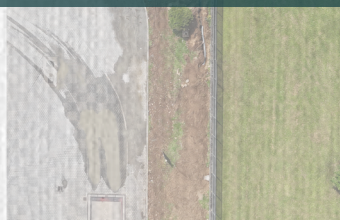




Cardinali Holding

# THE FUTURE IN OUR HANDS



## Sustainability Report 2023





# CONTENTS

LETTER TO OUR STAKEHOLDERS	4
1 - THE PROFILE OF CARDINALI HOLDING	6
Group companies	8
Business ethics and protection of human rights	10
2- OUR APPROACH TO SUSTAINABILITY REPORTING	16
Our Stakeholders	18
Materiality analysis and reporting scope	20
3 - CORPORATE GOVERNANCE	22
The governance structure	23
Innovation	26
Risk Management	28
Sustainable supply chain management	29
4 - ENVIRONMENTAL RESPONSIBILITY	31
Energy management, emissions and combating climate change	32
Waste management and circularity	40
Water and wastewater management	47
Protecting biodiversity	50
5 - SOCIAL RESPONSIBILITY	53
Our people	54
Workers' health and safety	59
Diversity, inclusion and equal opportunities	69
Employee development and well-being	70
Product safety and quality	73
Local community development	75
APPENDIX	79
Methodological note	79
GRI Table of Contents	80

A portrait of a middle-aged man with light brown hair and blue eyes, smiling slightly. He is wearing a dark blue blazer over a white button-down shirt. He is sitting at a dark desk with his hands clasped in front of him. The background consists of vertical wooden slats.

# LETTER TO OUR STAKEHOLDERS



## Dear Stakeholders,

we are pleased to present our first Sustainability Report for Cardinali Holding, a group that includes the companies CPC Inox S.p.A., AD Tubi Inossidabili S.p.A. and Podere Vito Cardinali.

The fact that the companies CPC Inox and AD Tubi Inossidabili S.p.A. belong to the same sector and the similarity of business activities allow for strong synergies in terms of reporting. The scope of this Report therefore includes data relating to the activities and projects of CPC Inox S.p.A. and AD Tubi Inossidabili S.p.A.

For AD Tubi, this is the first Sustainability Report, demonstrating the homogeneity of our Holding's entrepreneurial vision.

Podere Vito Cardinali, the farm founded by my father in 1977, has not been included in this Report due to the nature of its activities and its size. The Podere has always been an expression of the care that the Cardinali family has for the environment, which translates into a concrete and ongoing commitment in all the Group's entities.

For us, operating with a sustainable approach means planning projects in such a way that they can generate value for the territory and society and limit the impact on the environment. A vision that is more necessary today than ever before and must concern every one of us.

We are also convinced that our group's strength stems from its people, their professional satisfaction and personal peace of mind. This is why we have built over the years a reality that puts our employees at the centre. We have implemented and expanded welfare policies and involved all our employees in company life through careful and timely internal communication.

Since 2023, we have implemented major photovoltaic systems at the CPC Inox locations in Basiano and Gessate, which today cover up to 40 per cent of the company's energy needs. Thanks to the projects explained in detail within the report, we have also lowered the CO<sub>2</sub>-equivalent emission intensity per tonne.

Concrete answers that we have a duty to provide to all of you, aware that our evolving market is increasingly sensitive to the issue of sustainability and requires real commitments from partners and suppliers to reduce their environmental impact as well.

The results achieved so far are a great incentive to continue along this path, which we are sure will bring great satisfaction and benefits to us all.



1

# THE PROFILE OF CARDINALI HOLDING



Cardinali Holding S.p.A., founded by the Cardinali family in 2000 as H.D.M. and which became Cardinali Holding in 2023, is **an example of excellence on the Italian and international industrial scene**. Indeed, our holding company is the custodian of an entrepreneurial legacy that combines business objectives with a strong commitment to the territory and society.

Cardinali Holding controls the companies CPC Inox, AD Tubi Inossidabili and Podere Vito Cardinali, as well as having stakes in other companies. The values of reliability, centrality of people, innovation and sustainability run across all group's companies and represent the Cardinali family's approach to entrepreneurship. **Every year, the group makes important industrial and social investments, supporting numerous realities active in different fields, such as scientific research, environmental protection, and support for the territory and social fabric.**

With a history of success behind it, Cardinali Holding looks to the future with the aim of continuing to be a solid business that generates all-round value, always keeping **people and the environment** at the centre.



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THE GROUP'S COMPANIES

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Cardinali Holding Highlights 2023

**+250 M€**  
OF TURNOVER

**+30 M€**  
OF EBITDA

**+250**  
EMPLOYEES



Founded in 1997 and recently becoming part of Cardinali Holding in mid-2023, AD Tubi Inossidabili is a benchmark for innovation and quality in tube production. Quality, Expertise and Flexibility are its characterising pillars. In particular, the company specialises in the production of welded pipes made of stainless steel, nickel alloys and titanium for an extremely demanding market, especially in the energy and process industry sectors: heaters, coolers, air conditioners, evaporators for power plants, chemical and petrochemical plants, refineries, natural gas processing, water treatment, desalinisation, nuclear plants and solar energy plants. AD Tubi Inossidabili has a production plant in Casnate con Bernate (CO).

## AD Tubi Inossidabili

Founded in 1976, it is a leading manufacturer of semi-finished stainless steel products on a national and international scale. Speed, punctuality, quality and sustainability are the pillars that characterise the company. From Cardinali Holding, CPC Inox takes on the values of reliability, thanks to its profound experience in the steel sector, innovation, with constant investments in state-of-the-art machinery, sustainability of the territory and attention to corporate welfare, with training and staff development programmes. In Italy, the company runs two production sites in Basiano and Gessate and offices in Via Senofonte in Milan. In France and Germany, the company operates through the sales subsidiaries CPC Inox France and CPC Inox Deutschland.

## CPC Inox

The Podere Vito Cardinali farm is dedicated to the production of wine and oil, with a special focus on sustainability and nature conservation. As a concrete expression of the bond with Morro d'Alba (AN) and the commitment to upgrading the area by creating social value, the family farm was founded in 1977 with the aim of combining the production of excellent wines and extra-virgin olive oils with the development of an idea of agricultural enterprise that is both ancient and modern. The company focuses on human relations, the countryside and work as an opportunity for individual fulfilment, paying particular attention to the environmental sustainability of production, in order to create a healthy workplace for the community and respect the balance of nature.

## Podere Vito Cardinali



## BUSINESS ETHICS AND PROTECTION OF HUMAN RIGHTS

At Cardinali Holding, we are committed to operating according to the highest standards of ethics and integrity. The values that we share with all employees and represent the core of our identity and our daily operations are:

### RELIABILITY

We build lasting relationships with all stakeholders, based on trust, concreteness and consistency.

### PEOPLE

We value our staff and promote an inclusive and respectful working environment.

### INNOVATION

We encourage innovation to continuously improve our processes and products.

### SUSTAINABILITY

We are committed to operating sustainably, with attention for the environment and the community.



The Code of Ethics of CPC Inox is a document shared with all employees that represents the foundation of everyone's rights and duties as a testimony to our ethical and social responsibility.

Although AD Tubi Inossidabili has not yet formalised its own Code of Ethics, it is in the future plans to draft one that reflects our high standards. In the meantime, the principles and values outlined in the CPC Inox Code of Ethics remain an indispensable point of reference for the Group, guiding our daily actions and decisions.

Integrity, transparency of information and respect for all employees are the values expressed within this document.

The general principles of conduct, which apply equally to all our activities and business relations, can be summarised as follows:

- HONESTY, MORAL INTEGRITY, FAIRNESS, TRANSPARENCY AND OBJECTIVITY.
- GUARANTEE OF EQUAL OPPORTUNITIES AGAINST ALL FORMS OF DISCRIMINATION.
- FAIR COMPETITION.
- GUARANTEE OF SERVICE AND PRODUCT QUALITY.
- REPUDIATION OF CHILD LABOUR.



## BUSINESS ETHICS AND PROTECTION OF HUMAN RIGHTS

In continuity with the Code of Ethics, **CPC Inox** has adopted an Organisational, Management and Control Model conforming to the provisions of Legislative Decree 231/2001, to consolidate the principles of transparency and correctness in the management of company activities and establish a corporate culture based on integrity and responsibility. Likewise, it is our intention to extend these high standards to **AD Tubi Inossidabili**, equipping it with a similar organisational model. This is a further step in our journey towards ethical and operational excellence, which will lead every company in the Group to operate with the same values and regulations.

As part of our ongoing anti-corruption efforts, **CPC Inox** conducted a thorough corruption risk assessment at 100 per cent of its corporate locations during the preparation of Model 231. Corruption offences, including those between private individuals, from which the entity could benefit, whether economically or otherwise, were examined. In particular, attention was focused on the business processes most sensitive to such risks.

Furthermore, **CPC Inox** has adopted proactive measures aimed at employees and collaborators to reinforce awareness of the importance of preventing all possible forms of corruption. In particular:

All employees have been informed on the adoption of Model 231 and the Code of Ethics, fundamental tools which outline the ethical and legal conduct expected in the company.

Comprehensive training has been provided to all personnel on the corruption offences under the Model, ensuring that each individual fully understands the legal implications and associated sanctions.

These actions reflect our commitment to maintaining an ethical and compliant working environment, contributing to a sustainable and corruption-free future.





## BUSINESS ETHICS AND PROTECTION OF HUMAN RIGHTS

The dissemination of the Code of Ethics and Model 231 in **CPC Inox** takes place through the company communication tools, such as the corporate website, information meetings and staff training. These information practices are also essential for the Whistleblowing procedure, which allows employees to anonymously report any conduct contrary to the provisions of the documents in question.

**During 2023, we vigorously pursued training and awareness-raising activities related to the Code of Ethics and Model 231, aimed at both internal and external stakeholders.**

This educational process is crucial to consolidate a shared understanding of our corporate values and ethical expectations.

Looking ahead, we aim to refine the selection of our partners through an assessment process, which is based on the shared values clearly expressed in the **CPC Inox** Code of Ethics. With the help of evaluation questionnaires, we aim

to obtain a more detailed picture of the commitment to respect human rights and workers' conditions.

