



# Beyond Impact

Sustainability Report 2024



## **Indice**

<b>Letter to Stakeholders</b>	<b>4</b>
The statement from the Chief Executive Officer	4
<b>Introduction</b>	<b>6</b>
Sustainability Highlights 2024	6
Sustainability Path	8
Main Events 2024	9
ESG Ratings	12
<b>Identity</b>	<b>14</b>
Mission, vision, and values	14
Company profile	15
History and achievements of the company	16
Reference Sectors	21
<b>Business Model</b>	<b>26</b>
Business model and value chain	26
Supply chain	27
Supplier qualification process	33
Products	34
Business of the future	36
Clients and Licensors	43
Certifications	46
Synergies	48
<b>Governance</b>	<b>53</b>

Corporate governance and corporate purpose	53
Risk mitigation strategy	66
Innovation and Research & Development	69
Economic results and shared value	74
Support for the community	82
Future goals and commitments	85
<b>Materiality analysis</b>	<b>90</b>
Stakeholder	90
Positive and Negative Impacts	95
Risks and Opportunities	97
Double Materiality	99
Materials	101
Contribution to the SDGs and respect for UNGC principles	103
<b>Environment</b>	<b>106</b>
Commitment to the climate	106
Energy consumption	109
Production of energy from renewable sources	115
Carbon Footprint	117
Mobility management	127
Integrated Approach to Circular Economy	130
Waste	133
Waste reduction strategies	137
Protection of biodiversity and conservation of ecosystems	139

Water management as a resource 141

**Social 144**

Employee statistics 144

Human Rights and Working Conditions 153

Diversity and inclusion 157

Health and safety at work 169

Well-being of people 175

Training and development programs for employees 181

Value proposition 184

**Appendix 193**

Data and performance indicators 193

Table of correspondence between SDGs and GRI Standard indicators 202

UN Global Compact Connection Table 205

Methodological Note 207

Indice analitico GRI 209

Contatti 211

# Letter to stakeholders

## The statement from the Chief Executive Officer

GRI 2-22

### Dear Stakeholders,

*we are living in a complex time, where ecological transition is at the center of public debate, but too often approached in an emotional, ideological, or fragmented way. Yet the issue is clear: we must drastically reduce greenhouse gas emissions and do so quickly if we want to hand over a livable planet to future generations. But we must also proceed rationally, aware that there is no single solution, nor a silver bullet capable of solving everything on its own.*

*The Tosto Group was founded over sixty years ago from my father Walter's industrial vision, which still today represents a constant point of reference for all of us. His passion for well-done work, determination, and ability to innovate are values that continue to guide us every day. For us, sustainability means concreteness: it means improving energy efficiency, investing in innovation, developing increasingly responsible supply chains, strengthening skills, and protecting the environment and people.*

*In 2024, we continued with determination along this trajectory, with the awareness of being an active part of the European industrial transition. We have consolidated our commitment to the United Nations Global Compact and fully implemented the 'Businesses for People and Society' Manifesto through measurable, transparent, and consistent actions.*

*This concrete commitment has received prestigious recognition: in July 2024, we received the 'Welcome. Working for refugee integration' award from UNHCR, which celebrates companies that excel in the inclusion and employment of refugees. Additionally, we achieved the Gold medal from EcoVadis, the highest recognition for corporate sustainability performance, demonstrating that our commitment to social and environmental integration has not remained a statement of principle, but has translated into tangible and measurable results.*

*Our industrial history has taught us that every project, every client, every market requires specific responses. There is no universal recipe. That is why the Tosto Group has chosen a technologically diversified approach: from next-generation nuclear components to systems for green hydrogen, from solutions for the circular economy to technologies for synthetic fuels.*

What truly matters to us is the effectiveness of our solutions in reducing emissions, their operational safety, and their economic sustainability for our clients.

The title of this Report, *Beyond Impact*, encapsulates the deeper meaning of our vision: to go beyond numerical impact, beyond formal compliance, beyond appearances. It means thinking strategically in the long term while acting today — as individuals, as companies, and as a system — with coherence and responsibility.

I would like to thank all the people in our Group, in Italy, Romania, and across all our operational sites involved in this journey, for their daily work and constant commitment. It is thanks to them that we can face the challenges ahead with seriousness and confidence. **Luca Tosto, Chief Executive Officer**



# Introduction

## Sustainability Highlights 2024

GRI 2-6

### Performance **Economic**

*SDG References: 8 – Decent work and economic growth; 9 – Industry, innovation and infrastructure; 16 – Peace, justice and strong institutions*

Indicator	u.m.	2024	2024/2023
Revenues	k€	166.619,48	-6,50%
Value of production	k€	247.489,70	+12,34%
Net profit	k€	5.146,36	+5,92%
Net equity	k€	176.958,39	+2,93%
Value distributed to stakeholders	k€	62.768,51	+12,23%

### People

*SDG References: 4 – Quality education; 5 – Gender equality; 8 – Decent work; 10 – Reduced inequalities; 12 – Responsible consumption and production*

Indicator	u.m.	2024	2024/2023
Employees	n.	1.184	+4,2%
Employees with permanent contracts	%	86%	+9,1%
Staff aged between 30 and 50 years	%	52%	+13%
Cultural and social donations	k€	438,23	+77%
Suppliers	n.	2.826	+1,3%
Sourcing from domestic suppliers	%	64	+4%

## Planet

SDG References: 7 – Clean and accessible energy; 12 – Responsible consumption; 13 – Climate action

Indicator	u.m.	2024	2024/2023
Energy consumption	GJ	257,826.81	23.07%
Electricity consumption from renewable sources	MWh	2,120	+2.1%
Scope 1 and Scope 2 emissions (location-based)	t CO <sub>2</sub> eq	17,370.22	21.83%
Scope 3 emissions	t CO <sub>2</sub> eq	4,512.92	+9%
Emission intensity per revenue	t CO <sub>2</sub> eq / k€	0.104	+0.97%
Waste	t	4,802.32	-18.37%

## Sustainability Path

Year	Sustainability Steps
1996	First certification <b>UNI EN ISO 9001</b>
2002	First certification <b>UNI EN ISO 14001</b>
2012	Adoption of <b>D. Lgs. 231/01</b> and the <b>Ethical Code</b> ; <b>EcoVadis WT</b>
2015	First <b>energy diagnosis</b>
2017	<b>R&amp;D</b> : renewable energy from biomass
2019	Certification <b>OHSAS 18001</b> , Launch of <b>company nursery</b> , Second <b>energy diagnosis</b>
2020	Certification <b>UNI ISO 45001</b> , Membership in <b>Hydrogen Europe</b> , <b>EcoVadis Bronze WTB</b>
2021	Establishment of the <b>corporate function for sustainability</b> , First <b>Sustainability Report</b> WT and WTB, First <b>ESG questionnaires</b>
2022	Membership in the <b>UN Global Compact</b> , First Sustainability Report <b>Belleli Energy CPE</b> , <b>Green Office Manual</b> , First <b>PSCL</b> , First <b>ESG assessment</b> on the supply chain, <b>ESG Rating</b> (CDP, <b>EcoVadis Silver</b> , <b>Synesgy</b> , <b>Open-es</b> )
2023	First Sustainability Report <b>WTS Gas</b> , - Third <b>energy diagnosis</b> . <b>ESG KPI Linked Loan financing</b>
2024	Expansion of the reporting perimeter, <b>Gold Medal EcoVadis WT</b> , First <b>Communication of Progress</b> - <b>UNGC</b>



## Main Events 2024

### February 19-21

From February 19 to 21, Walter Tosto, Belleli, Energy CPE, and Maraldi participated in *Egyptes 2024* at the Egypt International Exhibition Center in Cairo, engaging in discussions on topics such as energy transition, security, and decarbonization.

