals from the well. GTH Agromet, on the other hand, recovers some of the water used to wash the organic fraction by putting it back into its production cycle.

Again in order to foster a responsible use of the resource, a number of **water meters** have been installed over the years, which allow to map and monitor well water consumption in the different sections of the plant.

| WATER WITHDRAWALS BY SOURCE (m <sup>3</sup> ) |                |
|---|----------------|
| Source  | 2023           |
| Aqueduct water                                | 12,448         |
| Surface water (rivers, lakes, other)          | 7,867          |
| Well water                                    | 177,936        |
| Rainwater                                     | 296            |
| Water from grid                               | 4,450          |
| Other source                                  | 2,772          |
| <b>TOTAL</b>                                  | <b>205,769</b> |

| WATER DISCHARGE DESTINATION (m <sup>3</sup> ) |                |
|---|----------------|
| Destination                                   | 2023           |
| Sewerage system                               | 209,011        |
| Surface water                                 | 46,136         |
| Soil  | 2,917          |
| Disposal by third parties                     | 3,144          |
| Internal recycling                            | 18,474         |
| <b>TOTAL</b>                                  | <b>279,682</b> |

A portion of the **wastewater** produced by the Group's own plants is released directly into the municipal sewerage system (74.7%) and is periodically subject to compliance and acceptability checks of the relative characteristic parameters. On the other hand, approximately 18,474 m<sup>3</sup> (6.6% of the total) are used to water gardens or internally recycled to wash machinery and equipment.

- **Direct and indirect emissions**

**Direct emissions of CO<sub>2</sub> and other GHG to the atmosphere** totalled about 199,976.7 tons of CO<sub>2</sub> equivalent in 2023, 96,999 tons of which are biogenic, i.e. non-fossil CO<sub>2</sub> emissions.

The Rea Dalmine plant, in particular, produced 199,952 tons of CO<sub>2</sub>, measured on a continuous basis at the chimney, 48.5% of which are biogenic emissions<sup>10</sup>.

Indirect (Scope 2) CO<sub>2</sub> emissions from incoming energy carriers totalled 12,233.8 tons.

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<sup>10</sup> The biogenic percentage was calculated based on a measurement carried out in January 2024 on both production lines of the plant using the UNI/TS 11461:2022 test method.

## *The Group's approach to innovation*

Innovation, in terms of both service and process, is a fundamental factor in the Group's strategy. Its member companies aim to constantly improve and update their plants and services in order to remain competitive in ever evolving sectors.

The Group's mission is to **innovate and improve the efficiency of its service management models**, in the wake of Industry 4.0, by adopting processes and technologies increasingly directed towards automation and interconnection, seeking new approaches in the way of designing and delivering the services themselves and exploiting all the opportunities that new technologies offer to ensure respect for social and environmental aspects.

Consequently, it is increasingly crucial to combine quality and efficiency, elements that have always distinguished the services of the Group companies, with the constant search for economic, social and environmental sustainability. Hence our commitment to **try innovative techniques**, developed in close cooperation with business partners and/or research Bodies.

In 2023, Greenthesi's research focussed on identifying innovative technological solutions to apply in the fields of circular economy, recycling and recovery, in order to obtain a secondary raw material that is no longer regarded as waste.

For instance, a patented technology of the Carborem Group has been implemented at the Liscate site, via a pilot system that will allow reducing the quantity of sludge through thermal hydrolysis and the production of char, which, in the future, will be used as soil amendment. The process further allows recovering important elements such as nitrogen, phosphorus, magnesium, copper and aluminium from the sludge, as well as increasing the production of biogas.

The Group has continued developing highly innovative circular economy initiatives in the framework of its so-called "flagship" projects, including: (i) "**WIND NEW LIFE**", for the treatment of end-of-life wind turbine blades to recover the fiberglass of which they are made, (ii) "**R.U.L.E.**", for the treatment and recovery of residues from the textile industry, and (iii) "**GREENPLASTIC**", for the valorisation of mixed plastics through pyrolysis. All these initiatives have been admitted to funding under the National Recovery and Resilience Plan (**NRRP**).

