



Sustainability Report 2024

"Paper is life. Paperdi in your life."

Letter to our stakeholders

It is with great pleasure that I introduce you to Paperdi's second Sustainability Report.

This document represents another important goal in our sustainable growth path, demonstrating our strong commitment to continuously improving ESG performance at all levels of the organization and the transparent communication of results that characterizes our corporate identity.

2024 proved to be a year of significant growth for our company, with revenues also increasing in foreign markets.

Paperdi's product range consists of both certified and non-certified items: 59% and 78% of revenues come from Ecolabel-certified items and FSC®-certified products, respectively, confirming the market's appreciation for our choices.

In 2024 we also defined our ambitious Sustainability Action Plan, structured around four strategic pillars:

the right paper for those who use it, for those who produce it, for the planet, and the commitment to always operate responsibly.

This plan will guide us towards concrete and increasingly ambitious goals in the coming years.

Among the most significant achievements of this process there is the completion of the cogeneration plant at the Pietramelara paper mill, which became operational in early 2025, enabling us to be more energy efficient.

Equally significant in this regard was the launch, in the second half of 2024,

of the process to obtain ISO 50001 certification for the continuous improvement of our performance.

At the same time, we are designing a fully automated vertical warehouse at our San Nicola La Strada plant,

which will allow us to internalize logistics operations, with economic and, above all, environmental benefits.

This is the context for a major Paperdi's investment project that will begin in the second half of 2025 and involves the implementation of innovative solutions and technologies through the purchase of additional components for the existing production facility,

including the biological process water treatment plant and the sludge treatment plant at the Pietramelara site.

These technologies will allow us to optimize the recycling and reuse of production materials, raw materials and recycled materials.

In particular, this investment project will lead to the efficient use of resources by allowing the replacement,

as raw materials for the production of semi-finished paper products, of pure cellulose fibers with recycled materials.

Thanks to this project, Paperdi will be able to develop new lines of finished products characterized by a low environmental impact, such as the ECOGREEN PLUS line, composed of items made entirely from recycled raw materials and packaged with recyclable materials.

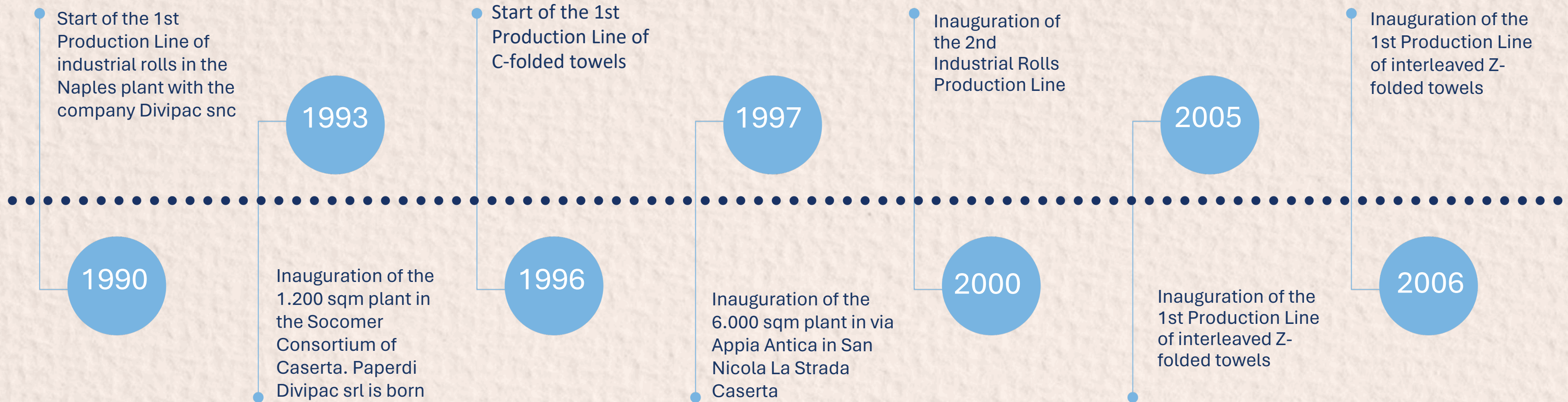
This line represents our vision of a future where quality and sustainability are perfectly integrated.