On the specific subject of human rights, we have disseminated the **CPC Inox** Code of Ethics within the supply chain as an integral part of orders and, consequently, as a mandatory requirement for compliance with contractual agreements.

**We aim in the future to intensify the focus on human rights in every segment of the supply chain to ensure compliance with that document and international regulations.**





# 2

## OUR APPROACH TO SUSTAINABILITY REPORTING



**For us Sustainability is a core value, an indispensable principle that guides our initiatives and decisions.**

Commitment to the environment and society is not only part of our corporate mission but is the foundation on which we build our future and that of generations to come.

For some time now, we have undertaken various initiatives, such as the evaluation of our circular economy performance, the calculation of our carbon footprint and the installation of photovoltaic systems, which bear witness to our dedication to sustainable progress. CPC Inox's Sustainability Report 2022, published last year, marked an important milestone in the company's history, inaugurating our sustainability reporting journey.

**In 2023, we have further strengthened our commitment with tangible actions, confirming our determination towards responsible corporate governance. Through this Sustainability Report, we want to share with total transparency our initiatives and achievements in the environmental, social and governance fields, with the aim of maintaining an open and constructive dialogue with all our stakeholders.**





## OUR STAKEHOLDERS

In our ongoing commitment to **a constructive and transparent dialogue**, we have refined our stakeholder mapping, identifying the main stakeholders who influence and are influenced by the company's activities.

**This process allowed us to better understand the frequency and relevance of interactions with each category of stakeholders, enabling us to refine our engagement strategies.**



Through an open and constant dialogue with these groups, we strive **to strengthen our network of relationships and promote a corporate culture** centred on mutual trust and respect for shared values.



## MATERIALITY ANALYSIS AND REPORTING SCOPE

In the course of 2023, we prepared the first Sustainability Report for CPC Inox with reference to the financial year 2022, elaborating a materiality analysis aimed at identifying the sustainability issues of greatest relevance for the company.

This process involved top management, which, supported by external experts, worked to recognise and assess the main impacts - both potential and actual, positive and negative - that business activities have on the environment, the economy and people.

**Following the acquisition of AD Tubi Inossidabili in June 2023, we considered it appropriate to integrate the sustainability reports of AD Tubi Inossidabili and CPC Inox into a single report.**

The fact that both companies belong to the same industry and the similarity of business activities allows for strong synergies in terms of reporting.

**Therefore, the scope of this Report includes CPC Inox S.p.A. and AD Tubi Inossidabili S.p.A., excluding information relating to Podere Vito Cardinali.**

It is also important to emphasise that although the acquisition of AD Tubi took place during 2023, the figures presented in this report reflect the entire year, thus ensuring a **complete and accurate view of the company's sustainability performance.**



# MATERIAL TOPICS

Health and safety at work  
Product safety and quality  
Combating climate change  
Employee development and welfare  
Energy management  
Business Ethics  
Risk and crisis management  
Human rights protection  
Innovation  
Stakeholder engagement  
Waste management and circularity  
Diversity, inclusion and equal opportunities  
Development of local communities  
Air quality improvement  
Supply chain management  
Biodiversity protection  
Water resource management

*The sales subsidiaries of CPC Inox Deutschland and CPC Inox France, together with the Milan offices located in Via Senofonte, are not included in the scope of company reporting, as their figures represent a marginal share of the company total.*

*Excluded from the reporting boundary are AD Tubi Advanced S.r.l. and the US production site in Siler City due to data retrieval difficulties.*



3

# CORPORATE GOVERNANCE



## THE GOVERNANCE STRUCTURE

**Our governance structure rests on the Board of Directors**, which holds overall authority for the management of the company and the pursuit of corporate goals. It is the responsibility of the Board of Directors to outline the company's strategic directions and to ensure that the organisation is run efficiently, both organisationally and functionally.

The Board of Directors consists of six members, each of whom brings a wide range of **skills and experience** essential to ensure effective corporate governance and the pursuit of corporate goals.

BOARD MEMBER	ROLE
Vito Cardinali	Chairman of the Board
Stefano Cardinali	Managing Director
Giovanni Venerito	Director
Pierluigi Vidari	Director
Emilio Pedron	Director
Alessandro Santini	Director



## THE GOVERNANCE STRUCTURE

**The Board of Directors plays a central role in strategically guiding the implementation of sustainability principles in the subsidiaries, defining objectives and planning activities essential to their achievement.**

In carrying out these activities, the Board carefully evaluates a number of critical factors, including but not limited to: regulatory changes, significant environmental impacts, ethical principles, stakeholder expectations and needs, technological innovations, and available operational and financial resources.

In addition, the Board plays a key role in the review and approval of corporate impacts in the context of materiality analysis. This activity, carried out with the support of external experts, is essential for the identification of material issues that influence our strategy and operations.

In parallel, the Board assumes responsibility for reviewing and validating the information contained in the sustainability report. This commitment reflects our dedication to providing clear

and accurate communication of our sustainability efforts, allowing stakeholders to concretely assess our progress. This way, Sustainability reporting becomes a tool for dialogue and transparency, testifying to the adequacy of our governance practices and our adherence to the highest ethical standards.

**As part of our governance structure, we are committed to ensuring that environmental sustainability practices are embedded in all controlled companies.**

To this end, we have confirmed the role of the Sustainability Manager in both CPC Inox and AD Tubi Inossidabili. The managers are responsible for providing the Board of Directors with support in identifying significant environmental aspects related to production activities and defining the relevant mitigation and prevention measures. They report to the Management Committee of their respective companies and participate in monthly meetings where internal activities are discussed and proposals for improving and implementing ESG actions are evaluated, including the evaluation of our competitors' practices.





## INNOVATION

**At the heart of our corporate vision, innovation is the compass that guides us towards ever more sustainable and responsible horizons.** With one eye on market dynamics and the other on the well-being of the planet, our vision of innovation translates into concrete actions that, step by step, foster conscious business growth and a reduced environmental impact.

In **2023**, we renewed our commitment to be pioneers of change, investing in the search for solutions to the most pressing global challenges. We have broadened our approach to innovation, seeing it not just as a mean to optimise processes, but as an intrinsic value that permeates every aspect of our operations. This year, we have initiated projects that demonstrate our commitment to a circular economy and a greener future.



*A tangible example of this is our project to reduce the use of plastic in CPC Inox packaging, which led to a 20 per cent decrease compared to the previous year, or the adoption of photovoltaic systems capable of producing a total of 2,732 KWP. In addition, the recently launched Hydra-to-Zero project is designed to eliminate water leakage in water networks, thanks to a system of corrugated steel pipes.*



In the field of research and development, we explored new materials for applications in fuel cells and electrolyzers, analysed materials for the production of bipolar plates and introduced advanced instrumentation for their characterisation.

Looking ahead, we are committed to investing relentlessly in innovation, focusing in particular on:

**OPTIMISATION OF PRODUCTION AND LOGISTICS PROCESSES  
TO INCREASE EFFICIENCY AND REDUCE WASTE**

**THE USE OF MATERIALS IN PACKAGING THAT FACILITATE  
DISPOSAL AND REDUCE ENVIRONMENTAL IMPACT**

**THE DEVELOPMENT OF INNOVATIVE SOLUTIONS TO BE  
PROPOSED TO OUR CUSTOMERS, WITH R&D PROJECTS  
TARGETING THE END-USES OF PRODUCTS**



## RISK MANAGEMENT

In the context of an increasingly interconnected and dynamic world, crisis risk management plays a crucial role for organisations. Global challenges, such as climate change, pandemics, geopolitical tensions and natural disasters, confront companies with a range of threats that can undermine their stability and resilience. In this perspective, we recognise the importance of a proactive strategy aimed at mitigating risks and protecting our stakeholders.

Risk management is not only about prevention but also about preparedness and response with respect to crises. A well-structured business continuity plan, staff training and effective communication are key elements in dealing with emergency situations.

During 2023, we developed partnerships with domestic and European suppliers to minimise risks related to imports, transportation and geopolitical contexts. These partnerships allow us to diversify our sources of supply and reduce dependency on individual markets or regions. With regard to information systems, we implemented actions to reduce cybersecurity-related risks and improve processes for restoring systems and data in the event of major emergencies.

***Our objectives include ensuring business continuity, keeping the analysis of potential risks up-to-date as the context evolves, and ensuring that actions taken are monitored. In the long term, we aim to adopt a structured Business Continuity management model based on the guidelines of ISO 22301.***



## SUSTAINABLE SUPPLY CHAIN MANAGEMENT

Sustainability in the supply chain is an imperative that transcends corporate boundaries, rooted in the core values of environmental responsibility, social equity and ethical governance. In the current context, the importance of holistic and sustainable supply chain management is becoming increasingly evident.

To ensure an increasingly strong sustainability profile in our supply chain, we have outlined a number of goals:

- **Ranking suppliers based on ESG indicators, with a preference towards those that demonstrate a higher ranking.**
- **Implementing self-assessment questionnaires for suppliers without sustainability reports, in order to promote sustainable and transparent practices throughout the value chain.**

During 2023, in anticipation of the start of the transitional period of the Carbon Border Adjustment

Mechanism (CBAM), a preliminary analysis of non-European raw material suppliers was conducted at CPC Inox. During this examination, the production processes, the related direct and indirect emissions and the percentage of recycled material were carefully assessed. In addition, a targeted analysis of non-EU suppliers was carried out to verify their ability to provide emission data in accordance with the methodology required by the CBAM.

In the process of evaluating raw material suppliers, two new criteria were introduced: the ability to provide data on greenhouse gas emissions and the availability of sustainability reports. This analysis involved 25 suppliers, of which 13 were able to promptly provide the required data, while we are working with the remaining 12 on obtaining the complete information by September 2024.

We are aware of the importance of supporting local economies through a responsible supply chain. In line with this commitment, 35.2% of the expenditure for raw materials made by **CPC Inox** is dedicated



## SUSTAINABLE SUPPLY CHAIN MANAGEMENT

to suppliers located in Italy, thus strengthening the national economy. This percentage increases significantly when raw material suppliers are excluded, with a remarkable 76.4% of total expenditure going to Italian suppliers other than raw material suppliers.