During 2023, the Group submitted yet another project to the MASE, called "Indeco Green Hydrogen Hub", for the production of green hydrogen from the water used in leachate treatment processes. The initiative has been included in the NRRP shortlist for Regione Lazio, and may be admitted to funding following the reallocation of available resources for that line of intervention.

Thanks to the extensive technological research and in-depth studies carried out, in 2024 Greenthesi will be able to consider any investments on its own and third-party plants, in order to provide a global service with the application of these technologies.



### ***Focus Box no. 8 – DeremCo, a European research project***

Greenthesi s, the Polytechnic of Milan and other companies, organisations and stakeholders in the industry have continued working on **DeremCo**, a research project funded by the European Union and designed to develop new technologies to recover fibre-reinforced plastics.

By participating in the project, in parallel with the “**WIND NEW LIFE**” initiative admitted for funding under the NRRP, the Group aims to find solutions for reusing composite materials, such as fibreglass from disposal of wind turbine blades.

The DeremCo project seeks to establish a cross-sectoral, demand-driven circular economy solution to reuse composite materials and components in new high value-added products, thanks to the interrelation of local technical and social ecosystems, for the benefit of the environment, the industry, European consumers and society.

### ***Focus Box no. 9 – Collaborations with universities and research centres***

The Group has continued to collaborate with the Polytechnic of Milan to carry out research projects in the field of circular economy and enhancement of renewable sources:

- The PHOSTER project, which is part of an EU research network, funded by Horizon 2020, and aims to deliver a sustainable, replicable and scalable circular economy solution for the recovery of secondary minerals and metals from sewage sludge ashes and mining industry by-products to substitute critical primary raw materials (phosphorus and magnesium) in the manufacturing of fertilisers;
- The development of a process to recover phosphorus from “hydrochar”, i.e. a by-product of the plant sludge processed through hydrothermal carbonization (HTC) in Liscate, based on Carbo rem’s technology, which Greenthesi s is implementing together with the DICA – Department of Environmental and Civil Engineering of the Polytechnic of Milan;
- The partnership with Centro Studi e Ricerche MatER, set up by the Polytechnic of Milan at LEAP – Laboratorio Energia e Ambiente Piacenza. The aim is to develop the best available technologies for recovering materials and energy from waste.

## CORRELATION TABLE TO THE GRI STANDARD

| <b>CORRELATION TABLE</b>                              |                              |   |                         |
|---|------------------------------|---|-------------------------|
| <b>GRI standard title</b>                             | <b>GRI disclosure number</b> | <b>GRI disclosure title</b>                                   | <b>Page number/Note</b> |
| GRI 102: General Disclosures – Organisational profile | 102-1                        | Name of the organisation                                      | Page 2                  |
|   | 102-2                        | Activities, brands, products and services                     | Pages 13; 16            |
|   | 102-3                        | Location of headquarters                                      | Page 15                 |
|   | 102-4                        | Location of operations  | Page 15                 |
|   | 102-5                        | Ownership and legal form                                      | Page 10                 |
|   | 102-6                        | Markets served  | Pages 19-25             |
|   | 102-7                        | Scale of the organisation                                     | Pages 7; 62             |
|   | 102-8                        | Information on employees and other workers                    | Pages 73-76             |
|   | 102-9                        | Supply chain  | Pages 84-85             |
|   | 102-12                       | External initiatives  | Pages 86-89             |
|   | 102-13                       | Membership of associations                                    | None                    |
| GRI 102: General Disclosures – Strategy               | 102-14                       | Statement from senior decision-maker                          | Page 6                  |
| GRI 102: General Disclosures – Ethics and integrity   | 102-16                       | Values, principles, standards and norms of behaviour          | Pages 8; 63-64          |
| GRI 102: General Disclosures – Governance             | 102-17                       | Mechanisms for advice and concerns about ethics               | Pages 80-81             |
|   | 102-18                       | Governance structure  | Page 5                  |
|   | 102-22                       | Composition of the highest governance body and its committees | Page 5                  |
|   | 102-35                       | Remuneration policies   | Page 78                 |
| GRI 102: General Disclosures – Stakeholder engagement | 102-40                       | List of stakeholder groups                                    | Page 86                 |
|   | 102-42                       | Identifying and selecting stakeholders                        | Page 86                 |
|   | 102-43                       | Approach to stakeholder engagement                            | Pages 86-89             |
| GRI 102: General Disclosures – Reporting process      | 102-45                       | Entities included in the consolidated financial statements    | Pages 60-61             |
|   | 102-46                       | Defining report content and topic boundaries                  | Pages 60-61             |