The 2024 results have shown us that we are on the right path: combining economic growth, environmental responsibility, and a focus on people is not only possible, but also the key to our lasting success.

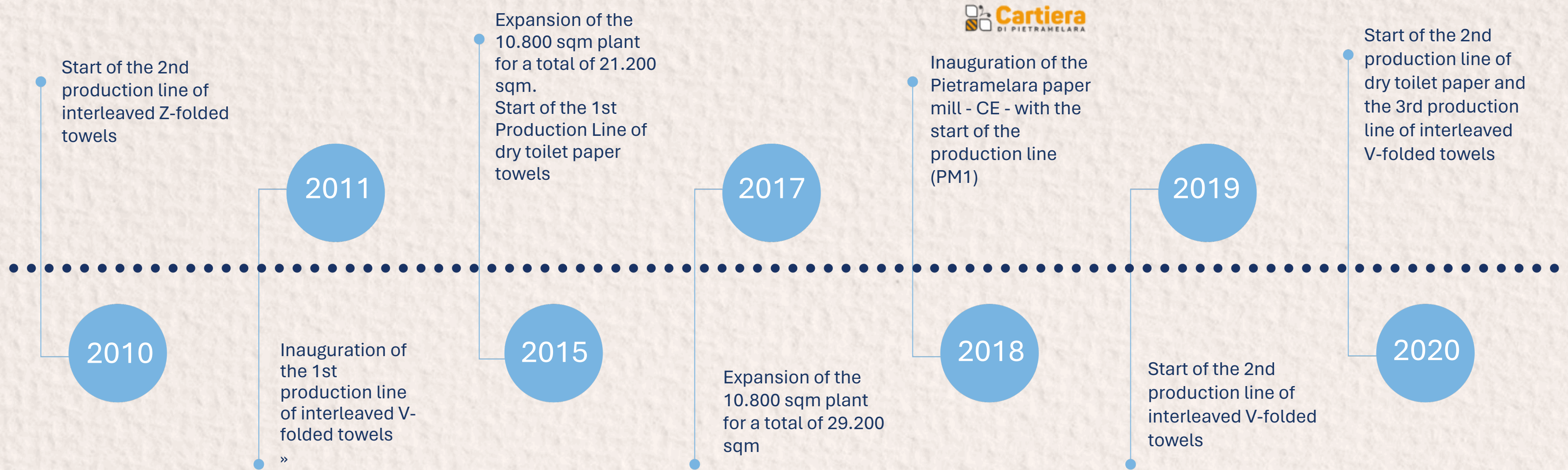
I hope you will enjoy your reading.