In 2023, **AD Tubi Inossidabili** collaborated with 260 Italian suppliers, to whom it directed more than 84% of its total expenditure. Of these suppliers, 188 came from the Lombardy provinces of Como, Lecco, Varese, Milan, and Monza and Brianza, to whom the company made around 50% of payments in the reporting year, underlining its strong ties with the region.





4



# ENVIRONMENTAL RESPONSIBILITY



## ENERGY MANAGEMENT, EMISSIONS AND COMBATING CLIMATE CHANGE

### CPC Inox

During **2023**, we witnessed significant developments in the global energy landscape, which reaffirmed the importance of responsible and innovative energy management. The acceleration towards renewable energy sources and growing environmental awareness have opened up new perspectives for companies committed to reducing their climate impact. Our commitment translates into careful management of energy resources, aimed not only at efficiency and cost reduction but also at the pursuit of a cleaner and more sustainable future. Our strategy focuses on innovation and the adoption of cutting-edge technologies that enable us to reduce our carbon footprint and make a positive impact on the environment.

During 2023, decisive steps were taken at **CPC Inox** to consolidate the transition to a low greenhouse gas economy, including:

**Completion of works in the Production office building in Basiano in January 2023, improving the thermal efficiency for heating, cooling and domestic water production**

**Connection of the photovoltaic plant in Basiano on 22 May 2023, with a peak power of 631 KW**

**Increased use of renewable energy sources and selection of suppliers committed to reducing greenhouse gases**

**Launch of a home automation project in production departments to optimise energy management**

**Increasing green areas by planning tree planting in Gessate**



## CPC Inox

To reduce further the environmental impact of the company, additional initiatives have been planned, in particular:

**Connection of an additional photovoltaic plant in Gessate with a peak power of 1138 KW**

**Renovation of the Gessate factory premises, including production offices, dining room and changing rooms, with the upgrading of plumbing and heating systems**

**Completion of the transition to LED lighting and implementation of home automation systems for automated management of lights, windows and heating**

**Evaluation of the storage of unused energy generated by the photovoltaic system**

In the period between 1 January and 31 December 2023, the total energy consumption of **CPC Inox** reached 21,438 GJ. Of this amount, approximately 24.5% was used for space heating through the use of natural gas. Of the total energy consumption, 74% was attributable to electrical energy, used mainly in production operations. The remaining 1.5% is made up of the use of non-renewable fossil fuels such as diesel, petrol and natural gas, used for company vehicles.





## ENERGY MANAGEMENT, EMISSIONS AND COMBATING CLIMATE CHANGE

### CPC Inox

Table 3 - GRI 302-1 Energy consumed within the organisation [CPC Inox].

TYPE OF CONSUMPTION	UNITS OF MEASUREMENT	TOTAL	TOTAL GJ
Non-renewable fuels	Smc	148.671	5.245
Natural gas (heating)	Smc	148.671	5.245
Transport fuels	-	-	333
Diesel	Litri	4.488	159
Petrol	Litri	4.247	133
Natural gas (automotive)	Kg	900	41
Electricity consumed	kWh	4.405.418	15.860
Electricity purchased	kWh	3.374.522	12.148
Self-produced and consumed electricity	kWh	1.030.896	3.711
of which from non-renewable sources	kWh	-	-
of which from renewable sources	kWh	1.030.896	3.711
Total energy consumption	GJ	%	Totale GJ
Renewable energy	GJ	17	3.711
Non-renewable energy	GJ	83	17.727

4 - ENVIRONMENTAL RESPONSIBILITY

TOTAL ENERGY CONSUMPTION 2023 CPC INOX

21.438 GJ

TOTAL ENERGY CONSUMPTION 2022 CPC INOX

23.746 GJ



## CPC Inox

**In 2023, CPC Inox recorded a total of 1,144 tonnes of CO<sub>2</sub> equivalent in terms of emissions.**

Most of these, 71%, fall under Scope 2, which includes indirect emissions associated with the purchase of electricity. The remaining 29% of emissions are attributable to Scope 1, which includes direct emissions from the use of methane gas and fuel combustion in company transport vehicles.

We also calculated the emission intensity by normalising the total emissions against the total product cut in 2023, which is 109,610 tons of steel. Based on this calculation, the emission intensity was found to be 10.44 kg of CO<sub>2</sub> equivalent per ton of product, a clear decrease from the 2022 figure of 22.83 kg CO<sub>2</sub> equivalent per tonne of product.





## ENERGY MANAGEMENT, EMISSIONS AND COMBATING CLIMATE CHANGE

## CPC Inox

Table 4 - GRI 305-1 Direct GHG emissions (Scope 1), GRI 305-2 Indirect GHG emissions from energy consumption (Scope 2) [CPC Inox].

TYPE OF EMISSION	UNITS OF MEASUREMENT	EMISSIONS
Scope 1	tCO <sub>2</sub> eq	332
Stationary combustion	tCO <sub>2</sub> eq	303
Transport combustion	tCO <sub>2</sub> eq	29
Scope 2 - Location-based	tCO <sub>2</sub> eq	879
Purchased electricity	tCO <sub>2</sub> eq	879
Scope 2 - Market-based	tCO <sub>2</sub> eq	812
Purchased electricity	tCO <sub>2</sub> eq	812
TOTAL EMISSIONS		
Scope 1 + Scope 2 Location-based	tCO <sub>2</sub> eq	1.211
Scope 1 + Scope 2 Market-based	tCO <sub>2</sub> eq	1.144

The 2022 figure was recalculated following a correction for the amount of electricity purchased for 2022. Calculation made considering total Scope 1 + Scope 2 Market-based emissions.

The 2022 intensity has been recalculated in light of a unit correction of steel production for 2022.

The source of the emission factors used to calculate Scope 1 GHG emissions is "Government conversion factors for company reporting of greenhouse gas emissions", published by the Department for Environment Food and Rural Affairs (DEFRA), 2023. The Location-based methodology is based on average emission factors for energy generation by geographical boundaries (source Location-based emission factor: ISPRA).

The Market-based methodology reflects the emissions from electricity that companies have deliberately chosen (or their non-choice), using supplier-specific emission factors or emission factors related to the 'residual mix' and, where present, Guarantee of Origin certificates (Market-based emission factor source: ENEL).



## CPC Inox

TOTAL EMISSIONS SCOPE 1 + SCOPE 2 LOCATION-BASED 2023 CPC INOX	1.211
TOTAL EMISSIONS SCOPE 1 + SCOPE 2 LOCATION-BASED 2022 CPC INOX	1.726
TOTAL EMISSIONS SCOPE 1 + SCOPE 2 MARKET-BASED 2023 CPC INOX	1.144
TOTAL EMISSIONS SCOPE 1 + SCOPE 2 MARKET-BASED 2022 CPC INOX	2.492

*The substantial decrease in Scope 2 emissions according to the market-based method is attributable for about 40 per cent to the lower power purchase caused by the commissioning of photovoltaic systems, and for about 60 per cent to the choice of emission factor, which in 2023 fell on the mix of ENEL Energia, instead of the residual mix of AIB used in the 2022 Report of CPC Inox.*

In relation to emissions of air pollutants, **CPC Inox**'s activities are characterised by low emissions, which is why it has not been necessary to implement a regular measurement regime. The limited emissions of nitrogen oxides produced are mainly due to the operation of gas boilers, emissions from our company fleet vehicles, and laser cutting processes. For the latter activity, extraction systems with dedicated filters are installed to mitigate the environmental impact. In addition, potential fine metal dust emissions may originate during slitter-cutting operations. Again, effective filtering systems are in place to minimise the dispersion of such particles into the environment.



## ENERGY MANAGEMENT, EMISSIONS AND COMBATING CLIMATE CHANGE

## AD Tubi Inossidabili

As far as **AD Tubi Inossidabili** is concerned, total energy consumption amounted to 17,207 GJ, the majority of which (89%) is attributable to the use of electricity purchased from the national grid

Table 5 - GRI 302-1 Energy consumed within the organisation [AD Tubes].

TYPE OF CONSUMPTION	UNITS MEASUREMENT	TOTAL	TOTALGJ
Non-renewable fuels	Smc	52.479	1.851
Natural gas	Smc	52.479	1.851
Transport fuels	Litri	1.290	44
Diesel	Litri	840	30
Petrol (plug-in hybrid)	Litri	450	14
Electricity consumed	kWh	4.252.642	15.310
Electricity purchased	kWh	4.233.841	15.242
Self-produced and consumed electricity	kWh	18.801	68
of which from non-renewable sources	kWh	0	0
of which from renewable sources	kWh	18.801	68
TOTAL ENERGY CONSUMPTION	GJ	%	TOTALE GJ
Renewable energy	GJ	0,4	68
Non-renewable energy	GJ	99,6	17.137

4 - ENVIRONMENTAL RESPONSIBILITY

This resulted in 1,014 tonnes of CO<sub>2</sub> equivalent. The emission intensity was also calculated, which for AD Tubi was 251.81 kg of CO<sub>2</sub> equivalent per ton of product.



## AD Tubi Inossidabili

Table 6 - GRI 305-1 Direct GHG Emissions (Scope 1), GRI 305-2 Indirect GHG Emissions from Energy Consumption (Scope 2)  
[AD Tubi].

TYPE OF ISSUE	UNITS MEASUREMENT	EMISSIONS
Scope 1	tCO <sub>2</sub> eq	110
Stationary combustion	tCO <sub>2</sub> eq	107
Transport combustion	tCO <sub>2</sub> eq	3
Scope 2 - Location-based	tCO <sub>2</sub> eq	1.103
Purchased electricity	tCO <sub>2</sub> eq	1.103
Scope 2 - Market-based	tCO <sub>2</sub> eq	905
Purchased electricity	tCO <sub>2</sub> eq	905
TOTAL EMISSIONS		
Scope 1 + Scope 2 Location-based	tCO <sub>2</sub> eq	1.212
Scope 1 + Scope 2 Market-based	tCO <sub>2</sub> eq	1.014

**AD Tubi Inossidabili has had an environmental management system certified by a third party in accordance with ISO 14001 since 2014, which has enabled it to keep its environmental impact under control and mitigate it over the years with targeted actions.**



## WASTE MANAGEMENT AND CIRCULARITY

### CPC Inox

The era in which we live confronts us with unprecedented environmental challenges, pushing us to reconsider our relationship with natural resources and to review our production and consumption practices.