|  |        |   |             |
|--|--------|---|-------------|
| GRI 102: General Disclosures – Reporting process | 102-47 | List of material topics   | Pages 65-66 |
|  | 102-50 | Reporting period  | Pages 60-61 |
|  | 102-54 | Claims of reporting in accordance with the GRI standards        | Page 60     |
|  | 102-55 | GRI content index   | Pages 67-70 |
| GRI 103: Management approach                     | 103-2  | The management approach and its components                      | Pages 63-64 |
| GRI 201: Economic performance                    | 201-1  | Direct economic value generated and distributed                 | Pages 71-72 |
| GRI 201: Economic performance                    | 202-2  | Proportion of senior management hired from the local community  | Page 74     |
| GRI 203: Indirect economic impacts               | 203-1  | Infrastructure investments and services supported               | Pages 86-89 |
|  | 203-2  | Significant indirect economic impacts                           | Pages 86-89 |
| GRI 204: Procurement practices                   | 204-1  | Proportion of spending on local suppliers                       | Pages 84-85 |
| GRI 205: Anti-corruption                         | 205-3  | Confirmed incidents of corruption and actions taken             | None        |
| GRI 302: Energy                                  | 302-1  | Energy consumption within the organisation                      | Pages 93-94 |
|  | 302-4  | Reduction of energy consumption                                 | Pages 93-94 |
| GRI 303: Water                                   | 303-1  | Water withdrawal by source                                      | Page 94     |
| GRI 305: Emissions                               | 305-1  | Direct (Scope 1) GHG emissions                                  | Page 95     |
|  | 305-2  | Energy indirect (Scope 2) GHG emissions                         | Page 95     |
|  | 305-5  | Reduction of GHG emissions                                      | Page 95     |
| GRI 306: Effluents and waste                     | 306-2  | Waste by type and disposal method                               | Pages 90-91 |
| GRI 307: Environmental compliance                | 307-1  | Non-compliance with environmental laws and regulations          | None        |
| GRI 401: Employment                              | 401-1  | New employee hires and employee turnover                        | Page 75     |
| GRI 403: Occupational health and safety          | 403-1  | Workers' representatives in formal health and safety committees | Pages 76-77 |

|  |       |   |             |
|--|-------|---|-------------|
|  | 403-2 | Type and rate of accidents, occupational diseases, absenteeism and number of deaths at work | Pages 76-77 |
| GRI 404: Training and education            | 404-1 | Average hours of training per year per employee   | Page 79     |
| GRI 405: Diversity and equal opportunities | 405-1 | Diversity of governance bodies and employees  | Pages 5; 73 |
| GRI 406: Non-discrimination                | 406-1 | Incidents of discrimination and corrective actions taken                                    | None        |
| GRI 408: Child labour                      | 408-1 | Operations and suppliers at significant risk for incidents of child labour                  | None        |
| GRI 409: Forced or compulsory labour       | 409-1 | Operations and suppliers at significant risk for incidents of forced or compulsory labour   | None        |
| GRI 413: Local communities                 | 413-1 | Operations with local community engagement, impact assessments, and development programs    | Pages 86-89 |
| GRI 417: Marketing and labelling           | 417-3 | Incidents of non-compliance concerning marketing communications                             | None        |
| GRI 418: Customer privacy                  | 418-1 | Documented complaints relating to breaches of privacy and loss of customer data             | None        |
| GRI 419: Socio-economic compliance         | 419-1 | Non-compliance with laws and regulations in the social and economic area                    | None        |

## Summary of economic and financial performance of Greenthesi S.p.A. as at 31/12/2023

The financial statements of Greenthesi S.p.A. close with a final net profit of Euro 5,967 thousand, against a profit for the previous year of Euro 3,551 thousand, after amortisation, depreciation and write-downs of Euro -4,060 thousand (Euro -3,650 thousand in 2022).