### March 6

Institutional visit of the Minister of Economy and Finance *Giancarlo Giorgetti* to the Walter Tosto facilities in Chieti Scalo.

### March 11

Presence of Walter Tosto at the University of L'Aquila for the event "*In the Factory with Companies*" in manufacturing.

### March 8

Presence at the event "*For More Women in Nuclear*" promoted by the International Atomic Energy Agency (IAEA) aimed at promoting female presence in the nuclear sector, offering mentoring opportunities and presentations of successful careers.

### March 14

Participation in *StocExpo 2024* where the patented tank "*Sphero*" was awarded at the *Global Tank Storage Awards 2024* for the "Safety Technology" category.

### March 15

Final event at Belleli Energy of the course for forgers organized by the *Italian Metallurgy Association (AIM)*, with the sponsorship of the *Italian Pressure Equipment Association (AIPE)*

### March 22

Presence at *Gasification 2024* in Ghent, Belgium.

### March 25

Presence in Brussels at the *European Industrial Alliance on Small Modular Reactors*, the event organized by the European Commission to assess progress in creating the European industrial alliance for SMRs.

### March 28

Participation in the *People Forum 2024*, organized by *Apindustria Confimi Cremona*.

### March 28

Presence at "*Cafés with Businesses*," the series of traveling meetings promoted by *Crédit Agricole Italia*.

### April 8

Participation in the *Work and Economic Progress Loyalty Award* promoted by the Chieti and Pescara Chamber of Commerce where CEO Luca Tosto and a number of employees hired for over 30 years were awarded.

### April 24

Presence at "*Connecting Green Hydrogen MENA 2024*" in Dubai with a specific discussion session titled "Innovative Technologies to Enable Storage and Shipping."

### May 8

Walter Tosto and Belleli Energy were present in Amsterdam for the *Petrochemical & Refining Congress Europe 2024*.

### May 12

Event for the victory of the *FCSB* championship, a team sponsored by Walter Tosto WTB.

### May 13-15

Presence of the Tosto Group in Al Khobar for the *Static Arabia* fair.

### May 29

Presence at the 22nd edition of the *International Forgemasters Meeting 2024* in Milan.

### May 30

Presence at the *1st General Assembly of the European Industrial Alliance* on Small Modular Reactors. On that occasion, the VP Nuclear & Big Science Director, Massimiliano Tacconelli, was appointed Vice President of TWG3 within the supply chain.

### June 5

Presence of Walter Tosto and Belleli Energy in Paris for the *European Nuclear Suppliers' Days*.

### June 11

Participation of Walter Tosto in the *AMPP Chapter Italy 2024*, an international event held in Genoa.

**June 14**

Presence of Walter Tosto at the launch of the new EU manifesto to recognize nuclear energy as a key solution to the EU's challenges.

**June 27**

Presence at *Breakthrough Energy* in London where we met Bob Mumgaard, CEO and co-founder of Commonwealth Fusion Systems.

**June 29**

Presence at the inauguration of *MAIA (Advanced Materials in an Open Infrastructure)* promoted by the ENEA Research Center.

**July 22**

Ceremony for the completion of the final loading of the two segments of the *ITER Vacuum Vessel* made by Belleli Energy as part of the contract signed between *Fusion For Energy* and the *AMW (Ansaldo, Mangiarotti, Walter Tosto)* consortium.

**July 22**

Awarding of the "Welcome for refugee integration" recognition by UNCHR

**August 5**

Participation of Belleli Energy at the *PVP (Pressure Vessels and Piping)* conference organized by ASME (American Society of Mechanical Engineers) in Bellevue, Washington.

**August 10**

Awarding of CEO Luca Tosto during the ceremony of the 1st Edition of the *Federico Valignani Award*, included in the XXIV edition of the *Festival of Love Letters* in Torrevecchia Teatina.

**September 11-13** Participation in the *Hydrogen Expo 2024* in Piacenza.

**September 17-20**

Presence at *Gastech Houston 2024* of Walter Tosto and Belleli Energy.

**September 6**

Participation in the *World Nuclear Symposium* held in London at the Park Plaza Westminster Bridge.

**September 10**

Delivery of diplomas to the children who completed their educational path within the company nursery.

**October 9**

Visit of the international top management of the *Voestalpine Böhler Welding* group at the Belleli Energy CPE facilities in Mantova.

**October 11**

Participation in the *EIC Awards 2024* in London.

**October 21-23**

Participation in the tenth anniversary of the *Italian Association of Pressure Equipment (AIPE)* where CEO Luca Tosto received the award for best entrepreneur in the boiler industry. Walter Tosto also won recognition for the best project in the nuclear sector.

**October 31**

Participation in the ninth edition of the *Italian Business & SDGs Annual Forum*, organized by *UN Global Compact Network Italy* in Genoa, participating in the working group "Digital Transition and Economic/Environmental Sustainability."

**October 31**

Celebrations at the Mantova and Hamriyah facilities for *Diwali*, an Indian celebration dedicated to light, both physical and spiritual.

**November 4-7**

Participation in *ADIPEC 2024* in Abu Dhabi.

**November 20**

Attendance at the *Energy Forum: "Digitalization and Energy Efficiency"* in Bucharest, organized by the Italian Chamber of Commerce in Romania in collaboration with *Energynomics*, where Sustainability Manager Marzia Mazzoni will discuss the link between Artificial Intelligence (AI), electrification, and nuclear in the path towards Net Zero.

**November 21**

Participation in the acceptance ceremony of the first two compliant sectors for the *ITER* project in Cadarache, France, one European made under the contract between the *AMW* consortium (Ansaldo, Mangiarotti, Walter Tosto) and *Fusion For Energy*, and the other South Korean.

**November 23**

Awarding of Walter Tosto at SMAU 2024, an event promoted by the Chieti Pescara Chamber of Commerce in collaboration with the development agency of the Chieti Pescara Chamber of Commerce.

**December 3**

Attendance at the annual day of the *Italian Nuclear Association* (AIN) at the Eliseo Theater in Rome, focused on the theme of "new nuclear" and its opportunities for Italian energy.

**December 3**

Participation of Belleli Energy CPE in the ninth edition of the *MoreJobs Career Day UNIMORE 2024*.

**December 10**

Walter Tosto has signed the **Local Green Deal** promoted by the Municipality of **Pescara** to accelerate the local ecological transition.