 **Vincenzo Di Leva**
CEO 2024-2025

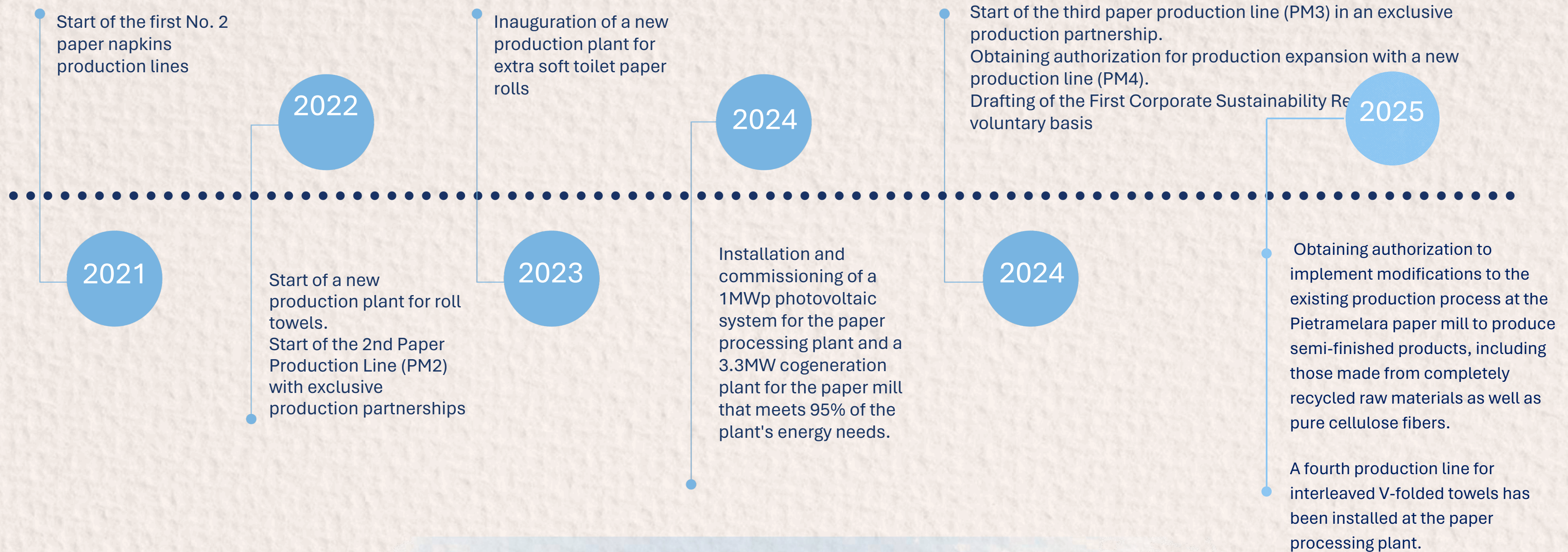
OUR HISTORY



“With passion and sustainability, since 1989.”



“With passion and sustainability, since 1989.”

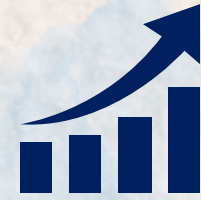


“With passion and sustainability, since 1989.”