| <b>ECONOMIC DATA</b>                       |              |              |              |
|--|--------------|--------------|--------------|
| Values in thousands of Euros               | 31/12/2023   | 31/12/2022   | Variation %  |
| Revenues                                   | 93,035       | 95,628       | -2.7%        |
| Operating costs                            | -85,767      | -89,407      | -4.1%        |
| Gross operating margin (Ebitda)            | 7,268        | 6,221        | 16.8%        |
| Amortisation, depreciation and write-downs | -4,060       | -3,650       | 11.2%        |
| Net operating margin (Ebit)                | 3,208        | 2,571        | 24.8%        |
| Profit/(loss) before tax                   | 6,020        | 3,788        | 58.9%        |
| <b>Final net result - Profit/(loss)</b>    | <b>5,967</b> | <b>3,551</b> | <b>68.0%</b> |

| <b>EQUITY DATA</b>           |            |            |             |
|------------------------------|------------|------------|-------------|
| Values in thousands of Euros | 31/12/2023 | 31/12/2022 | Variation % |
| Net financial position       | -41,048    | -40,564    | nc          |
| Total assets                 | 314,653    | 255,385    | 23.2%       |
| Equity                       | 136,456    | 133,758    | 2.0%        |

In order to uniformly compare the economic results net of non-recurring items, which amount to Euro +1,549 thousand, the Company's income statements have been restated according to an adjusted perspective, thus normalising results.

These results therefore show an adjusted profit of Euro 4,198 thousand in FY 2023 (against Euro 2,331 thousand in the previous year).

| <b>Adjusted* ECONOMIC DATA</b>             |              |              |              |
|--|--------------|--------------|--------------|
| Values in thousands of Euros               | 31/12/2023   | 31/12/2022   | Variation %  |
| Revenues                                   | 93,035       | 93,949       | -1.0%        |
| Operating costs                            | -85,531      | -89,051      | -4.0%        |
| Gross operating margin (Ebitda)            | 7,504        | 4,898        | 53.2%        |
| Amortisation, depreciation and write-downs | -4,060       | -3,650       | 11.2%        |
| Net operating margin (Ebit)                | 3,444        | 1,248        | 176.0%       |
| Profit/(loss) before tax                   | 4,235        | 2,465        | 71.8%        |
| <b>Final net result - Profit/(loss)</b>    | <b>4,198</b> | <b>2,311</b> | <b>81.6%</b> |

## Calling of the Shareholders' Meeting

The Board of Directors has determined to call the Shareholders' Meeting to approve the 2023 financial statements, which were approved by the Board of Directors on 09 April 2024, within the extended deadline of 180 days of the end of the financial year. As a result, they will be submitted to the Shareholders' Meeting for approval on 24 May 2024 (at 3:00 p.m.) in first call, or on 27 May 2024 (at 3:00 p.m.) in second call.

Given the shareholding structure of the Company, it is anticipated that the Shareholders' Meeting will be validly held already on 24 May 2024.

The Board of Directors will also propose to allocate the profit for the year, of Euro 5,966,890, as follows:

- Euro 298,344.50 to the Legal Reserve;
- a gross dividend of Euro 0.02986 per share entitled to distributable profits, approximately equal to Euro 4,500,000, to the Shareholders;
- to carry forward the residual profit for the year;
- to pay the dividend starting from 05 June 2024, with ex-dividend date 03 June 2024 and record date (date of entitlement to payment of the dividend itself, pursuant to Article 83-terdecies of Legislative Decree no. 58 of 24 February 1998 and Article 2.6.6, paragraph 2 of the Rules of the Markets organised and managed by Borsa Italiana S.p.A.) 04 June 2024.