Effective waste management and the adoption of a circular economic model are no longer options, but pressing necessities to ensure the sustainability of our planet.

Aware of the responsibilities of our steel companies, we recognise the opportunity to drive change towards a greener future.

**In its life cycle, steel is an emblematic example of circularity, as a material that not only lends itself to complete recycling but also retains its properties even after numerous re-use cycles.**

Our vision for the future focuses on optimising waste separation within our plants and offices. We aim to raise staff awareness and develop visual instructions to guide effective waste management. The goal is to significantly reduce waste sent to landfill and increase opportunities for reuse, moving towards an increasingly circular economy.



## CPC Inox

**We have successfully launched a revolutionary CPC Inox packaging overhaul project.**

This initiative has significantly reduced the use of plastic by more than 5 tonnes, marking a decrease of 20% compared to the previous year. In addition, we have made a qualitative leap in the use of recycled plastic, which now accounts for 80% of the material used for certain types of packaging.

Our innovation did not stop at the choice of materials but also influenced packaging design.

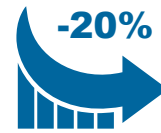
The entire range was revised, from cellophane to stretch film to bubble wrap, achieving cost reductions through the use of regenerated or second-life materials.

The new packaging also includes detailed information on the type of material used and the resource savings, to highlight the commitment to reducing the use of non-recyclable materials.

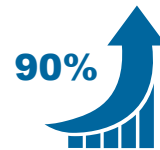
With these actions, **CPC Inox** establishes itself as an industry leader, committed not only to the quality of its products but also to promoting a more sustainable future.

### How has our packaging changed?

Sustainability is a conscious and tangible choice.



Plastics in our packaging has been **reduced by 20%**, which means a reduction of 6300 kg in the use of plastics each year



We **raised** the application of recycled material **from 10 to 90%**



We employed packaging made with **recycled or regenerated plastics** up to **100%**



## WASTE MANAGEMENT AND CIRCULARITY

### CPC Inox

Table 7 - GRI 306-3 Waste generated, GRI 306-4 Waste diverted from landfill and GRI 306-5 Waste sent to landfill [CPC Inox].

NON-HAZARDOUS WASTE	WASTE GENERATED (ton)	SENT TO LANDFILL	DIVERTED FROM LANDFILL
Mixed material packaging	72	-	100%
Paper and cardboard packaging	136	-	100%
Wood Packaging	99	-	100%
Iron packaging	103	-	100%
TOTAL	410	-	410

HAZARDOUS WASTE	WASTE GENERATED (ton)	SENT TO LANDFILL	DIVERTED FROM LANDFILL
Machinery oils	4	100%	-
Absorbents and filter materials	3	100%	-
Blasting material residues	9	100%	-
Metal sludge	12	100%	-
Oils and emulsions	21	100%	-
TOTAL	49	49	-

4 - ENVIRONMENTAL RESPONSIBILITY

TOTAL WASTE PRODUCED 2023 CPC INOX 459 TON

TOTAL WASTE PRODUCED 2022 CPC INOX 487 TON



## CPC Inox

**In addition to the indicated quantities, CPC Inox contributed to environmental sustainability by selling approximately 3,363 tonnes of scrap metal resulting from cutting operations. These materials were destined for recycling, thus enabling their reuse in the steel production cycle.**





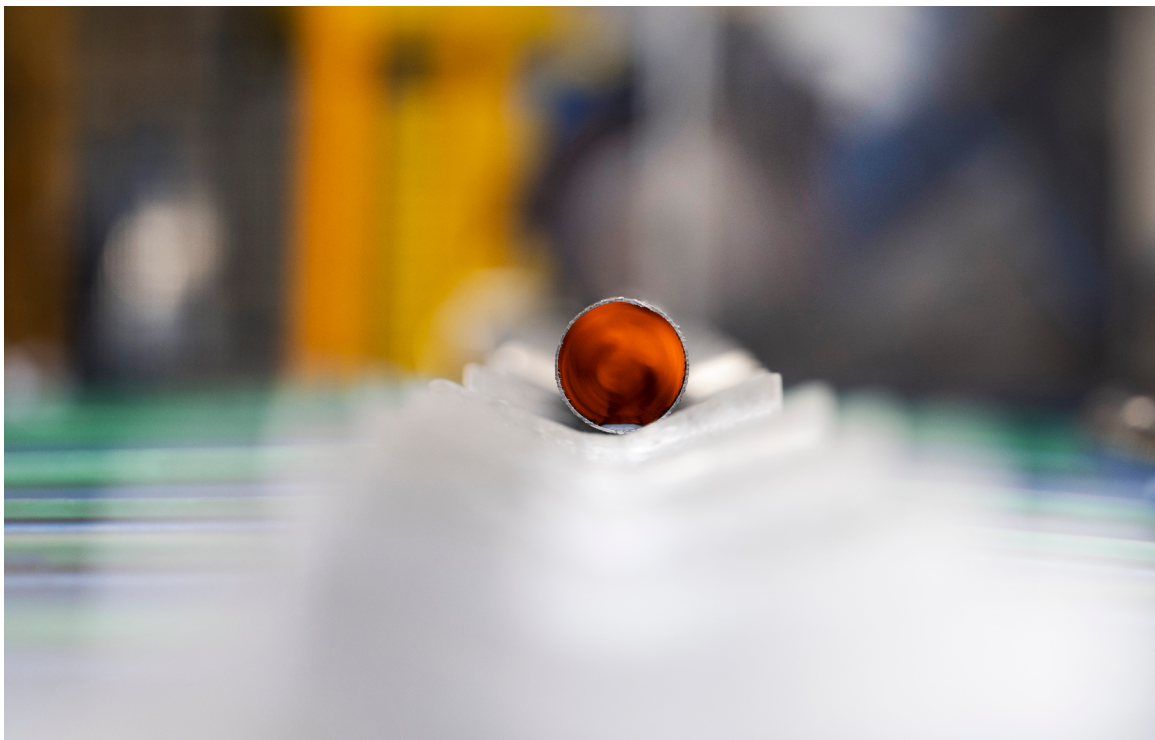


## WASTE MANAGEMENT AND CIRCULARITY

### AD Tubi Inossidabili

**AD Tubi Inossidabili also places great emphasis on redirecting waste to preparation for reuse or other recovery operations. In 2023, as much as 302 tonnes of non-hazardous waste, corresponding to 75% of the total waste, were sold to companies specialising in scrap metal collection. In this way, they can enter a circular process, extending their life cycle.**

The remaining 25% of non-metallic waste is privately delivered for recycling. Overall, about 90% of the waste produced and monitored is not landfilled, whether hazardous or non-hazardous. We directly sort the packaging produced on-site, dividing paper and plastic. Therefore, only those types of waste that can be assimilated to municipal waste are sent to the municipal service: unsorted fraction, humid fraction, glass and cans, the quantities of which are not currently monitored because they are considered of minor importance.





## WASTE MANAGEMENT AND CIRCULARITY

## AD Tubi Inossidabili

Table 8 - GRI 306-3 Waste generated, GRI 306-4 Waste diverted from landfill and GRI 306-5 Waste sent to landfill [AD Pipes].

NON-HAZARDOUS WASTE	WASTE GENERATED (ton)	SENT TO LANDFILL	DIVERTED FROM LANDFILL
Ferrous metal scrap	6	-	100%
Non-ferrous metal scrap (Ni alloys)	16,5	-	100%
Scrap iron and steel	262	-	100%
Titanium scrap	17	-	100%
Paper and cardboard packaging	5	-	100%
Plastic Packaging	5	-	100%
Wood Packaging	37,5	-	100%
Mixed Packaging	2	-	100%
Other non-hazardous waste	15	-	100%
TOTAL	366	-	366
HAZARDOUS WASTE	WASTE GENERATED (ton)	SENT TO LANDFILL	DIVERTED FROM LANDFILL
Halogen-free water/oil emulsions	19	100%	-
Processing sludge	17	100%	-
Other hazardous waste	1	30%	70%
TOTAL	37	36,3	0,7

4 - ENVIRONMENTAL RESPONSIBILITY

*This type of waste and the three preceding ones are sold to companies specialising in scrap metal recovery.*



## WATER AND WASTE WATER MANAGEMENT

### CPC Inox

In the face of increasingly frequent extreme weather phenomena such as floods alternating with periods of severe drought, which put a strain on global water resources, the importance of sustainable water management is more evident than ever. We therefore consider it imperative not only to continue but to intensify our efforts to manage our planet's blue gold wisely and responsibly.

This is why we are dedicated to exploring innovative solutions that we offer on the municipal water network market to reduce water waste. Exemplary in this sense is the innovative **Hydra-To-Zero system developed by CPC Inox**, which represents a real bulwark in the **fight against water waste**. Presented at the Accadueo trade fair in Bologna, the stainless steel pipe and fitting system is the result of a unique process that provides corrugations to the material, making the pipe flexible and bendable. This feature allows the pipes to adapt to the roughness and tortuosity of the laying area and to absorb telluric movements of any kind. This technology has already been successfully tested in Lombardy,

Tuscany and Marche and has proven to almost completely reduce water waste in public and private facilities. This not only results in significant financial savings but also contributes to the preservation of our planet's water resources. Furthermore, we are proud to announce that, thanks to this project, **CPC Inox** has obtained the coverage of 460 Inox connections by Vivaservizi, thus improving the water infrastructure in Ancona.

**Our commitment and innovation have been recognised with the prestigious Materials award of the BFW Innovation Award, an award created by the joint venture between BolognaFiere and Mirumir for product, process and service innovations developed by companies operating in the world of science and utilities.**

We also pursue water saving within our plants. In particular, in January 2023 we completed thermal efficiency works in the CPC Inox production office building in Basiano, optimising heating, cooling and domestic water, resulting in savings in water consumption.