2024 NUMBERS



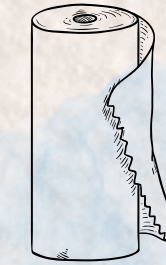
180 employees
+14 net increment
vs 2023



147,2 millions in turnover
+2,20% vs 2023



80.000 tons sold
+ 12,6 % vs 2023



77.22 tons of paper reels
+11% vs 2023



77.200 tons
of semi-finished products produced in paper mills
+21% vs 2023



77.000 tons
of converting products
+13,91% vs 2023



1300
Customers served



41,9 M
millions of foreign turnover
+12% vs 2023

14 lines

of converting
+1 vs 2023

3 continuous machines

for paper production
+1 vs 2023

OUR PRODUCT RANGE



CONSUMER LINE



PROFESSIONAL LINE



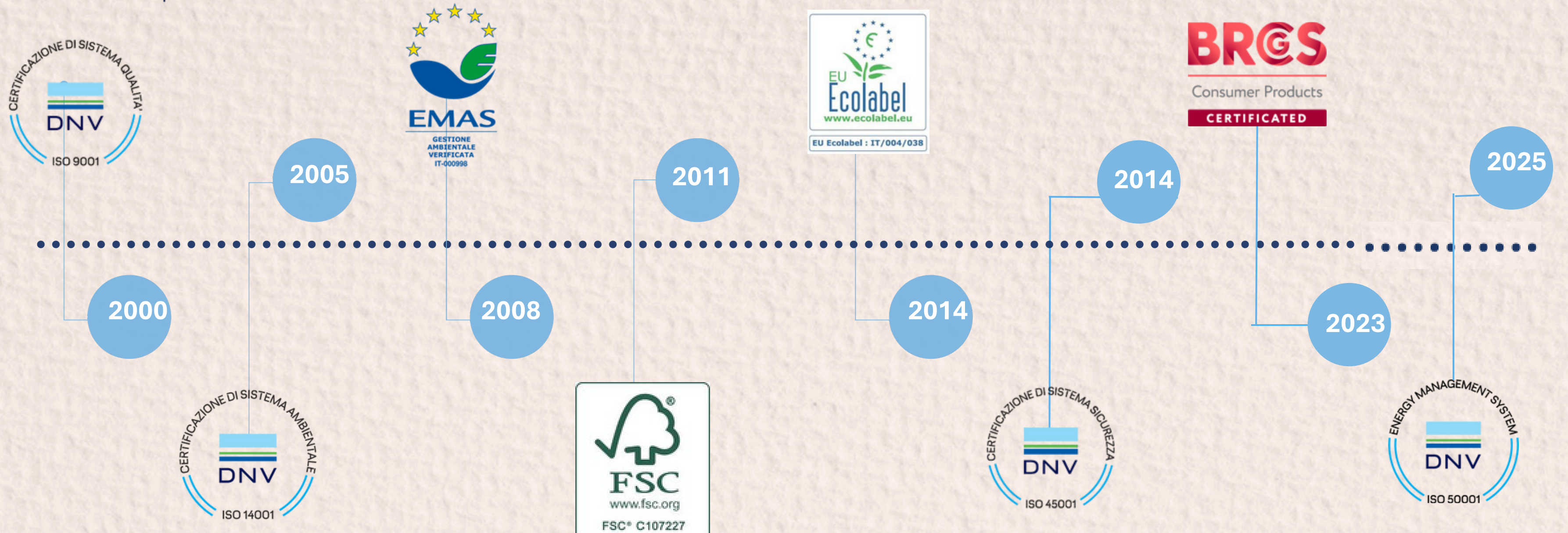
Fast Dissolution



BRICO LINE



OUR CERTIFICATIONS



Always aware of the importance of safeguarding and protecting the environment, as well as safety and well-being in the workplace, Paperdi has maintained various certification models active since 2000.

The company adheres to the most relevant European and international standards, which are constantly updated and integrated with new management systems, in order to respond increasingly effectively to market needs and the evolution of its organizational model.

This is the context in which the company has decided to begin the process of obtaining **ISO 50001** certification in the second half of 2024, with the aim of implementing an energy management model geared towards continuously improving energy efficiency in its company facilities.

MATERIAL THEMES

Paperdi's materiality analysis allowed us to define a list of **11 material themes**

1

Quality, innovation and product safety

2

Energy consumption and emissions

3

Health and safety of employees

4

Supply policies

5

Ethics, compliance and economic value

6

Water resources management

7

Circularity and waste management

8

Development and valorization of human resources

9

Relationship with customers and consumers

10

Use of materials and chemical substances

11

Creation and sharing of value in the territory

OUR SUSTAINABILITY PLAN

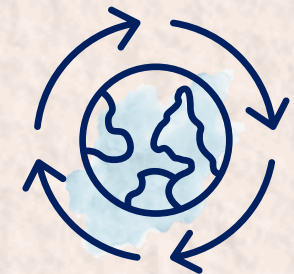
Paperdi's Action Plan aims to strengthen the company's ability to manage environmental, social and economic impacts, facing risks and opportunities with an innovative approach oriented towards a continuous improvement. Our plan's mission is to **“offer the right paper for every use”**. The adjective "right" is applied to the four areas of sustainability in which Paperdi intends to operate: **product, people, environment and business.**



Constant research for the development of high-quality products capable of meeting the specific needs of customers, without compromising on environmental impact thanks to the careful selection of the best raw materials and certifications.



Commitment to listening and valorising, as well as protecting the health and safety of all the people who contribute to create Paperdi products, starting with our employees and collaborators, but also of the workers along the supply chain.



Creation of plants and processes based on the principles of maximum efficiency and circularity, to minimize the effects of Paperdi's production activities on the environment and the climate.

OUR 4 PILLARS

Paperdi's commitment is therefore expressed in consistently producing **the right paper** for :

For those who produce it

- Improve the internal communication and involve the employees in the corporate sustainability path
- Promote the satisfaction and well-being of all employees
- Spreading a culture of feedback and fostering the development of human capital
- Eliminate accidents at work
- Contribute to the development of the sector in a sustainable way



For those who use it

- Develop innovative products with sustainability and circularity characteristics
- Adopt lower impact packaging solutions
- Ensure the traceability of raw materials
- Maintain customer relationships and improve their satisfaction levels



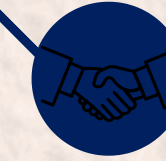
For the environment

- Increasing process efficiency and circularity: efficiency in energy and water use
- Contribute to the energy transition and climate change mitigation
- Reduce the impacts of shipping and logistics activities
- Contribute to the protection of ecosystems



Business

- Promote a strong and responsible corporate governance
- Increase the frequency and quality of stakeholder engagement
- Contribute to the development of an ethical and responsible supply chain



THE SUSTAINABILITY PERFORMANCES OF 2024



100% of the supplied raw materials are certificated



100% of the paper processing plant waste is reused in the paper mills production process



89% of the paper processing plant's need is self-produced in the paper mill



30% of the packaging film is made from post-consumer plastics



Energy intensity index of the paper mill:
9,51 GJ/t (+0,87% vs 2023)