The Shareholders' Meeting will be called to resolve on the following matters:

- Proposal for approval of the financial statements of "Greenthesi S.p.A." as at 31 December 2023;
- Report on Remuneration Policy and remuneration paid;

Segrate, 09 April 2024

On behalf of the Board of Directors  
The Chair  
Giovanni Bozzetti

## FINANCIAL STATEMENTS AND EXPLANATORY NOTES

### CONSOLIDATED FINANCIAL STATEMENTS – GREENTHESIS GROUP

#### CONSOLIDATED STATEMENT OF FINANCIAL POSITION

|  | NOTES | 31 December<br>2023 | 31 December<br>2022 |
|--|-------|---------------------|---------------------|
| <b>ASSETS</b>  |       |                     |                     |
| <b>NON-CURRENT ASSETS</b>                                  |       |                     |                     |
| Property, plant and equipment and other technical assets   | 1     | 167,824             | 150,430             |
| Real estate investments                                    | 2     | 1,134               | 2,512               |
| Goodwill   | 3     | 43,467              | 35,237              |
| Intangible assets  | 4     | 17,626              | 18,339              |
| Equity investments   | 5     | 5,555               | 5,421               |
| Other financial assets                                     | 6     | 3,808               | 4,243               |
| Prepaid tax assets   | 7     | 5,889               | 5,578               |
| Other assets   | 8     | 7,103               | 6,677               |
| <b>Total non-current assets</b>                            |       | <b>252,406</b>      | <b>228,437</b>      |
| <b>CURRENT ASSETS</b>                                      |       |                     |                     |
| Inventory  | 9     | 2,036               | 2,450               |
| Contract assets  | 10    | 4,545               | 8,290               |
| Trade receivables  | 11    | 43,890              | 36,818              |
| Current tax assets   | 12    | 1,126               | 514                 |
| Financial receivables                                      | 13    | 1,706               | 1,703               |
| Other financial assets                                     | 13    | 20,688              | 6,842               |
| Other assets   | 14    | 12,925              | 13,406              |
| Cash and cash equivalents                                  | 15    | 68,164              | 34,083              |
| <b>Total current assets</b>                                |       | <b>155,080</b>      | <b>104,106</b>      |
| Non-current assets held for sale (discontinued operations) | 16    | 12,334              | 12,276              |
| <b>TOTAL ASSETS</b>  |       | <b>419,820</b>      | <b>344,819</b>      |

|   |    | 31 December<br>2023 | 31 December<br>2022 |
|---|----|---------------------|---------------------|
| <b>LIABILITIES AND EQUITY</b>                         |    |                     |                     |
| <b>EQUITY</b>   | 17 |                     |                     |
| Share capital   |    | 80,704              | 80,704              |
| Reserves  |    | -58,775             | -72,253             |
| Treasury shares                                       |    | -2,495              | -2,495              |
| Profit/(loss) attributable to the Group               |    | 15,026              | 17,269              |
| <b>Group equity</b>                                   |    | <b>34,460</b>       | <b>23,225</b>       |
| Third-party capital and reserves                      |    | 4,498               | 3,137               |
| <b>Total equity</b>                                   |    | <b>38,958</b>       | <b>26,362</b>       |
| <b>NON-CURRENT LIABILITIES</b>                        |    |                     |                     |
| Long-term financial liabilities                       | 18 | 125,922             | 78,328              |
| Provisions for liabilities and charges                | 19 | 92,221              | 91,387              |
| Provision for employee benefits                       | 20 | 4,512               | 3,733               |
| Deferred tax liabilities                              | 21 | 15,843              | 16,459              |
| Other non-current liabilities                         | 22 | 27,338              | 23,037              |
| <b>Total non-current liabilities</b>                  |    | <b>265,836</b>      | <b>212,944</b>      |
| <b>CURRENT LIABILITIES</b>                            |    |                     |                     |
| Short-term financial liabilities                      | 23 | 6,537               | 3,670               |
| Short-term portion of long-term financial liabilities | 24 | 26,044              | 17,306              |
| Trade payables  | 25 | 46,339              | 44,264              |
| Contract liabilities                                  | 26 | 0                   | 1,420               |
| Advances  | 27 | 8,787               | 6,187               |
| Current tax liabilities                               | 28 | 75                  | 1,733               |
| Other current liabilities                             | 29 | 26,657              | 30,356              |
| <b>Total current liabilities</b>                      |    | <b>114,439</b>      | <b>104,936</b>      |
| Non-current liabilities held for sale                 | 30 | 587                 | 577                 |
| <b>TOTAL LIABILITIES AND EQUITY</b>                   |    | <b>419,820</b>      | <b>344,819</b>      |