## WATER AND WASTE WATER MANAGEMENT

## CPC Inox

**Looking ahead**, we are committed to continuing the optimisation of water consumption, implementing ad hoc solutions such as taps with sensors or aerated spigots that reduce water flow. In addition, we are exploring rainwater harvesting for the irrigation of green areas and the use of micro-irrigation systems for an increasingly reduced environmental impact.

Table 9 - GRI 303-3 Water withdrawal [CPC Inox]

SOURCE OF WITHDRAWAL	UNIT	SWEET WATER	OTHER TYPE OF WATER
Surface waters	Megalitres	0	0
Groundwater (Wells)	Megalitres	0	0
Seawater	Megalitres	0	0
Produced water	Megalitres	0	0
Third-party water resources (aqueduct - network)	Megalitres	4,2	4,2
TOTAL WATER WITHDRAWAL 2023 CPC INOX		4,20 ML	
TOTAL WATER WITHDRAWAL 2022 CPC INOX		4,14 ML	

Of the 4.2 ML withdrawn by **CPC Inox**, only a small portion of water is consumed as it is used in oil emulsions and subsequently disposed of separately by a specialised supplier. This consumption stands at 0.02 ML (in continuity with the 2022 figure). The remaining amount of water, amounting to 4.18 ML, is discharged through the sewage system.



## AD Tubi Inossidabili

The monitoring of **AD Tubi Inossidabili**'s water withdrawals is carried out in parallel through the billing of consumption estimated by the operator and the measurements made by internal maintenance.

Table 10 - GRI 303-3 Water Withdrawal [AD Pipes]

SOURCE OF WITHDRAWAL	UNIT	SWEET WATER	OTHER TYPE OF WATER
Surface waters	Megalitres	0	
Groundwater (Wells)	Megalitres	0	0
Seawater	Megalitres	0	0
Produced water	Megalitres		
Third-party water resources (aqueduct - network)	Megalitres	5,4	0

At present, **AD Tubi Inossidabili** has not implemented quantitative measurement systems for its water discharges, which fall into the following categories:

- **Sewerage: sewage from civil sanitary sewers is conveyed to the sewerage system**
- **Surface water: rainwater (i.e., meteoric) is accumulated in a lamination tank and then discharged into an irrigation ditch tributary to the Seveso River. The installation of a lamination tank highlights AD Tubi's awareness of its role in mitigating the risk of hydrogeological instability for its local community**
- **The water from the yards is also directed to the overflow tank, but first, it is filtered through three oil skimmers that are Located below the yards.**

**AD Tubi Inossidabili** periodically carries out analyses of the first rainwater to check its condition after passing through the oil separators and before discharge into the overflow tank, in order to ensure compliance with current legislative limits through continuous monitoring.



## PROTECTION OF BIODIVERSITY

**At the heart of our commitment to a sustainable future, biodiversity conservation is a fundamental pillar.**

Recognising that the richness of living species is as crucial to natural balance as it is to human well-being, we are committed to promoting practices that sustain the vitality of natural habitats.

**We carefully assess the impact of our operations on biodiversity and the improvement initiatives we can undertake to preserve biological diversity and contribute to a more sustainable world.**

Although the nature of **CPC Inox**'s activities is not considered to have a significant impact on biodiversity, and its production sites are not located within or close to protected areas, we are aware of our responsibility concerning local ecosystems. In particular, the Rio Vallone Park, located between Gessate and Basiano, is an area of high biological value and a refuge for a variety of species.

The areas used for production activities have not been expanded in recent years, thus avoiding further pressure on the surrounding environment. Furthermore, the green areas around our plants have been preserved and enhanced with great care. The careful maintenance of existing plants and the planting of new species contribute to maintaining and improving the quality of local habitats. These actions reflect **our commitment to minimise environmental impact and promote biodiversity within our operations.**





For years, **CPC Inox** has been supporting ForestaMi, a project based on research by the Milan Polytechnic and promoted - among others - by the Municipality of Milan, the Metropolitan City of Milan, and the Lombardy Region, which aims to increase natural capital and plant 3 million trees by 2030 in the territory of the Metropolitan City of Milan. In particular, we supported the planting of 350 new trees in the Municipality of Gessate, strengthening the link between our company and the local environment.

Looking ahead, we continue to evaluate and plan new initiatives in cooperation with ForestaMI, to ensure that our actions in favour of the environment are increasingly effective and aligned with sustainable development goals and that our employees are also personally involved. Our future goals also include:

**The design of green spaces inside and outside the company, in full respect of the local flora and fauna, creates favourable environments for the development of different**

**species. Promotion of sustainable practices that reflect positively on the ecosystems affected by the mining and production activities of our raw material suppliers, giving priority to those that have implemented concrete and compensatory initiatives.**





## PROTECTION OF BIODIVERSITY

**Regarding AD Tubi Inossidabili, the production site and the relevant office building are not adjacent to or near protected areas or areas of high biodiversity value.**

The Albate marsh, a site of community importance, is partly in the territory of the municipality of Casnate con Bernate, 2 km as the crow flies from the company headquarters. The site of **AD Tubi Inossidabili** is located in an area subject to constraints established by the Hydrogeological Structure Plan (PAI), partly with medium or moderate danger and partly with very high danger, where, however, there are no buildings, but only company land. AD Tubi's business activities that could generate potential negative impacts on biodiversity are closely monitored using acoustic impact assessments, the presence of legionella in evaporative towers, tracing any refrigerant gas leaks from cooling systems, the disposal of hazardous waste through private services, and periodic analyses of rainwater and atmospheric emissions.





5

# SOCIAL RESPONSIBILITY



## OUR PEOPLE

### CPC Inox

As at 31 December 2023, **CPC Inox** had a workforce of 175 employees, with a gender distribution of 91% men and 9% women. This figure is highly influenced by the blue-collar category, which has an exclusive male composition and accounts for about two-thirds of the total workforce. However, it is important to emphasise that, when considering personnel not directly involved in production, female representation rises to 35%.

Table 11 - GRI 405-1 Diversity in governing bodies and among employees [CPC Inox].

SEX	<30 YEARS	30-50 YEARS	>50 YEARS	TOTAL
Managers	0%	1%	1%	1%
of which men	0%	1%	1%	1%
of which women	0%	0%	0%	0%
Middle Managers	0%	3%	1%	4%
of which men	0%	3%	1%	4%
of which women	0%	0%	0%	0%
Employees	3%	9%	9%	21%
of which men	2%	3%	6%	11%
of which women	1%	5%	3%	9%
Workers	10%	42%	21%	73%
of which men	10%	42%	21%	73%
of which women	0%	0%	0%	0%
TOTAL	13%	55%	31%	100%
of which men	13%	50%	28%	91%
of which women	1%	5%	3%	9%
TOTAL EMPLOYEES AS AT 31.12.2023 CPC INOX*		175		
TOTAL EMPLOYEES AS AT 31.12.2022 CPC INOX*		168		

\*The figure also includes temporary workers



## CPC Inox

During 2023, 14 people joined **CPC Inox**'s workforce with permanent hires, and, at the same time, 21 terminations were recorded.

Table 12 - GRI 401-1 Recruitment of new employees and employee turnover [CPC Inox]

AGE	HIRINGS		TERMINATIONS	
	WOMEN	MEN	WOMEN	MEN
Up to 29 years	-	3	-	3
30 to 50 years	1	10	-	11
Over 50 years	-	-	1	6
OVERALL TURNOVER 2023 CPC INOX	-	4,1%		
OVERALL TURNOVER 2022 CPC INOX			0%	





## OUR PEOPLE

## AD Tubi Inossidabili

The workforce of **AD Tubi Inossidabili** at the end of 2023 was 67 employees, of whom about 85% were men and 15% women. Also in the case of **AD Tubi Inossidabili**, the high proportion of men is due to the predominance of the blue-collar category.

Table 13 - GRI 405-1 Diversity in governing bodies and among employees [AD Tubes].

SEX	<30 YEARS	30-50 YEARS	>50 YEARS	TOTAL
Managers	0%	0%	0%	0%
of which men	0%	0%	0%	0%
of which women	0%	0%	0%	0%
Middle Managers	0%	0%	0%	0%
of which men	0%	0%	0%	0%
of which women	0%	0%	0%	0%
Employees	4,5%	27%	1,5%	33%
of which men	3%	16%	0%	19%
of which women	1,5%	10%	1,5%	13%
Workers	7,5%	43%	16,4%	67%
of which men	7,5%	42%	16,4%	65,7%
of which women	0%	1,5%	0%	1,5%
TOTAL	12%	70%	18%	100%
of which men	10,5%	58%	16,4%	85%
of which women	1,5%	12%	1,5%	15%



## AD Tubi Inossidabili

During the year, 5 people were hired at **AD Tubi Inossidabili**, 4 men and 1 woman. There were 4 terminations.

Table - GRI 401-1 Recruitment of new employees and employee turnover [AD Tubes]

AGE	HIRINGS		TERMINATIONS	
	WOMEN	MEN	WOMEN	MEN
Up to 29 years	1	-	-	-
30 to 50 years	-	4	-	4
Over 50 years	-	-	-	-



AD/AD  
TUBI





## HEALTH AND SAFETY OF WORKERS

**For us at Cardinali Holding, protecting the health and safety of our workers is a core value. This is why we are constantly dedicated to maintaining and improving working conditions, as well as exceeding the standards required by current legislation, promoting a safe and healthy working environment as an integral part of our mission.**

Our vision is based on the belief that a safe working environment is the result of a shared commitment and active collaboration between all levels of the organisation. Every day, we strive to maintain an open and constructive dialogue with our workers, encouraging them to report any hazards and propose innovative solutions for accident prevention. At Cardinali Holding, safety is indeed a collective responsibility that is translated into concrete actions for the protection of every individual.

It is in this spirit that we face our daily challenges, aware that the well-being of our workers is synonymous with excellence and quality in our work. In 2023, we continued to emphasise the importance of safety

and the well-being of our employees as central pillars of our operations. Safety is understood not just as a set of procedures to be followed but as a corporate value that every staff member is called upon to live every day. It is through individual awareness and responsibility that we can collectively ensure a working environment that respects and promotes the health of all.