Initiative part of the *Intelligent Cities Challenge* aligned with the objectives of the *Green Deal* European and promoted by *European Innovation Council and SMEs Executive Agency (EISMEA)*.

**December 11**

Presence in Vienna at the International Atomic Energy Agency (IAEA) for the *Technical Meeting on Developing a Sustainable Nuclear Supply Chain for Near Deployment Reactors - 18th Edition* of the joint event *Nucleareurope - IAEA*.

**December 18**

Presence at the end-of-year meeting of *Nucleareurope* in Brussels, in the presence of the Deputy Director General, DG Energy of the European Commission Massimo Garribba and the Head of Unit, Net Zero Industries, Sustainable and Circular Products, DG GROW of the European Commission *Stefano Soro*.

## ESG Ratings

During 2024, the Tosto Group continued with determination on its path towards sustainability, achieving significant results in ESG (Environmental, Social, Governance) assessments and significantly improving its performance in environmental, social, and governance areas.

### Main Results

#### **EcoVadis – Walter Tosto S.p.A.**

Walter Tosto S.p.A. has obtained the EcoVadis gold medal, with a score of 74/100, placing it in the 96th percentile. This result demonstrates performance superior to 96% of the companies assessed by EcoVadis in the general machinery manufacturing sector.

#### **CDP – Water Security**

For the first time, the CDP – Water Security questionnaire has also been completed, with a score of “C”. The assessments confirm an integrated approach to environmental sustainability.

#### **UN Global Compact – Communication on Progress (CoP)**

The Group has renewed its adherence to the UN Global Compact, presenting the new CoP 2024 and reaffirming its commitment to the ten principles regarding human rights, labor, environment, and anti-corruption.

### Other Assessments

#### **Belleli Energy Critical Process Equipment S.r.l.**

ESG assessment “C” (satisfactory level) through Synesgy on September 5, 2024, valid until September 5, 2025.

#### **Walter Tosto WTB S.r.l.**

The Romanian company received the EcoVadis silver medal (66/100), positioning itself in the 87th percentile. The validity of the assessment is until February 15, 2025.

#### **Open-es – Walter Tosto S.p.A.**

Maintains a score of 75/100 on the Open-es platform (update as of October 23, 2024).

**Identity**



## Mission, vision, and values

GRI 2-23

GRI 2-24

### Vision

To establish ourselves as a leading global industrial group, at the forefront of innovation and energy transition. We aspire to shape the future of the industry by anticipating market challenges and creating cutting-edge solutions for a more sustainable world.

### Mission

To create sustainable value through strategic management and the development of our companies in the energy and boiler sectors, enhancing the quality of Made in Italy. We aim for operational excellence, technological innovation, and environmental and social responsibility in all our activities.

### SharedValues

#### Excellence and Quality

We pursue the highest standards in all our products and services, without compromise.

#### Safety and Sustainability

We prioritize safety in every operation and are committed to sustainable development.

#### Innovation and Flexibility

We balance tradition and progress, quickly adapting to new market challenges.

#### People Development

We invest in the development of our employees and actively contribute to the well-being of the communities in which we operate.

#### Integrity and Transparency

We operate with honesty and clarity, promoting open communication at all levels.

## Company profile

GRI 2-1

GRI 2-2

### The tosto group companies

This is the story of the Tosto Group, which — under the expert guidance of its founder first, and its current CEO later — has established itself as a symbol of technological excellence in the production of high-quality pressure equipment, earning a prominent position in both the Italian and international industries.

Walter Tosto S.p.A. has experienced significant growth throughout its 64 years of activity. Founded as a small manufacturing company producing tanks for the local agri-food industry, it gradually expanded its product range to include LPG and fuel tanks, eventually specializing in the design and construction of critical components for strategic sectors such as Petrochemical, Oil & Gas, Power, Food & Pharma, and LPG & Fuels. Today, it is globally recognized as a leading company in the heavy fabrication industry.

The company boasts an annual turnover of approximately €110 million, employs over 500 people, owns assets worth €200 million, and holds reserves of €35 million. It exports to 55 countries and operates through six plants located in Chieti, a workshop in the port of Ortona with direct access to the sea, and — through its subsidiary Walter Tosto WTB — two facilities in Romania, in Bucharest and Oltenița, the latter featuring a private port on the Danube River.

The group's continuous expansion is evidenced by the creation of WTS GAS, dedicated to the marketing and distribution of LPG; the acquisition of Belleli Energy CPE, a leading company in the design and manufacture of heat exchangers and reactors for the energy industry; and the entry of Seastock, which has taken over the Depositi Costieri Trieste terminal, strengthening storage capacity for petroleum products and mineral oils.

The companies of the Tosto Group stand out for their ability to evolve with the times, confirming their pioneering spirit in their respective sectors. Proud of their achievements, they look ahead with ambition toward a future of continued success and innovation.



## History and achievements of the company

### ANNI 60 e 70



### The 60s and 70s Foundation and First Steps

The Tosto Group began its journey in 1960, when Walter Tosto founded a sole proprietorship, creating a small workshop specialized in railings and grilles in the area of **Pescara Colli** with a small group of collaborators. Within a decade, the company's growth was remarkable, reaching a workforce of fifty employees. Guided by his far-sighted vision, Walter Tosto made the strategic decision to move the business from Pescara, his hometown, to Chieti, an area with more promising industrial prospects.

This choice proved to be a winning move, so much so that the headquarters in **Chieti** is still today the **nerve center of the Group**. The acquisition of larger spaces and the construction of a bending machine allowed the company to start producing the **first tanks** for local wineries and oil mills. The company, while maintaining its structure as a sole proprietorship, worked intensively, constantly growing thanks to the expertise and dedication of the staff carefully selected by Mr. Tosto.

The company scrupulously honored its contractual commitments, further expanding its production of tanks for national clients and reinvesting profits in the acquisition of **advanced technologies**.

### ANNI 80 e 90



### The 80s and 90s Innovation and Growth

**1984** marked a turning point for the Tosto Group, then known as "WTS" (Walter Tosto Tanks, now Tosto S.r.l.). With a team of over 180 employees and a turnover of several billion lire, the company transitioned from a sole proprietorship to a **joint-stock company**. During its first decade as a S.p.A., the company focused on the **Italian market**, launching the revolutionary "**Amico GPL**", a patented tank for Liquefied Petroleum Gas.

This innovative product, a small double-walled pressure vessel for containing LPG gas, ensured not only safety for users but also **respect for the environment**. This forward-looking development underscores the company's commitment to **sustainability**, positioning it as a pioneer in this sector. During the same period, the company also began producing the first **large LPG tanks**. **In 1996, Walter Tosto** made a significant decision for the future of the company: he passed management to his son Luca, appointing him as CEO.

This change in leadership represented an important generational shift that marked the beginning of a new phase of development and strategic direction. Luca Tosto maintained the company's **pragmatic** and concrete approach, driving **innovation and technical evolution**. During his management, the company obtained its first quality certification **UNI ENI ISO 9001**.