## CONSOLIDATED INCOME STATEMENT

|   |    | 31 December<br>2023 | 31 December<br>2022 |
|---|----|---------------------|---------------------|
| Revenue from contracts with customers   | 31 | 172,264             | 167,108             |
| Other revenues  | 32 | 1,149               | 4,634               |
| <i>- Other revenues, of which non-recurring items</i>                             |    |                     | 1,679               |
| <b>Total revenues</b>   |    | <b>173,413</b>      | <b>171,742</b>      |
| Purchases of raw materials, semi-finished and other products                      | 33 | -8,843              | -8,819              |
| Services  | 34 | -92,869             | -95,452             |
| <i>- Services, of which non-recurring items</i>                                   |    | -236                | -356                |
| Personnel costs   | 35 | -20,805             | -18,797             |
| Other operating costs   | 36 | -3,690              | -2,732              |
| Costs for leases  | 36 | -1,538              | -1,831              |
| Provisions  | 36 | -4,136              | -2,823              |
| Impairment losses   | 37 | -5                  | -4                  |
| <b>GROSS OPERATING MARGIN (EBITDA)</b>  |    | <b>41,527</b>       | <b>41,284</b>       |
| Amortisation, depreciation and write-downs  | 38 | -14,978             | -12,094             |
| <i>- Amortisation, depreciation and write-downs, of which non-recurring items</i> |    | -1,388              |                     |
| <b>NET OPERATING MARGIN (EBIT)</b>  |    | <b>26,549</b>       | <b>29,190</b>       |
| Financial income  | 39 | 1,990               | 255                 |
| Financial expenses  | 39 | -8,544              | -6,392              |
| Derivatives   | 39 | -143                | -42                 |
| Income/(expenses) from equity investments   | 40 | 914                 | 2,040               |
| <b>PROFIT/(LOSS) BEFORE TAX</b>   |    | <b>20,766</b>       | <b>25,051</b>       |
| Income taxes  | 41 | -4,990              | -6,415              |
| <b>NET PROFIT/(LOSS)</b>  |    | <b>15,776</b>       | <b>18,636</b>       |
| <b>GROUP:</b>   |    | <b>15,026</b>       | <b>17,269</b>       |
| THIRD PARTIES:  |    | 750                 | 1,367               |
| Profit/(loss), basic and diluted  |    | 0.100               | 0.115               |

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

| <i>Values in thousands of Euros</i>   | <b>31 December<br/>2023</b> | <b>31 December<br/>2022</b> |
|---|-----------------------------|-----------------------------|
| <b>NET PROFIT/(LOSS)</b>  | <b>15,776</b>               | <b>18,636</b>               |
| <b><i>Items that may be reclassified subsequently to profit or loss</i></b>           |                             |                             |
| Foreign currency translation differences  | (518)                       | (578)                       |
| <b><i>Total items that may be reclassified subsequently to profit or loss</i></b>     | <b>(518)</b>                | <b>(578)</b>                |
| <b><i>Items that may not be reclassified subsequently to profit or loss</i></b>       |                             |                             |
| Cash flow hedge reserve   | (549)                       | 711                         |
| Cash flow hedge, tax effect   | 132                         | (171)                       |
| <b>Cash flow hedge reserve, net of tax effect</b>                                     | <b>(417)</b>                | <b>540</b>                  |
| Actuarial gain/(loss)   | (41)                        | 268                         |
| Actuarial gain/(loss), tax effect   | 10                          | (64)                        |
| <b>Actuarial gain/(loss), net of tax effect</b>                                       | <b>(31)</b>                 | <b>203</b>                  |
| <b><i>Total items that may not be reclassified subsequently to profit or loss</i></b> | <b>(966)</b>                | <b>166</b>                  |
| <b>Total comprehensive income</b>   | <b>14,810</b>               | <b>18,802</b>               |
| <b>Attributable to:</b>   |                             |                             |
| - Group   | 14,060                      | 17,435                      |
| - third parties   | 750                         | 1,367                       |