## HEALTH AND SAFETY OF WORKERS

### CPC Inox

**In accordance with the principles of responsibility and safety, and in compliance with the obligations laid down in Legislative Decree 81/08, CPC Inox has consolidated an occupational health and safety management system, including a specific organisational structure with the aim of eliminating or, where this is not possible, reducing occupational risks for workers.**

In particular, the safety organisation and management model required by Legislative Decree 81/08 was implemented, including the Risk Assessment Document and the 231 organisational model. These tools make it possible to outline general principles of conduct and establish specific prevention protocols adapted to our operating context, such as the Vibration Risk Assessment Document and the Noise Exposure Risk Assessment Document.

As part of this system, all hazardous events reported by our employees are constantly monitored, including those that did not lead to accidents. This proactive approach makes it possible to conduct in-depth investigations into the root causes of accidents or near misses. The goal is to implement corrective actions aimed at preventing similar occurrences in the future. Indeed, our workers are encouraged to report any inconsistencies or non-conformities observed in machines, work areas or procedures to their supervisors. These reports are then investigated by the production manager and the Prevention and Protection Service Manager (RSPP), who assess the situation and, if necessary, organise training courses to address and resolve the issues found.

Our company strictly adheres to the Risk Assessment Document, which is regularly updated in response to production changes or the introduction of new equipment. This ensures that every change is evaluated and managed with the utmost care for the safety of our workers.



**At CPC Inox, great emphasis is placed on the active participation of workers in matters of occupational health and safety, ensuring that all necessary actions are implemented to guarantee the consultation and involvement of all personnel.**

This process includes the sharing of information, knowledge, updates and relevant issues related to occupational safety and the environment, which are selected and communicated to all employees on every organisational level.

In cooperation with the RSPP, the Competent Doctor, the department heads and, after consultation with the Workers' Safety Representative (RLS), the most effective tools for communication and information are defined. Internal communication practices also include the minutes of the regular annual safety meeting. This structured approach ensures that every worker is informed and actively involved in safety management, contributing to a safe and conscious working environment.





## HEALTH AND SAFETY OF WORKERS

### CPC Inox

Moreover, to ensure a safe and environmentally friendly working environment, we are committed to address a number of crucial issues that include:

The company's Occupational Safety and Health (OSH) and Environment policy.

The OSH and Environment targets.

The organisational structure of the Health and Safety Management System (HMS).

The general risks of the workplace.

The specific risks of each job.

The environmental impacts of the activity.

The emergency plan.

The prevention and protection measures adopted.

The types of behaviour to be adopted.

Personal role with regard to OSH and the Environment and their management.

Accidents and environmental incidents that occurred, with particular emphasis on the causes.

The completion of planned activities.

Results of any data collection campaigns, risk assessment.

In 2023, an occupational accident frequency index of 2.3 was recorded, a clear reduction from the 2022 figure.



## CPC Inox

Among the main mitigation measures, the importance of using Protective Equipment (PPE), including helmets with visors, wrist guards and gloves, to prevent injury during work activities is continually mentioned. Furthermore, any changes to the production process or its organisation are carefully evaluated and documented. In cooperation with the Safety and Protection Officer, the Company Medical Officer and the Workers' Health & Safety Representative, we regularly update the Risk Assessment Document.

Table 15 - GRI 403-9 Occupational Accidents [CPC Inox].

TYPE OF ACCIDENT	EMPLOYEES	SELF-EMPLOYED WORKERS
Number of deaths at work	0	0
Number of serious accidents at work	0	0
Number of accidents at work	3	0
TOTAL	3	0
OCCUPATIONAL ACCIDENT RATE 2023	2,3	
OCCUPATIONAL ACCIDENT RATE 2022	4,5	

In accordance with the regulations in force, **CPC Inox**, which operates in the metalworking sector and adheres to the National Collective Labour Agreement of the sector, offers its employees the Metasalute supplementary healthcare fund that, with a modest additional contribution from the employee, can also be extended to family members. In addition, this protection is complemented by the Corporate Welfare system, which extends the range of services available to employees through the Pellegrini Platform. **This gives our employees access to additional healthcare packages, which can be used at public and private healthcare facilities.**



## HEALTH AND SAFETY OF WORKERS

### CPC Inox

**CPC Inox** is dedicated to maintaining a safe and healthy working environment, respecting the privacy and dignity of each individual. To ensure the utmost confidentiality, the Company Medical Officer guarantees the anonymity of workers at every stage of their medical check-up, whether it is the initial medical examination upon entering the company, or during periodic checks for drugs.

**CPC Inox** puts great emphasis on the continuous training and updating of its workers, through a systematic approach aimed at ensuring that all workers are constantly informed and prepared to handle daily work challenges safely and effectively. Annually, or according to emerging needs, refresher courses are organised that meet the following criteria:

**Definition of courses:** In cooperation with the Workers' Health & Safety Representative, the need for at least one annual refresher course for workers is established.

**Tailor-made courses:** Courses are structured based on the introduction of new machines or the revision of existing procedures, thus ensuring that training is always current and relevant.

**Accessible training:** The training offered is free and remunerated, removing any economic barriers that might prevent workers from participating.

**Practical methods:** Both written tests and practical exercises 'in the field' are used to ensure that the training is comprehensive and that workers can apply what they have learned in practice.





## AD Tubi Inossidabili

**AD Tubi Inossidabili has voluntarily adopted an occupational health and safety management system, which has since proved to be a fundamental tool to ensure compliance with the relevant legislation on the subject explicitly set out in Legislative Decree 81/08. Our management system was implemented and we obtained the first BS OHSAS 18001 certification in 2014. It subsequently maintained the international standard ISO 45001. These standards cover all company personnel, without exclusion.**

Seven homogeneous risk categories were identified through a rigorous risk assessment process, formalised through an internal procedure for the 'Identification and Evaluation of Health, Safety and Environmental Risks and Opportunities', which is an integral part of the Risk Assessment Document.

The Risk Assessment Document outlines the safety procedures related to the various homogeneous risk profiles that employees must follow while being responsible for reporting any anomalies, problems, suggestions, near misses, accidents or emergencies to their supervisors using various methods established in accordance with the 'Internal and external communication management' procedure, including the internal messaging platform, and on paper using the forms provided or the suggestion box available to workers. The specific points of reference for safety are the Workers' Health and Safety Representative, the Integrated System Manager and one's supervisor. The obligation to report to the supervisor is also included in the procedure 'Management of Non-conformities, Hazardous Incidents, Corrective and Preventive Actions', which also provides for the activation of emergency management operating procedures, as per related company instructions. In addition, the Workers' Health and Safety Representative is responsible for assessing the incident, identifying its causes and defining measures to prevent its recurrence. In filling out the reporting forms, the persons



## HEALTH AND SAFETY OF WORKERS

### AD Tubi Inossidabili

involved in the incident cooperate with the Integrated System Manager and the Workers' Health and Safety Representative.

**According to company regulations, employees must use the necessary personal protective systems in the performance of their work, acting with prudence and responsibility, in diligent compliance with the applicable accident protection guidelines.**

The involvement of all the professional figures in the company regarding the development, implementation and evaluation of the health and safety management system is guaranteed by the 'Internal and external communication management' procedure, which indicates the channels for disseminating information. These include the documentation of the Integrated Management System, signage and notice boards at work sites and internal paper communications, as well as periodic meetings at which the management meets the functions responsible for the health and safety of workers.

AD Tubi Inossidabili in particular has had a health and safety management system certified by a third party in accordance with ISO 45001 since 2014, and before that in accordance with BS OHSAS 18001. This has enabled it to monitor and improve the health and safety aspects of its employees over the years.





## AD Tubi Inossidabili

The commitment to ensuring the safest possible working conditions for employees is underlined by the economic incentive included in the result bonus shared between **AD Tubi Inossidabili** and the social partners, which includes a bonus for the reduction of accident indices related to severity and frequency.

Table 16 - GRI 403-9 Occupational Accidents [AD Tubi]

TYPE OF ACCIDENT	EMPLOYEES	SELF-EMPLOYED WORKERS
Number of deaths at work	0	0
Number of serious accidents at work	0	0
Number of accidents at work	1	0
TOTAL	1	0





## HEALTH AND SAFETY OF WORKERS

### AD Tubi Inossidabili

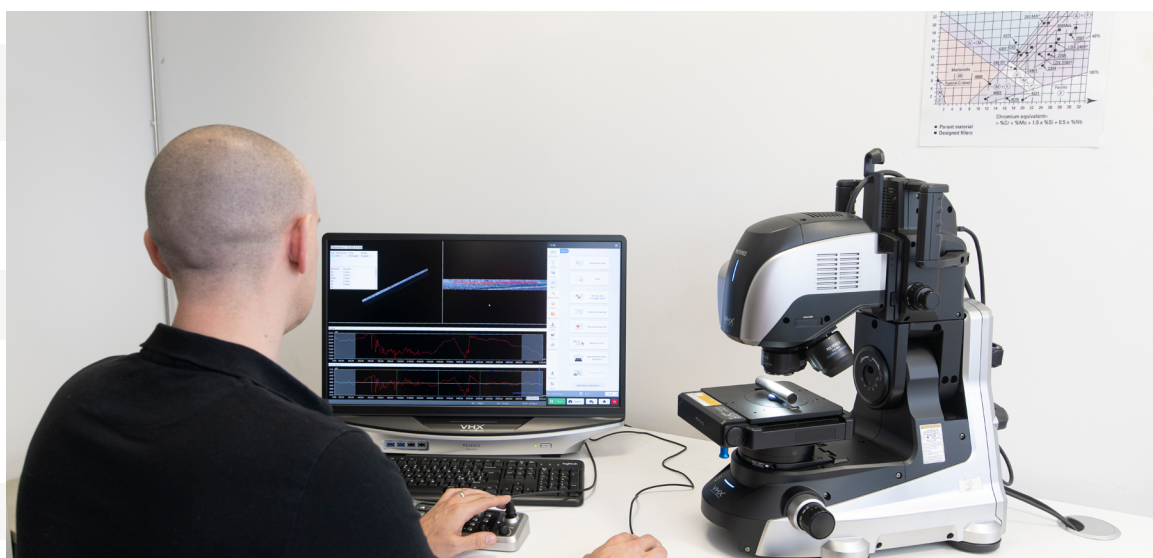
At **AD Tubi Inossidabili**, specific safety training is provided by specialised organisations, such as the Lombardy Confindustria Education (ECOLE), and with the training assistance of the company's Prevention and Protection Service Manager. The effectiveness of training is assessed by applying different methodologies depending on the type of training provided, including

- **End of course learning test**
- **Internal audit**
- **Simulated experience**

so as to ensure that all employees are always up-to-date and able to contribute to ensuring the highest level of safety for themselves and their colleagues.