## From 2000 to 2020 Expansion of the Group

The entry into the third twenty-year period marked a fundamental chapter in the history of the Tosto Group. The acquisition and restructuring in 2000 of the Ortona plant, located in the port on the Adriatic, significantly improved the logistics and transportation of large-sized products. In 2001, the acquisition of Bosco Industrie Meccaniche enhanced the company's capabilities, especially in the design and production of heat transfer equipment.

The **2002** saw two more key developments: the start of **production for the Oil & Gas sector** and the obtaining of ISO 14001 certification, affirming the company's commitment to **environmental sustainability**.

However, the turning point came in 2007, when the historic operating company transformed into a mixed industrial holding, Tosto S.r.l. During this period, there was a redistribution of operational branches into new entities, such as **Walter Tosto S.p.A.** and **WTS Gas S.p.A.**, with the holding maintaining a role of control and coordination. This new organizational structure allowed for the definition of company policies and strategies while ensuring the operational autonomy of the controlled companies.

This evolution marked a significant step in the management and expansion of the Group, strengthening its position in both the **national** and international **markets**.

ANNI 2000 e 2020



## From 2021 to TODAY New Frontiers

As part of a **horizontal diversification** strategy, on December 29, **2020**, **Seastock S.r.l.**, belonging to the Tosto Group, acquired a business branch from a "continuing" bankruptcy procedure. This acquisition concerned a strategic **energy hub** located in **Trieste**, right on the dock of the industrial port. This move not only saved the company "Depositi Costieri di Trieste in bankruptcy," but also opened new opportunities for growth and development for the Group.

The year 2022 marked the second year of management of this new entity, focusing on optimizing storage processes. This period was characterized by significant investments in safety, innovation, and technology, true to the "Tosto" style - a distinctive brand of the corporate philosophy that emphasizes quality and innovation. These initiatives further strengthen the position of the Tosto Group as a leader in the sector, highlighting its ability to adapt and thrive in a dynamic and ever-evolving market context.

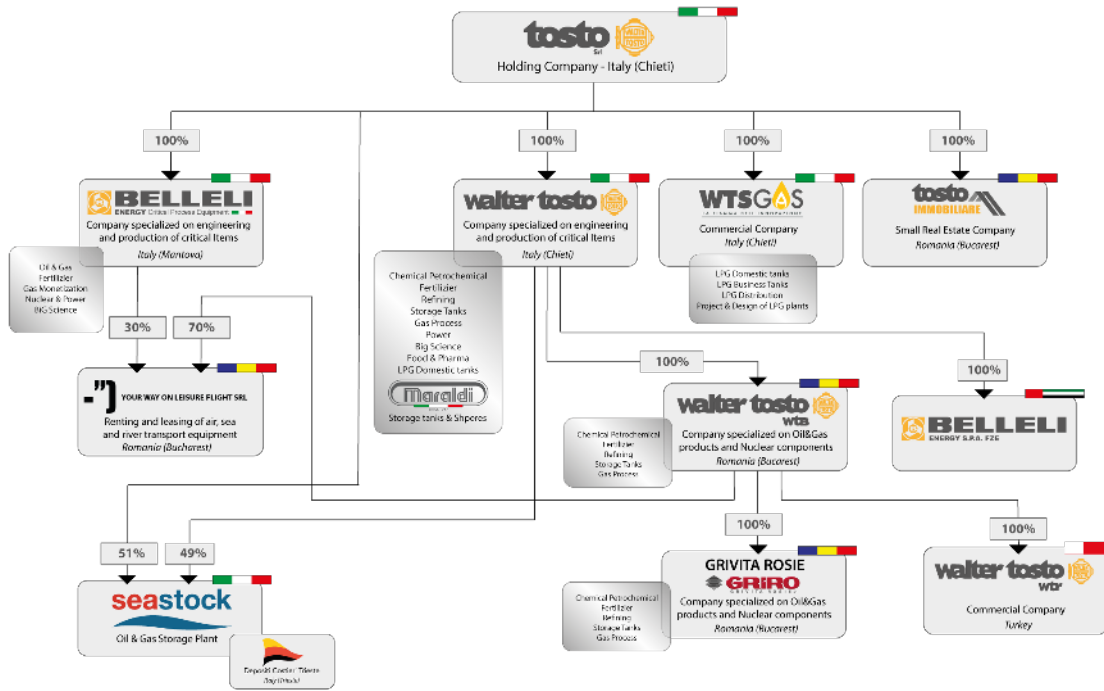
In 2024, the new company **Belleli Energy S.P.A. FZE**, based in Hamryiah in the United Arab Emirates, also becomes part of the Group's perimeter. The company, in the start-up phase, as of 31/12/2024, **has not yet started production activities**, having not reached full operational capacity during the reporting year.

DAL 2021 a OGGI



## Organization structure

Currently led by Luca Tosto, the Tosto Group is made up of twelve companies with locations both in Italy and abroad. Working together, these companies generate a consolidated turnover of over €166 million and employ more than 1,250 people. Despite their variety and geographical distribution, all the companies within the Tosto Group share a common corporate philosophy focused on socially sustainable development. The pillars of this philosophy are quality, innovation, transparency, and flexibility.



**CALDARERIA PESANTE**



Company specialized on engineering and production of critical Items

Chieti, Italy



**Storage tanks & Spheres**

Chemical • Petrochemical • Fertilizer • Refining • Storage Tanks • Gas Process  
Power • Big Science • Food & Pharma  
LPG • Domestic tanks



Company specialized on Oil&Gas products and Nuclear components

Chemical • Petrochemical • Fertilizer  
Refining • Storage Tanks • Gas Process

Bucharest, Romania



Commercial Company  
Turkey



Company specialized on engineering and production of critical Items

Oil & Gas • Fertilizer • Gas Monetization  
Nuclear & Power • BIG Science

Mantova, Italy



Company specialized on engineering and production of critical Items

Hamriyah, United Arab Emirates



Company specialized in Oil&Gas products and Nuclear components

Bucharest, Romania

**COMMERCIALIZAZIONE E DISTRIBUZIONE GPL**



Commercial company Chieti, Italy

LPG Domestic tanks • LPG Business Tanks  
LPG Distribution • Project & Design of LPG plants

**STOCCAGGIO DI PRODOTTI PETROLIFERI,  
ENERGETICI E OLI MINERALI**



Oil & Gas storage plant  
Trieste, Italy



**IMMOBILIARE**



Small Real Estate Company  
Bucharest, Romania

**ALTRI SERVIZI**



Renting and leasing  
of air transport equipment  
Bucharest, Romania

## Reference Sectors

GRI 2-6

The Tosto Group has been active for over sixty years in the metalworking sector and is today one of the main references at an international level in the design and manufacturing of large and technological-complex pressure equipment.

The Group operates with renowned experience in "high-end boiler making", which continues to be a fundamental pillar of the offer in the international market. The boiler making sector, recognized by the Ministry of Foreign Affairs and International Cooperation as a symbol of Italian excellence of Made in Italy in 2021, is an impressive economic engine. With 23,000 direct employees and an additional 30,000 in the supply chain, as highlighted by data provided by AIPE in 2021, this sector reflects the importance and mastery of the Italian manufacturing tradition.