Energy intensity index of the paper processing plant:
0,36 GJ/t (-3,7% vs 2023)



82% of the photovoltaic production is intended for the paper processing plant's energy needs



Direct emissions from the paper mill
(Scope 1): 11.207 tCO2 (-2,2% vs 2023)



Total indirect emissions
(Scope 2 Location Based): 8.957 tCO2 (-2,3% vs 2023)



Total indirect emissions
(Scope 2 Market Based): 9.921 tCO2 (-36,6% vs 2023)

THE SUSTAINABILITY PERFORMANCES OF 2024



Total emissions
(Scope 1 and 2 Location Based): **20.164 tCO2**
(-2,5% on 2023)



Total emissions
(Scope 1 and 2 Market Based): **21.128 tCO2**
(-22,2% on 2023)



Paper mill process water recycling rate:
95,6%*

* calculated according to the method set out by Assocarta-Confindustria-Aticelca 2017



80,2% of waste produced in the paper mill is sent for recovery



97,7% of waste produced in the paper processing plant is sent for recovery



78% of the quantity of finished products manufactured are FSC certified



21,5% of the processing plant's finished products come from the transformation of semi-finished products into recycled paper



3.678 hours of training provided to our staff in 2024 (+29,4% on 2023)



Injury frequency rate:
3,39 (4,82 in 2023)



92,2% of our staff is made up of workers with permanent contracts



100% of employees benefit from health insurance coverage



100% of employees are recipients of performance bonuses which can also be accessed through welfare tools

THE RIGHT PAPER FOR THOSE WHO USE IT

Constant research into the development of high-quality products that meet specific customer needs, without compromising on environmental impact thanks to the careful selection of the best **raw materials and certifications**.

| MATERIAL THEMES | GOALS | 2024 | 2025 | 2026 | 2027 |
|------------------------|---|--|--|--|--|
| Quality and innovation | Developing innovative products with sustainability and circularity characteristics | The new "Ecogreen Plus" product line has been created, which is the ideal combination of recycled raw materials and the quality of the finished product. | Creating a network of suppliers capable of guaranteeing a constant quality over time | Offering a complete range of items made from 100% recycled paper | Achievement of EDP certification for some main product families |
| Procurement policies | Adopting lower-impact packaging solutions to limit the consumption of natural resources and packaging waste | | Adopting purchasing policies for the gradual increase in the use of packaging made from recycled, recyclable, and, where possible, compostable materials | | |
| | Increasing the level of traceability of raw materials | | Compliance with the European Deforestation Regulation (EUDR) | Introduction of a digital supplier portal that can serve as a scalable tool for suppliers qualification and portfolio management | Promoting sustainable and responsible operations along the value chain under the European Corporate Sustainability Due Diligence Directive (CSDDD) |
| Customer Relations | Maintaining customer relationships and improve their satisfaction levels | | Integrating customer surveys with requests related to sustainability expectations | Implementing a stakeholders engagement strategy that also involves customers | Investigating the potential impacts at lower levels of the value chain, that involve the end users, to identify opportunities for improvement |

THE RIGHT PAPER FOR THOSE WHO PRODUCE IT

Commitment to listening and valorising, as well as **protecting the health and safety** of the people who contribute to create Paperdi products, starting with our employees and collaborators, but also of all the workers along the supply chain.