## STATEMENT OF CASH FLOWS

| <i>Values in thousands of Euros</i>  | <b>31 December<br/>2023</b> | <b>31 December<br/>2022</b> |
|--|-----------------------------|-----------------------------|
|  | <b>Total</b>                | <b>Total</b>                |
| Cash and cash equivalents at the beginning of the year                       | 34,083                      | 27,536                      |
| Current accounts payable at the beginning of the year                        | (2,618)                     | (995)                       |
| <b>NET CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR</b>            | <b>31,465</b>               | <b>26,541</b>               |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                                  |                             |                             |
| Net profit/(loss)  | 15,776                      | 18,636                      |
| Tax for the year   | 4,990                       | 6,415                       |
| Amortisation, depreciation and write-downs                                   | 14,978                      | 12,094                      |
| Increase/(decrease) in provision for employee benefits                       | 229                         | (295)                       |
| (Capital gain)/loss on sale  | 76                          | 0                           |
| Write-down/(write-up) of equity investments measured using the equity method | (19)                        | (2)                         |
| Increase/(decrease) in provisions for liabilities and charges                | 834                         | (4,480)                     |
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>                                   |                             |                             |
| Tax paid in the year   | (12,023)                    | (3,421)                     |
| Decrease/(increase) in inventory   | 414                         | 449                         |
| Decrease/(increase) in trade receivables                                     | 1,082                       | (5,202)                     |
| - of which from related parties  | 2,408                       | (1,026)                     |
| Decrease/(increase) in other current assets                                  | 8,492                       | 284                         |
| Increase/(decrease) in trade payables  | (1,960)                     | (6,264)                     |
| - of which to related parties  | (6,215)                     | (1,918)                     |
| Increase/(decrease) in other non-financial payables                          | 1,474                       | 4,607                       |
| <b>TOTAL</b>   | <b>34,342</b>               | <b>22,821</b>               |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>                                  |                             |                             |
| Investments in tangible assets   | (17,332)                    | (13,947)                    |
| Divestments of real estate   | 1,378                       | 1,268                       |
| Investments in intangible assets   | (8,878)                     | (5,664)                     |
| (Equity investments)   | (115)                       | (0)                         |
| Acquisition of Padana Energia - Carborem - Bigaran                           | (1,590)                     | (499)                       |
| (Investments in)/divestments of other long-term assets                       | 124                         | (415)                       |
| <b>TOTAL</b>   | <b>(26,413)</b>             | <b>(19,257)</b>             |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>                                  |                             |                             |
| (Repayment of) medium/long-term financial borrowings                         | 34,689                      | 549                         |
| Lease liabilities paid   | (4,544)                     | (3,239)                     |
| Change in other financial assets/liabilities                                 | (3,231)                     | 6,109                       |
| - of which from related parties  | 1,589                       | (1,541)                     |
| Dividends paid   | (2,840)                     | (1,462)                     |
| Other changes in equity  | (340)                       | (597)                       |
| <b>Total</b>   | <b>23,734</b>               | <b>1,360</b>                |
| <b>NET CASH FLOW</b>   | <b>31,663</b>               | <b>4,924</b>                |
| <b>NET CASH AND CASH EQUIVALENTS AT YEAR-END</b>                             |                             |                             |
| Cash and cash equivalents at year-end  | 68,164                      | 34,083                      |
| Current accounts payable at year-end   | (5,036)                     | (2,618)                     |
| <b>NET CASH AND CASH EQUIVALENTS AT YEAR-END</b>                             | <b>63,128</b>               | <b>31,465</b>               |
| <b>OTHER INFORMATION</b>   |                             |                             |
| Financial expenses paid in the year  | (6,554)                     | (5,605)                     |