Based on the study 'Pressure Vessels Market by End-user and Geography - Forecast and Analysis 2021-2025' commissioned to Technavio and released in 2022, the global pressure vessels market experienced a phase of growth in 2020 and further growth is expected until 2025-. The market outlook, developed by studying the combined impact of the factors driving growth, along with the challenges faced by the sector, shows a compound annual growth rate of 4.98% between 2020 and 2025. The global pressure vessels market was valued at 162.21 billion dollars in 2020 and is estimated to grow to 206.81 billion dollars by 2025. This will create an incremental growth opportunity worth 44.6 billion dollars between 2020 and 2025, which translates to about 28% of the market size in 2020.

The pressure vessel market is divided into the following segments: power generation, chemicals, oil and gas, and others. The segments were classified according to their market size in 2020. Power generation was the largest segment, while others represented the smallest segment in 2020. The year-on-year growth will range between 6.23% and 3.92%, indicating a certain degree of volatility in overall growth.



## Environmental Impact on the heavy Fabrication Marker

The issue of carbon emissions generated by the combustion of fossil fuels has been widely discussed over the past two decades. The **Kyoto Protocol** was the first international treaty, signed in **1992**, aimed at reducing **greenhouse gas (GHG)** emissions. However, it failed to achieve its objectives. After years of effort by United Nations member countries such as the **United States, France, and the United Kingdom**, more than **187 countries** signed the **COP21** agreement in **France** in **December 2015**.

The signatories jointly decided to limit global warming and keep the global temperature rise within **1.5 degrees Celsius** above pre-industrial levels. COP21 was also significant because, for the first time, wealthy nations committed to raising **\$100 billion annually by 2020** to help poorer countries transform their economies. Each country was required to declare the necessary steps to reduce greenhouse gas emissions and set targets to achieve them. Moreover, the signatories are mandated to review and report progress periodically. Although individual national plans to reduce emissions are expected to yield long-term results, the impact of such decisions should become visible in the medium-term future.

Many countries are working to reduce greenhouse gas emissions by decreasing the use of fossil fuels and promoting **electric vehicles (EVs), biofuels, and natural gas** in the transportation sector. In power generation, countries are expected to expand the use of **hydroelectric, wind, solar, and nuclear energy**. The eventual decline in the market share of fossil fuels in energy production will lead to a corresponding decrease in the demand for **boilers**. Consequently, the **boiler water treatment systems market** will also be affected.

## Power: conventional, Nuclear e and renewable Energy

The growth of the **nuclear sector** is supported by its high reliability in providing uninterrupted and continuous energy, with the ability to produce power throughout the year. In addition, **nuclear energy** provides clean, carbon-free electricity, helping many nations meet their carbon reduction goals. For countries with limited fossil fuel reserves, nuclear power is a key contributor to energy production, as the cost of importing fossil fuels or electricity would be significantly higher, leading to lower adoption of such alternatives.

Therefore, growth in the **nuclear energy sector** will drive the **pressure vessel market** during the forecast period. The increasing demand for **renewable energy sources** such as **geothermal** and **wind** energy is driven by their clean and inexhaustible nature. These sources do not produce greenhouse gases or toxic emissions, thereby helping to combat climate change and making **renewable energy** one of the most reliable sources of power generation.

According to the **International Energy Agency (IEA)**, global electricity demand is expected to grow by **60%–70% by 2040**, driven by population growth and rapid industrialization. Furthermore, the volatility of global fossil fuel prices is expected to boost demand for **renewable energy sources** for electricity generation during the forecast period. As a result, investments in **nuclear** and **wind energy** are increasing significantly, contributing substantially to the growth of the **pressure vessel market** within the **European energy industry**.



## Hydrogen

Hydrogen is considered a promising solution for harnessing solar and wind energy in the form of a clean, efficient, and versatile fuel. Its ease of transport, storage, distribution, and use makes it a valuable resource, as it is both unlimited and clean. This element can extend the use of renewable energy sources even to complex sectors such as industry. Currently, hydrogen accounts for only about **3% of global energy consumption**, and only a small portion — approximately **0.01%** (around **1,000 tons per year**) — is used as an energy carrier. However, growing interest in its potential as a clean energy source is notable, as it can significantly contribute to reducing greenhouse gas emissions.

The large-scale adoption of hydrogen as an energy carrier could represent a key solution to addressing the challenges of climate change and sustainable energy. According to the **Intergovernmental Panel on Climate Change (IPCC)**, limiting global warming to **1.5°C** will require the combined use of new and existing technologies, including the deployment of hydrogen alongside electrification. This perspective will influence the potential future demand for hydrogen. It is estimated that global hydrogen demand could rise to **650 million tons per year**, representing around **14% of the world's total energy demand**, although some more conservative estimates project demand between **180 and 275 million tons per year**. Compared to current levels, this represents an increase of **160% to 570%**. In **2018**, hydrogen production was about **115 million tons**, with **27%** produced from coal, **70%** from natural gas, and only **1%** from electrolysis. The remaining **2%** came from other technologies.

Despite the relatively small size of the fuel cell industry, it has shown remarkable growth rates in recent years. With global energy demand steadily increasing, the use of electric power is rising significantly, especially in developing countries. Growth trends suggest that electricity demand in developing nations will increase by about **400% by 2025**. In this context, **fuel cells** could play an important role, further driving the growing demand for hydrogen.

**The R&D activities of the Tosto Group companies** are aligned with global strategies such as those proposed by the **International Energy Agency (IEA)** to drive the transition toward clean energy. The companies are committed to innovation and market reform to promote sustainable solutions, including **renewable energy, hydrogen, circular economy initiatives, low-carbon solutions, and energy efficiency**.

## Commercial and Distribution LPG

**WTS GAS S.p.A.** operates in the retail sale and distribution of **LPG (Liquefied Petroleum Gas)**, a market experiencing global growth. LPG, derived from petroleum refining, is valued for its **energy efficiency** and **low emissions**. According to the latest report from the **World LPG Association (WLPGA)**, the global LPG market exceeded **\$110 billion in 2023**, with an annual growth rate of **4.5%**. This positive trend is driven by rising demand in developing countries and the adoption of stricter environmental policies in advanced economies. In **Italy**, LPG is widely used in **transportation, domestic heating, and industry**.

The **National Union of the Electromechanical Industry (UNEM)** reports that in **2023**, LPG vehicles represented **10.2% of the total fleet**, up from **9% in 2022**. The sector faces challenges such as the need to modernize infrastructure and raise public awareness of the benefits of LPG. However, there are significant opportunities, especially in relation to the **European Union's decarbonization goals**. A recent study by the **Italian Institute for Environmental Protection and Research (ISPRA)** highlighted that the use of LPG can contribute to a **reduction in CO<sub>2</sub> emissions of up to 15%** compared to traditional fuels in the transportation sector.



The **future of LPG** in Italy and around the world seems **promising**, thanks to its nature as a **transitional fuel** towards a **low-carbon economy**. Investments in **research and development** are also exploring the **production of bio-LPG**, opening new **perspectives** for the **sector**.