Like all companies that apply the National Collective Labour Agreement for the Metalwork sector, **AD Tubi Inossidabili** also adheres to the Metasalute supplementary healthcare fund, offering its services to all workers hired for more than five months. Moreover, to guarantee the psychophysical well-being of its employees, **AD Tubi Inossidabili** provides a free company gym for all its staff, as well as the possibility of voluntary blood tests over the age of 45.

To guarantee respect for employees' privacy, health records are kept in a special box, the key to which is at the exclusive disposal of the company medical officer.





## DIVERSITY, INCLUSION AND EQUAL OPPORTUNITIES

**At Cardinali Holding, we regard diversity as a valuable resource that enriches every aspect of our working environment, a set of individualities that, united, contribute to creating an atmosphere of collaboration and innovation. We believe that every form of diversity, in its uniqueness, is a strategic lever for progress and competitiveness.**

Our corporate vision is founded on promoting inclusion and rejecting all forms of discrimination. We are committed to ensuring that every individual, regardless of his or her personal characteristics, can find a welcoming and respectful environment. We reaffirm our commitment to building a workplace where diversity of thought, experience and identity is not only accepted but valued.

These principles are the basis of our daily actions and manifest themselves in every business decision, from recruitment to training, from professional development to fair treatment. Our vision of equal opportunities extends to every member of staff, ensuring that meritocracy and respect are the only criteria that guide our conduct.

**For us, equality is a fundamental principle and inclusion is a constant goal. We strive to ensure that these principles are experienced every day by all our people, convinced that diversity is an asset to be cherished and celebrated as an integral part of our corporate identity.**

Equal opportunities are a value that we continue to uphold with conviction. With this in mind, we aim to conduct training courses to make all employees aware of the importance of gender equality, thereby strengthening an inclusive working environment that respects diversity.

We recognise the importance of providing fair conditions for all our employees and, in this spirit, we maintain constant monitoring of the gender pay gap. This allows us to have a clear and transparent view of salary structures and to ensure that every employee is evaluated and remunerated according to merit and competence, regardless of their sex.



## HEALTH AND SAFETY OF WORKERS

## CPC Inox

At Cardinali Holding, we regard the professional development and well-being of our employees as fundamental pillars of our success. Their personal and professional growth is at the heart of our company policies, as we firmly believe that investing in people means investing in the future of our company.

The cornerstone of our commitment to staff is continuous training through which our employees can hone their skills. For this, we offer a wide range of educational resources and development opportunities, aimed at enhancing individual skills and promoting growth consistent with the corporate objectives.

Table 19 - GRI 404-1 Average hours of training per year per employee [CPC Inox].

CATEGORY	UNITS OF MEASUREMENT	WOMEN	MEN
Managers	Hours	N.A.	45
Middle Managers	Hours	N.A.	41
Employees	Hours	31	7
Workers	Hours	N.A.	4
AVERAGE	Hours	14,6	8
OVERALL AVERAGE 2023 CPC INOX		8 ORE	
OVERALL AVERAGE 2022 CPC INOX		6,4 ORE	

As the table shows, an increase in average training hours per employee was observed at CPC Inox compared to 2022.



## AD Tubi Inossidabili

In 2023, **AD Tubi Inossidabili** invested in the training of its employees across the board, aware that the company's growth and the satisfaction of the talents behind it depend on their professional and personal development. All employees have had the opportunity to attend training courses in the following four macro-areas:

Technology  
Safety  
Quality  
Communication

Table 20 - GRI 404-1 Average annual training hours per employee [AD Tubi]

CATEGORY	UNITS OF MEASUREMENT	WOMEN	MEN
Managers	Hours	N.A.	N.A.
Middle Managers	Hours	N.A.	N.A.
Employees	Hours	8,8	39,0
Workers	Hours	-	5,6
AVERAGE	Hours	7,9	12

**The well-being of our employees is a priority that is reflected in every aspect of working life. From the working environment to mental health, from work-life balance to support initiatives, every detail is taken care of to ensure that everyone can work to the best of their ability.**



## HEALTH AND SAFETY OF WORKERS

### CPC Inox

**During 2023, an in-depth internal investigation was conducted at CPC Inox on the well-being and satisfaction of our employees, with the collaboration of an external specialised company for the creation of the questionnaire and for an objective analysis of the collected data.**

The results of this survey provided valuable insights that guided the implementation of new initiatives aimed at improving internal communication, enriching corporate welfare and renovating relaxation areas. These actions were undertaken to concretely respond to the needs and expectations of our staff, reinforcing our commitment to creating an optimal working environment.

In order to enrich the well-being of our people, we aim to create new offices and recreational areas designed for social interaction. In addition, we aim to strengthen team spirit and internal cohesion through team-building initiatives, realised also thanks to the collaboration with ForestaMi, which will contribute to a dynamic and stimulating working environment.





## SAFETY AND PRODUCT QUALITY

**Product quality and safety are the cornerstones on which our corporate identity is built. Our commitment to excellence is manifested through ISO 9001-compliant quality management systems at both CPC Inox and AD Tubi, which are continuously optimised to ensure impeccable, customised and timely services to our customers. Our commitment to quality products is also formalised in our respective Quality policies.**

For each range of products and services, we conduct rigorous assessments to identify and mitigate any potential health and safety impacts. This proactive approach allows us to anticipate needs and act responsibly, ensuring that the trust placed in us by our customers is always deserved.

In 2023, we introduced the position of PSCR (Product Safety & Conformity Representative) at **CPC Inox**, in line with the VDA QMC (Quality Management Centre) guidelines, to further enhance product safety and compliance. The PSCR plays a crucial role within the

company, coordinating the different company functions and reporting any critical issues related to product safety and compliance in a timely manner.

Although the figure of the PSCR is specifically provided for by the VDA QMC for automotive products, we have chosen to extend this vigilant and responsible to all **CPC Inox** products, regardless of their end use. This decision reflects our commitment to the same high standards of safety and quality for every item, ensuring that our customers have the utmost confidence in our offering.

As part of the focus on product safety and quality, an in-depth assessment of health and safety impacts is conducted for all product categories in both companies. For each product, all necessary information is collected to assess its critical issues from different perspectives, including integrity, compliance, safety and health. This data includes technical specifications provided by customers, drawings, applicable international standards, intended use, as well as the transformations and treatments undergone by the product at the customer's premises.



## SAFETY AND PRODUCT QUALITY

Internal processes are thoroughly analysed using the PFMEA (Process Failure Mode and Effects Analysis) method. This allows us to identify potential risks and prevent or mitigate impacts through the implementation of corrective or ameliorative actions. In addition, customer reports are constantly monitored and, if necessary, PFMEAs are updated to address specific issues.

**During the last reporting period, CPC Inox and AD Tubi maintained strict control over the compliance of their products and services with regard to health and safety impacts.**

During the reporting period, there were no incidents related to non-compliance that could adversely affect these critical aspects. All reports, both internal and external, were carefully examined to assess any impact on product safety and adherence to current regulations. Non-conformities found were limited to non-critical features that did not affect final product safety.

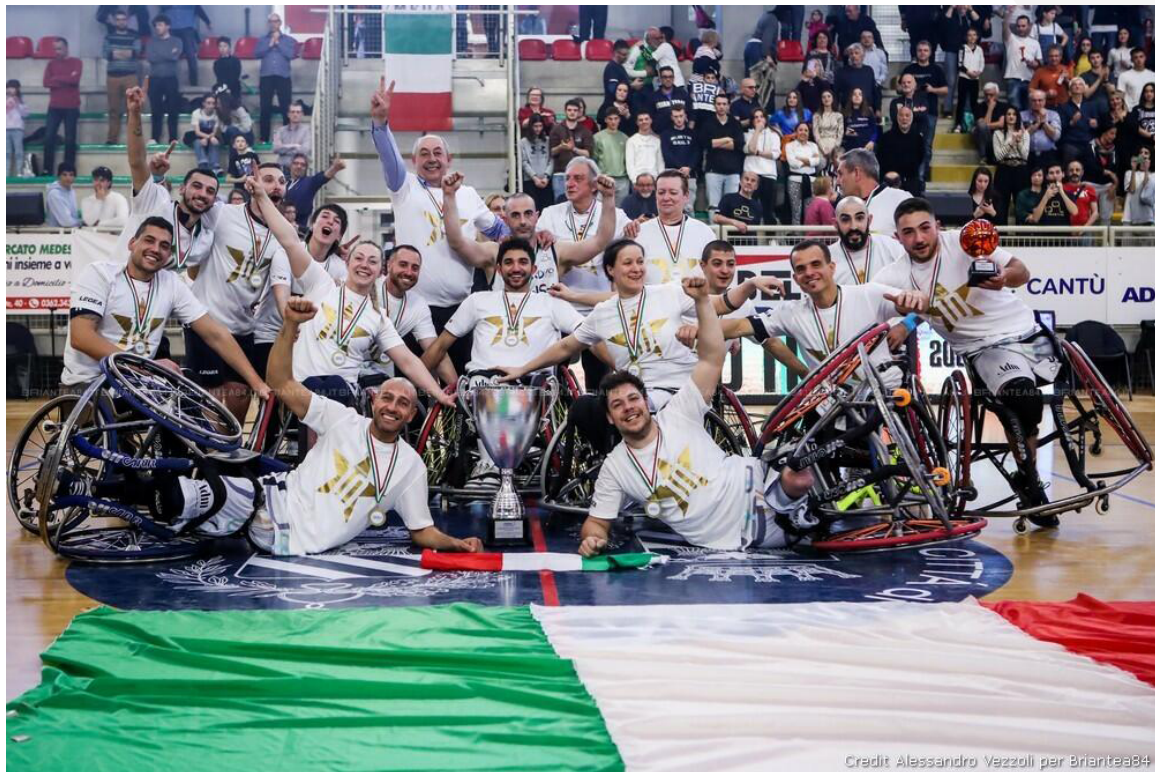




## LOCAL COMMUNITY DEVELOPEMENT

**As Cardinal Holding, we recognise the vital importance of local communities in the socio-economic sphere and are actively engaged in supporting their development and well-being.**

Our bond with the Lombardy and Como area is rooted in respect and the desire to generate value and make a positive contribution to the lives of the people who live there. Our actions are guided by the conviction that the progress of local communities is a shared factor that reinforces the values of solidarity and social cohesion.