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

| <i>Values in thousands of Euros</i>           | Share capital | Legal reserve | Other reserves  | Treasury shares | Profit/(loss) for the year | Total Group equity | Third-party capital and reserves | Total Equity  |
|---|---------------|---------------|-----------------|-----------------|----------------------------|--------------------|----------------------------------|---------------|
| <b>BALANCE AS AT 01/01/2023</b>               | <b>80,704</b> | <b>2,331</b>  | <b>(74,584)</b> | <b>(2,495)</b>  | <b>17,269</b>              | <b>23,225</b>      | <b>3,137</b>                     | <b>26,362</b> |
| <b>TRANSACTIONS WITH SHAREHOLDERS</b>         |               |               |                 |                 |                            |                    |                                  |               |
| Dividends paid                                |               |               |                 |                 | (2,840)                    | (2,840)            | (610)                            | (3,450)       |
| Previous year's profit/(loss)                 |               | 178           | 14,251          |                 | (14,429)                   | 0                  | 0                                | 0             |
| Acquisitions or changes in equity investments |               |               | 16              |                 |                            | 16                 | 1,221                            | 1,237         |
| <b>NET PROFIT/(LOSS)</b>                      |               |               |                 |                 | <b>15,026</b>              | <b>15,026</b>      | <b>750</b>                       | <b>15,776</b> |
| <b>OTHER COMPREHENSIVE INCOME/(LOSS)</b>      |               |               |                 |                 |                            |                    |                                  |               |
| Cash flow hedge reserve                       |               |               | (417)           |                 |                            | (417)              |                                  | (417)         |
| Actuarial gain/(loss)                         |               |               | (31)            |                 |                            | (31)               |                                  | (31)          |
| Translation reserve                           |               |               | (518)           |                 |                            | (518)              |                                  | (518)         |
| <b>COMPREHENSIVE INCOME/(LOSS)</b>            |               |               | <b>(966)</b>    |                 | <b>15,026</b>              | <b>14,060</b>      | <b>750</b>                       | <b>14,810</b> |
| <b>BALANCE AS AT 31/12/2023</b>               | <b>80,704</b> | <b>2,509</b>  | <b>(61,283)</b> | <b>(2,495)</b>  | <b>15,026</b>              | <b>34,460</b>      | <b>4,498</b>                     | <b>38,958</b> |



| <i>Values in thousands of Euros</i>      | Share capital | Legal reserve | Other reserves  | Treasury shares | Profit/(loss) for the year | Total Group equity | Third-party capital and reserves | Total Equity  |
|--|---------------|---------------|-----------------|-----------------|----------------------------|--------------------|----------------------------------|---------------|
| <b>BALANCE AS AT 01/01/2022</b>          | <b>80,704</b> | <b>2,131</b>  | <b>(82,508)</b> | <b>(2,495)</b>  | <b>9,649</b>               | <b>7,481</b>       | <b>1,724</b>                     | <b>9,205</b>  |
| <b>TRANSACTIONS WITH SHAREHOLDERS</b>    |               |               |                 |                 |                            |                    |                                  |               |
| Dividends paid                           |               |               |                 |                 | (1,462)                    | (1,462)            | (90)                             | (1,552)       |
| Previous year's profit/(loss)            |               | 200           | 7,987           |                 | (8,187)                    | 0                  | 0                                | 0             |
| Other changes                            |               |               | (229)           |                 |                            | (229)              | 136                              | (93)          |
| <b>NET PROFIT/(LOSS)</b>                 |               |               |                 |                 | <b>17,269</b>              | <b>17,269</b>      | <b>1,367</b>                     | <b>18,636</b> |
| <b>OTHER COMPREHENSIVE INCOME/(LOSS)</b> |               |               |                 |                 |                            |                    |                                  |               |
| Cash flow hedge reserve                  |               |               | 540             |                 |                            | 540                |                                  | 540           |
| Actuarial gain/(loss)                    |               |               | 203             |                 |                            | 203                |                                  | 203           |
| Translation reserve                      |               |               | (578)           |                 |                            | (578)              |                                  | (578)         |
| <b>COMPREHENSIVE INCOME/(LOSS)</b>       |               |               | <b>166</b>      |                 | <b>17,269</b>              | <b>17,435</b>      | <b>1,367</b>                     | <b>18,802</b> |
| <b>BALANCE AS AT 31/12/2022</b>          | <b>80,704</b> | <b>2,331</b>  | <b>(74,584)</b> | <b>(2,495)</b>  | <b>17,269</b>              | <b>23,225</b>      | <b>3,137</b>                     | <b>26,362</b> |