## Logistics and **storage** of energy products

**Seastock S.r.l.** operates in the field of **logistics** and **storage of energy products**, a **crucial** area for the efficiency of the **global energy supply chain**. The company plays a **key role** in the interface between **maritime, rail, and road transport**, offering **multi-directional connection services** for energy products. This **sector** is characterized by a **constant demand**, given the **strategic importance** of **energy products** in the global economy. According to the **International Energy Agency (IEA)**, the **global trade of petroleum products** reached **65 million barrels per day** in **2023**, highlighting the need for **efficient logistics infrastructures**.

The **energy storage and logistics sector** is undergoing a phase of **significant transition**. A report by **McKinsey & Company** from **2023** predicts a growing **demand for flexible infrastructures** capable of handling both **traditional fuels** and **alternative energy sources**.

### Main trends in the sector:

1. **Digitalization:** Implementation of **IoT** and **blockchain** technologies to improve **traceability** and **operational efficiency**.
2. **Sustainability:** Increasing focus on adapting **infrastructures** to manage **bio-fuels** and **low environmental impact fuels**.
3. **Safety:** Investments in **advanced technologies** for **accident prevention** and **environmental protection**.

The **World Energy Council** estimates that **global investments in energy infrastructures**, including storage and logistics, will reach **1.5 trillion dollars annually** by **2025**. This highlights the **strategic importance** of companies operating in this **sector**.

### Future challenges in the sector include:

- Adapting to increasingly stringent **environmental regulations**
- Managing **volatility in energy markets**
- Integrating **new technologies** to **optimize operations**

In this **dynamic context**, companies like **Seastock S.r.l.** are in a **key position** to contribute to the **efficiency** and **sustainability** of the **energy supply chain**. The **sector** offers significant **growth** and **innovation opportunities**, especially in the context of the **global energy transition** and the **optimization of logistics processes**.

Finally, the Group has also expanded its portfolio of activities through **Your Way On Leisure Flight S.R.L.**, a company specialized in the aerospace sector that deals with rental and leasing activities with aircraft and air transport equipment, air transport of passengers and goods, as well as engineering and technical consulting services in aviation. This sector diversification demonstrates the organization's ability to expand its technical and industrial skills into new strategic market areas, while always maintaining a focus on manufacturing excellence and technological innovation.



# Business Model

## Business model and value chain

GRI 2-6

GRI 204-1

The Group's value chain is structured around an integrated business model that encompasses several areas of specialization within the energy sector.

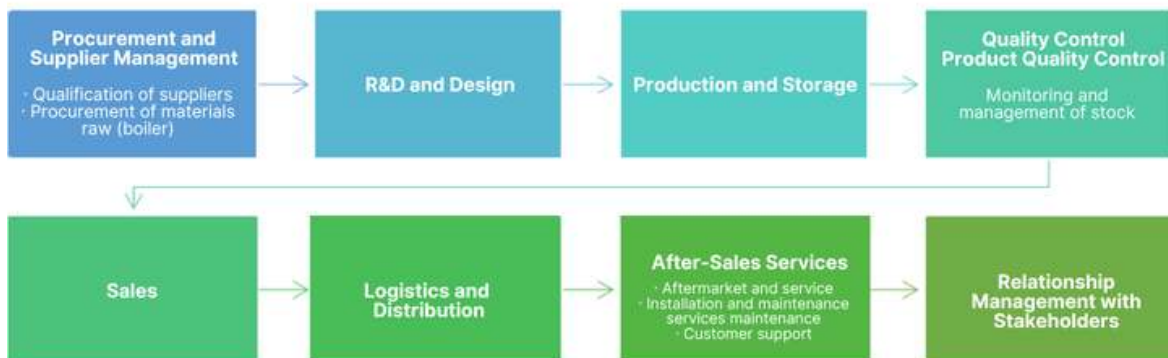
**Walter Tosto S.p.A.**, **Walter Tosto WTB**, and **Belleli Energy CPE S.r.l.** excel in the production of high-tech components for the energy industry, combining strategic supplier management with advanced manufacturing processes, efficient logistics, and meticulous attention to quality and customer service. This synergy ensures the creation of safe, reliable, and high-quality products, contributing significantly to the transition toward a low-carbon economy.

Complementing this, **WTS GAS** focuses on the commercialization and distribution of **LPG**, primarily used for combustion and industrial processes. Its business model is based on a widespread distribution network and efficient logistics management, ensuring reliable and safe supply to end customers.

Completing the picture, **Seastock** provides specialized services in the storage of petroleum products, offering a crucial link in the energy supply chain.

This diversification allows the Group to operate across multiple segments of the energy value chain — from the production of critical components to the storage and distribution of finished products.

The integration of these different areas of expertise creates a resilient and innovative corporate ecosystem, capable of meeting the challenges of the energy transition. The Group is constantly committed to process optimization, environmental impact reduction, and technological innovation, positioning itself as a key player in the journey toward a more sustainable energy future.



## Supply chain

GRI 204-1

GRI 2-6

The Tosto Group confirms its **supply chain** as a strategic pillar for competitiveness, operational excellence, and sustainability. With over **2,800 suppliers**, the Group's procurement network ensures high standards of quality and safety, promoting innovation through the sharing of skills and technologies. In 2024, the total value of purchases of goods and services amounts to **€ 120,196,050.46 €**, representing **65% of the Group's revenues**, demonstrating the crucial importance of the supply chain for business success.

### Performance 2024

SDGs	UNGC Principles	KPI	Performance 2024	Notes
SDG 8, 12	Principles 1, 2, 6	Total value of purchases (€)	210,000,000	+3.9% compared to 2023
SDG 8, 12	Principles 1, 2, 6	% domestic market purchases	76.2%	+1.4% compared to 2023
SDG 8, 12	Principles 1, 2, 6	Number of suppliers	3,200	+6.7% compared to 2023
SDG 8, 12	Principles 1, 2, 6	Audit on critical suppliers (% total)	90%	+10% compared to 2023

### Composition of Purchases

The composition of purchases in the last three years, with significant growth in services and consumables, demonstrates the supply chain's ability to effectively respond to the technical specifications of acquired contracts while maintaining a commitment to sustainability and quality criteria.

Type	2022 (€)	2023 (€)	2024 (€)	% 2024
Raw materials	54,836,714.54 €	144,144,974.36 €	64,288,410.97 €	53%
Consumables	4,323,196.58 €	24,296,666.19 €	17,446,844.67 €	15%
Services	23,998,952.95 €	28,742,193.45 €	33,723,722.24 €	28%
Heritage goods	4,197,874.18 €	5,968,915.70 €	4,737,072.58 €	4%
	<b>87,356,738 €</b>	<b>203,152,750 €</b>	<b>120,196,050 €</b>	

Within the main commodity category, that of raw materials, steel remains the predominant material, representing an essential component in various forms of sheets, forgings, tubes, and profiles.

## Responsible Management of **Conflict Minerals**

The **Tosto Group** demonstrates a significant commitment to the responsible management of its **supply chain**, with particular attention to the **ethical** and **humanitarian** implications of its **purchases**. A crucial aspect of this commitment is the focus on the so-called "**Conflict Minerals**" - **gold, tantalum, tin, and tungsten**. These materials are known for their potential role in financing **conflicts** in certain areas of the world, particularly in war zones or high-risk areas.