| MATERIAL THEMES | GOALS | 2024 | 2025 | 2026 | 2027 |
|--|--|--|---|---|--|
| Development and valorization of human resources | Improving the internal communication and engage the employees in the corporate sustainability path | Adoption of an employee welfare plan tailored to their needs and perceived benefit | Increasing opportunities for internal dialogue, such as scheduling regular cross-functional meetings with managers or encouraging team meetings | Administration of a climate survey to assess the level of perceived employee satisfaction | |
| | Promoting the satisfaction and well-being of all employees | Strengthening of training activities for the development and spreading of soft skills | Ensuring workers well-being through practices that promote: welfare, flexibility and workload distribution | | |
| Employees health and safety | Eliminating accidents at work | Paperdi has joined the targeted prevention plan PP06/PP08 promoted by the Campania Region which provides for the implementation and sharing of workplace safety plans with Caserta ASL | Carrying out training and awareness-raising activities to spread a culture of health and safety in order to limit, or even eliminate, the occurrence of accidents at work | | |
| Contributing to the development of the sector in a sustainable way | Contribution to the dissemination of a sustainability approach and specific knowledge among the professionals in the field | Integrating the collaboration with Assocarta to promote the corporate sustainability goals and action plans | Implementing a communication strategy that promotes the dissemination of the corporate sustainability principles to the stakeholders | Organization of company visits and open days for local students, in collaboration with the institutes | |
| Energy consumption and emissions | Increasing the efficiency and circularity of the processes | The energy diagnosis system has been strengthened through a continuous monitoring of the performances at each line and plant in the company's factories | Implemented an efficient energy management system certified in compliance with ISO50001 | Reducing the energy intensity by streamlining the processes and increasing the share of self-consumed energy from green sources | Progressive replacement of the company fleet with vehicles with a lower environmental impact |

THE RIGHT PAPER FOR THE PLANET

Creation of plants and processes based on the principles of **maximum efficiency and circularity**, to minimize Paperdi's contribution to climate change and safeguard the environment around us.

| MATERIAL THEMES | GOALS | 2024 | 2025 | 2026 | 2027 |
|---|--|--|--|---|--|
| Water resources management | Contributing to the energy transition and climate change mitigation | Continuous research into technological and process solutions to reduce water withdrawals | Implementation of a climate risk assessment system that distinguishes between physical risks and transition risks. | Carrying out an organisational Carbon Footprint analysis (Scope 1, Scope 2 and Scope 3) to define a baseline against which to identify future direct and indirect emissions reduction targets | Drafting a formalized policy with commitments and a transition plan that integrates improvement targets against climate change, pollution, and water resources |
| Circularity and waste management | Contributing to the protection of ecosystems | Increasing the quantity of waste sent for recovery or recycling operations | | | Adoption of solutions for the reuse of sludge resulting from the processing of recycled raw materials, also in collaboration with other professionals in the field |

TO OPERATE RESPONSIBLY

Promoting a sound and responsible corporate governance and increasing the **frequency** and **quality** of the stakeholders engagement

| MATERIAL THEMES | GOALS | 2024 | 2025 | 2026 | 2027 |
|--|--|---|---|--|---|
| Ethics, compliance and economic value | Promoting a sound and responsible corporate governance | Drafting of the company Code of Ethics | Implementation of an organizational model (MOG) pursuant to Legislative Decree 231/2001 | Formalization of the internal working group's responsibility to monitor and oversee the strategic sustainability aspects, by supporting the Sole Director in defining guidelines and commitments in this area. | Definition and implementation of an integrated risk analysis and management system transversal to all company areas, including also the ESG risks |
| Procurement Policies | Promoting a sound and responsible corporate governance | Mapping of the relevant stakeholder categories, analysis of their expectations and definition of an ongoing engagement plan | Drafting of a Sustainable Purchasing Policy to formalize Paperdi's practices and commitments in the selection and evaluation of suppliers, distinguishing between categories of suppliers | Integrating the supplier evaluation process with the formalization of Paperdi's practices and commitments in the supplier selection and evaluation, also from an ESG perspective. | |
| Creating and sharing value on the territory | Increasing the frequency and quality of the stakeholders engagement | Renewed the collaboration with the Veronesi Foundation aimed at financing research grants | Increasing the dissemination of Paperdi's sustainability principles, also through the organization of company visits for school groups from local institutions. | Definition of an internal policy for the selection and planning of solidarity activities aligned with the strategy, so that they become a distinctive activity coherent with the corporate identity. | |

COMMUNITY AND TERRITORY

RESEARCH



Paperdi has signed a multi-year agreement with **Veronesi Foundation** to finance scholarships for **oncology research**

TRAINING



Paperdi promotes company visits for high school students with the aim of **raising awareness among the younger generations** about the **environmental sustainability** issues.

SUSTAINABILITY



Paperdi, in partnership with Assocarta, has participated in important workshops such as Ecomondo and Green Med Expo, to promote and disseminate the **sustainability policies adopted, also at supply chain level.**

HEALTH



Through **financial donations**, Paperdi supports several local healthcare and hospital facilities, as well as non-profit organizations and associations engaged in initiatives **to promote local customs and culture.**

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