Credit Alessandro Vezzoli per BrianteaB4



## LOCAL COMMUNITY DEVELOPEMENT

In 2023, **CPC Inox** intensified its partnerships with non-profit entities and associations in the region, supporting them not only financially, but also through joint initiatives aimed at generating a lasting social impact. Among these, the following initiatives stand out:

- Support for the **ZeroPerCento** project through the purchase of their products at Christmas and Easter. The project was created to support people with intellectual disabilities to re-enter or enter the world of work, assigning specific tasks to participants and enabling them to learn a trade and gain confidence in their abilities. ZeroPerCento also offers services such as food and beverage delivery to offices, ethical and sustainable catering, corporate gifts and team building, thus contributing to the fulfilment of the obligation to recruit from protected categories.
- Donation to **ASD Briantea84**, a club that aims to promote and develop sport among young people with physical and intellectual-relational disabilities, fostering a new and inclusive sports culture. With almost 200 athletes aged 7 and up, it offers activities in five sports sectors: wheelchair basketball, basketball, swimming, football and athletics. The association plays an active role in the process of dissemination and knowledge of Paralympic sport, its values and protagonists, becoming a recognised model in Italy and Europe.
- **CPC Academy**, a project developed in collaboration with Adecco, born to open a privileged recruiting channel for those who are looking for employment in the engineering sector. It offers 67 hours of training distributed between theoretical lessons in the classroom and practical coaching, during which students can explore in the field the different professions carried out within the CPC Inox plants. In 2023, five new colleagues joined the staff of CPC Inox thanks to the CPC Academy project.

Through these collaborations, CPC Inox consolidates its commitment to be an active and responsible player in Lombardy's social life. Alongside the organisations described above, the company also supports associations active throughout the country, such as **FAI - Fondo Ambiente Italiano, WWF and Airc**.

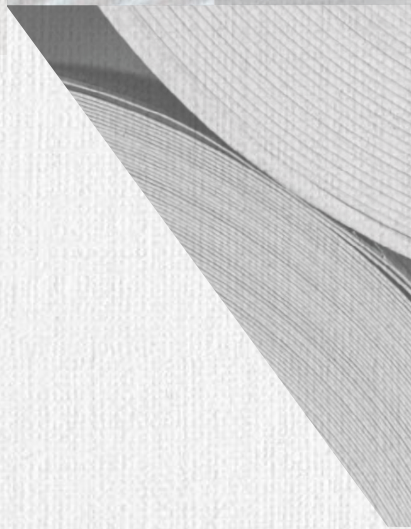


**AD Tubi Inossidabili** supports important entities in the Como area. First and foremost, as in the case of CPC Inox, the ASD Briantea84; it also promotes the Charturium cultural association, which aims to divulge and hand down to the public the histories and traditions of the Cantù area; it collaborates with the Associazione Incontri di Cantù, which aims to distribute meals to those without financial means; Pallacanestro Cantù, a historical club on the national basketball scene, as well as parishes and local amateur sports groups.

In addition, there is an active collaboration with the University of Padua and another research organisation aimed at analysing new sectors and researching new technologies in the industry.

AD Tubi Inossidabili also collaborates with the Lombardia Meccatronica Higher Technical Education Institute by hosting post-diploma course trainees and providing teaching through its own specialised personnel.

AD Tubi is also an active participant in the local business fabric, as its Prevention and Protection Service Manager takes part in the permanent technical working group 'Club RSPP' of Confindustria Como.





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# APPENDIX

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## METHODOLOGICAL NOTE

This Sustainability Report was prepared according to a targeted selection of the **'GRI Sustainability Reporting Standards'** published by the Global Reporting Initiative (GRI), as detailed in the following GRI Content Index. The contents and related disclosures have been carefully selected based on the material issues identified through the materiality analysis, which has been described in detail in the section 'Materiality Analysis and Reporting Scope'. As specified in that section, the scope of this Report includes the operations of **CPC Inox S.p.A.** and A.D. Tubi Inossidabili S.p.A., excluding the operations of Podere Vito Cardinali.

**For further information or comments on this document, please send an email to the following address: [diego.zanellati@cpcinox.com](mailto:diego.zanellati@cpcinox.com)**



## GRI CONTENT INDEX

**Cardinali Holding reported the information mentioned in this GRI content index for the period between 1 January 2023 and 31 December 2023, with reference to the GRI Standards.**



GRI STANDARDS	DISCLOSURE	PAGE
GRI 2: GENERAL DISCLOSURES (2021)		
THE ORGANISATION AND ITS REPORTING PRACTICES		
2-1	Organisational details	0
2-2	Entities included in the organisation's sustainability reporting	0
2-3	Reporting period, frequency and point of contact	0
2-4	Review of information	0
GOVERNANCE		
2-9	Governance structure and composition	
2-11	Chairman of the highest governing body	
2-12	Role of the highest governing body in controlling impact management	
2-13	Delegation of responsibility for impact management	
2-14	Role of the highest governing body in sustainability reporting	
STRATEGY, POLICIES AND PRACTICES		
2-22	Sustainable Development Strategy Statement	
GRI 3: MATERIAL TOPICS (2021)		
3-1	Process of determining material topics	
3-2	List of material topics	
GRI TOPIC SPECIFIC STANDARDS DISCLOSURES		
MATERIAL TOPIC: COMBATING CLIMATE CHANGE		
GRI 305 - Emissions (2016)		
305-1	Direct GHG emissions (Scope 1)	
305-2	Indirect GHG emissions from energy consumption (Scope 2)	
305-4	GHG emission intensity	



## GRI CONTENT INDEX

GRI STANDARDS	DISCLOSURE	PAGE
GRI TOPIC SPECIFIC STANDARDS DISCLOSURES		
MATERIAL TOPIC: ENERGY MANAGEMENT		
GRI 302 - Energy (2016)		
302-1	Energy consumed within the organisation	
MATERIAL TOPIC: IMPROVING AIR QUALITY		
-		
MATERIAL TOPIC: WATER AND WASTEWATER MANAGEMENT		
GRI 303 - Water Discharges and Waste (2016)		
303-3	Water withdrawal	
303-4	Water discharge	
MATERIAL TOPIC: WASTE MANAGEMENT AND CIRCULARITY		
GRI 306 - Waste (2020)		
306-3	Waste generated	
306-4	Waste diverted from landfill	
306-5	Waste sent to landfill	
MATERIAL TOPIC: PROTECTION OF BIODIVERSITY		
GRI 304 - Biodiversity (2016)		
304-1	Operational sites owned, leased, managed in (or adjacent to) protected areas	
304-2	and areas of high biodiversity value outside protected areas	



GRI STANDARDS	DISCLOSURE	PAGE
GRI TOPIC SPECIFIC STANDARDS DISCLOSURES		
MATERIAL TOPIC: WORKERS' HEALTH AND SAFETY		
GRI 403 – Occupational Health and Safety (2018)		
403-1	Occupational health and safety management system	
403-2	Risk identification and assessment and accident investigation	
403-4	Worker participation and consultation on occupational health and safety programmes and related communication	
403-5	Worker health and safety training	
403-6	Worker health promotion	
403-9	Accidents at work	
MATERIAL TOPIC: EMPLOYEE DEVELOPMENT AND WELFARE		
GRI 401 – Employment (2016)		
401-1	Recruitment of new employees and employee turnover	
GRI 404 – Training and Education (2016)		
404-1	Average annual training hours of employees	
MATERIAL TOPIC: PROTECTION OF HUMAN RIGHTS		
GRI 2: General Disclosure (2021)		
2-23	Policy commitment	
MATERIAL TOPIC: DIVERSITY, INCLUSION AND EQUAL OPPORTUNITIES		
GRI 405 – Diversity and Equal Opportunities (2016)		
405-1	Diversity in governing bodies and among employees	
405-2	Ratio of basic pay to women's pay compared to men's	



## GRI CONTENT INDEX

GRI STANDARDS	DISCLOSURE	PAGE
GRI TOPIC SPECIFIC STANDARDS DISCLOSURES		
MATERIAL TOPIC: LOCAL COMMUNITY DEVELOPMENT		
GRI 413 - Local Communities (2016)		
413-1	Activities involving the local community, impact assessments and development programmes	
MATERIAL TOPIC: PRODUCT SAFETY AND QUALITY		
GRI 416: Customer health and safety (2016)		
4016-1	Assessment of health and safety impacts by product and service categories	
416-2	Non-compliance incidents concerning health and safety impacts of products and services	
MATERIAL TOPIC: SUPPLY CHAIN MANAGEMENT		
GRI 204: Procurement Practices (2016)		
204-1	Proportion of expenditure made to local suppliers	
MATERIAL TOPIC: INNOVATION		
-		
MATERIAL TOPIC: RISK AND CRISIS MANAGEMENT		
-		
MATERIAL TOPIC: STAKEHOLDER ENGAGEMENT		
-		
MATERIAL TOPIC: BUSINESS ETHICS		
GRI 205: Anti-Corruption (2016)		
205-1	Operations assessed to determine corruption risks	
205-2	Communication and training on anti-corruption policies and procedures	