To address this issue, the companies in the Group have implemented strict **control protocols** on the **source areas** of these materials. This approach goes beyond mere compliance with **regulations**, reflecting a proactive commitment to **ethical** and **sustainable** sourcing practices. The goal is twofold: to ensure the **transparency** of the supply chain and to actively contribute to global efforts to end conflicts fueled by the trade of these **minerals**.

From the detailed analysis of **purchases**, it emerges that the use of potentially critical materials is extremely limited. In particular, there is only sporadic purchasing of **tools**, such as cutting tips containing **tungsten**, used in specific machining processes. This limited presence of "**Conflict Minerals**" in the Group's **supply chain** is the result of a conscious strategy and careful selection of **suppliers**.



## Promotion of Sustainability in the Supply Chain

In addition to technical and economic audits, Walter Tosto and Belleli Energy CPE launched an important initiative in 2021 aimed at promoting sustainability in the supply chain. The companies encouraged suppliers to complete the Synesgy questionnaire, accessible on the CRIF digital platform, with the goal of measuring the degree of alignment with ESG (Environmental, Social, Governance) criteria.

### Objectives of the initiative:

- **Motivate** small and medium-sized enterprises in the supply chain to adopt sustainability practices in their operations.
- **Increase awareness** of environmental, social, and governance risks, promoting an active commitment to the decarbonization of operations and the resilience of the value chain.

As of December 31, 2024, the initiative has achieved significant growth results, a sign of the program's effectiveness and greater involvement of the supply chain.

### Annual Comparison – Initiative Results Supply Chain ESG

Indicator	2023	2024	Variation %
Suppliers invited	1 629	1 634	+0.31 %
Suppliers who started filling out	96	365	+280.2 %
Suppliers who completed the process	114	273	+139.5 %

### Aggregated distribution by thematic area

ESG Score – 273 certified suppliers (Walter Tosto + Belleli)

ESG Area	Prevalent Distribution	Other main percentages
<b>Business</b>	C: 38 %	B: 20 %, D: 14 %, E: 15 %
<b>Environment</b>	C: 52 %	B: 18 %, D: 22 %, E: 4 %
<b>Social</b>	C: 41 %	B: 12 %, D: 8 %, E: 1 %
<b>Governance</b>	C: 30 %	B: 25 %, D: 29 %, E: 6 %
<b>Sector Score</b>	C: 41 %	B: 22 %, D: 32 %, E: 0 %

The significant increase in involved and certified suppliers confirms the effectiveness of the program and the growing attention to ESG criteria throughout the supply chain.

## Geographic Distribution of Purchases 2024

The geographic distribution of the Tosto Group's purchases in 2024 reveals a procurement strategy that strongly favors the domestic market while maintaining a global presence in its supply chain. This strategy reflects a deep commitment to local economies and a "local for local" supply logic.

It is important to note that while most companies in the Group follow this trend of strong domestic procurement, Walter Tosto WTB presents a different model: it has turned to the Romanian domestic market for a value equal to 22% of its total procurement.

Geographic Area	Value (€)	Percentage
Italy	84.917.105,17	71%
Europe (excl. Italy)	30.437.280,76	25%
Asia	1.591.583,17	1%
Rest of the World	3.250.081,37	3%

Finally, there is a clear preference for suppliers located in OECD countries, which generally offer greater guarantees in terms of labor, environmental, and governance standards.

Purchases by Geographic Area	Value (€)	Percentage
OECD Countries	110.528.391,24	92%
Non-OECD Countries	9.667.659,22	8%

The regional distribution of purchases highlights the Group's territorial strategy: 55% in Lombardy, where Belleli Energy CPE operates, and 14% in Abruzzo, the historical headquarters of Walter Tosto, confirming the approach that favors domestic purchases for both main operational sites.

Italian Region	Value (€)	Percentage
Lombardy	37.483.446	55%
Lazio	9.462.542	14%
Abruzzo	4.904.994	7%
Campania	2.256.093	3%
Rest of Italy	14.335.377	21%

## Supplier Evaluation at **Walter Tosto S.p.A.**

STATO AZIENDA



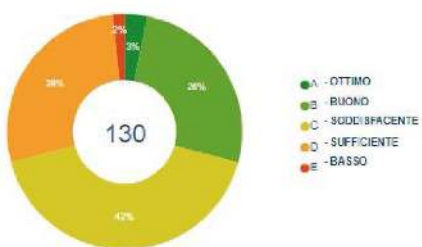
AZIENDE CON QUESTIONARIO



STATO	TOTALE
REGISTRATO TRAMITE INVITO	417
NON REGISTRATI	385

STATO	TOTALE
QUESTIONARIO REGISTRATO	111
QUESTIONARIO IN CORSO	160
QUESTIONARIO CERTIFICATO	130
QUESTIONARIO SCADUTO	35

OVERALL SCORE



STATO	TOTALE
A - OTTIMO	4
B - BUONO	34
C - SODDISFACENTE	54
D - SUFFICIENTE	36
E - BASSO	2

Dettagli

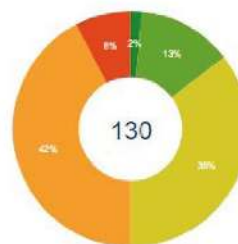
BUSINESS SCORE



ENVIRONMENTAL SCORE



SOCIAL SCORE



GOVERNANCE SCORE



SCORE SETTORIALE

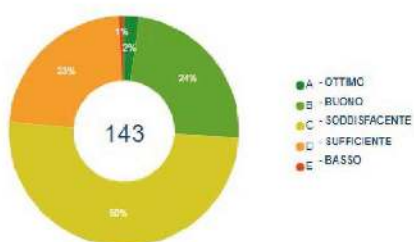


## Supplier evaluation of Belleli Energy CPE S.r.l.



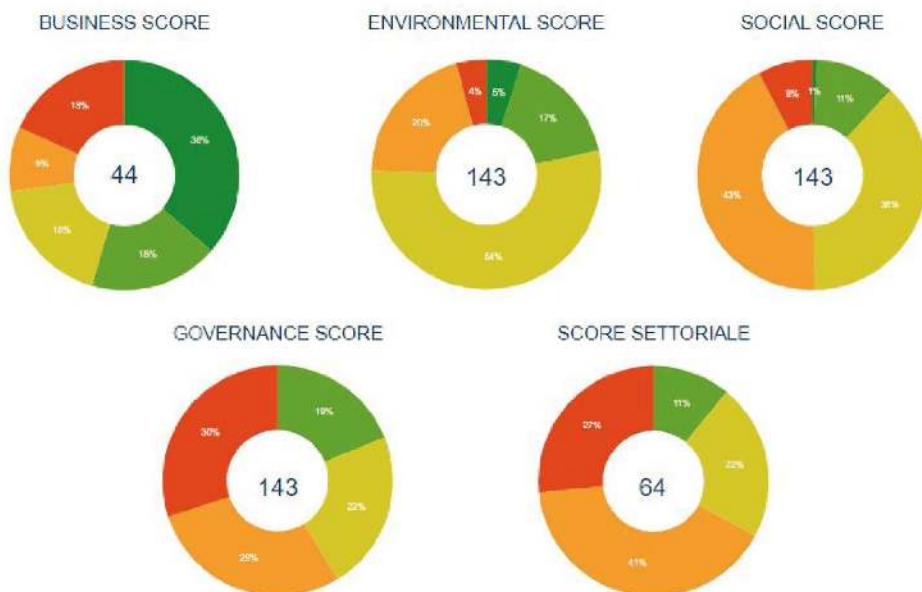
STATO	TOTALE
REGISTRATO TRAMITE INVITO	497
NON REGISTRATI	308

STATO	TOTALE
QUESTIONARIO REGISTRATO	112
QUESTIONARIO IN CORSO	205
QUESTIONARIO CERTIFICATO	143
QUESTIONARIO SCADUTO	48



STATO	TOTALE
A - OTTIMO	3
B - BUONO	34
C - SODDISFACENTE	72
D - SUFFICIENTE	33
E - BASSO	1

### Dettagli



## Supplier qualification process

GRI 2-6

**Also in 2024**, in high-impact markets such as **Oil & Gas, Chemical-Petrochemical, and Nuclear**, the **Qualification Process** that companies in the Group undergo remains **essential for inclusion in the Vendor Lists approved by major groups (End User / Main Contractor / Licensor)**. This process **is not a mere compliance**, but a true **“excellence filter”**, which selects partners capable of upholding the **HSEQ values (Health, Safety, Environment, Quality)** and the **ethical-financial solidity** of the organizations to which they apply.

### Phases of the Qualification

The process begins with a **thorough verification of the technical, organizational, and managerial capabilities of the supplier**. Special attention is given to compliance with **HSEQ requirements (Health, Safety, Environment, and Quality)**, **ethical and reputational reliability**, and **economic-financial solidity**. These aspects are fundamental to ensure that suppliers can **maintain and exceed the standards required** by the main players in the industry and by international regulations.

The ultimate goal of the process is to **select the most qualified suppliers** who can guarantee not only the **quality and safety of products**, but also a **sustainable and responsible management of resources and operations**.

### Evaluation Methodology

The qualification process is structured through several phases, which include:

- **Document Analysis:** The supplier must present a series of documents, such as **detailed questionnaires and in-depth documents**, which serve to provide a **comprehensive overview of its operations, policies, and capabilities**.
- **Field Evaluation:** If necessary, a **field verification** is conducted to directly observe the **practical skills, production capabilities, and infrastructure of the supplier**. This evaluation is often conducted by a **multidisciplinary team of experts** to ensure a **complete and impartial review**.

### Communication of Results

At the end of the process, the supplier receives an **official communication** from the **End User / Main Contractor / Licensor**. This can be a **Qualification Certificate**, which officially confirms the supplier's suitability, or a **letter/email** that communicates the outcome of the process.

In some cases, a **improvement plan** may be required, which includes **specific guidelines** for the areas where the supplier must implement **concrete improvements**.

This plan is essential to ensure that the supplier not only **maintains the required quality levels**, but also commits to a path of **continuous evolution** and **adaptation to new challenges and requirements of the industry**.

### Results 2022–2024

Year	Qualifications	On-site Audits
2022	83	2
2023	112	3
<b>2024</b>	<b>95</b>	<b>2</b>

## Products

GRI 2-6

The manufacturing companies of the Tosto Group – **Walter Tosto S.p.A.**, **Walter Tosto WTB S.r.l.**, and **Belleli Energy Critical Process Equipment S.r.l.** – represent the technological and productive heart of the Group. The industrial offering is structured based on the sectors served, with a complete range of high-complexity equipment designed and manufactured for strategic plants on a global scale.

### Specialization Areas and **Product Portfolio**

#### Oil & Gas, Chemical and Petrochemical Area

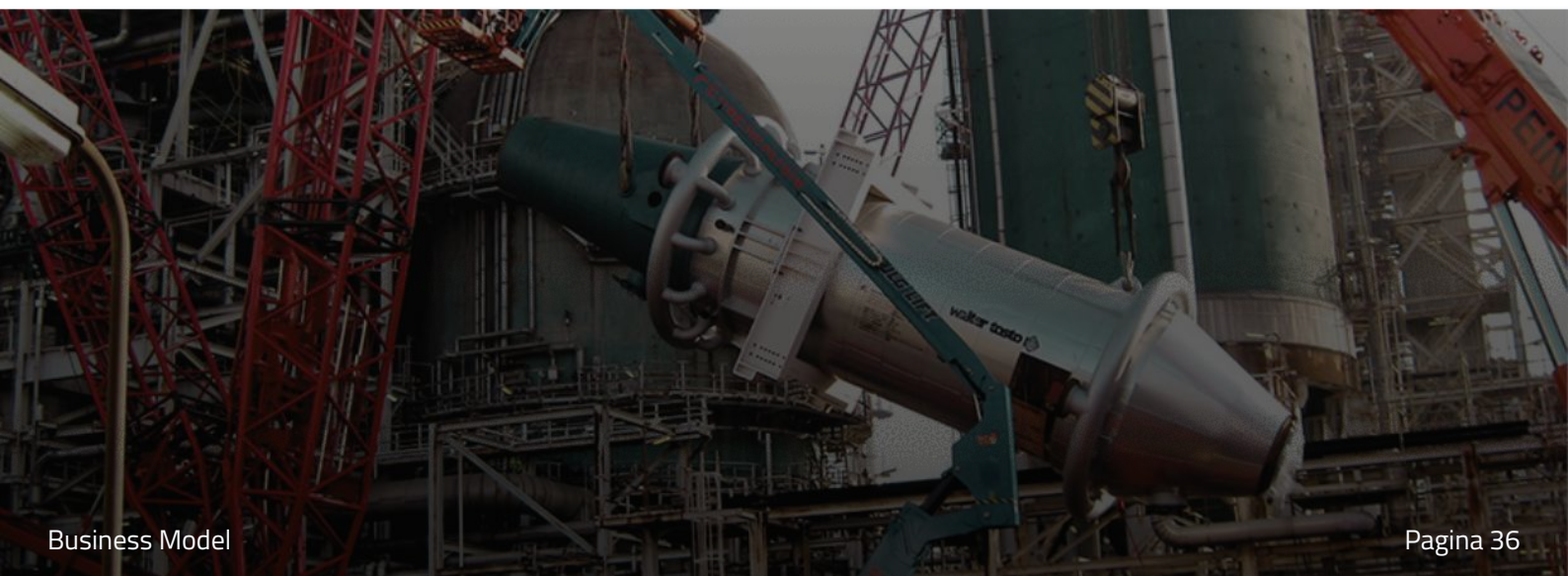
The manufacturing companies of the Tosto Group stand out for their high expertise in the design and production of **critical components for Oil & Gas, chemical, and petrochemical plants**, operating at high pressure and temperature. The areas of specialization include **hydrocracking, hydrotreating, desulfurization, gas treatment, polymerization**, as well as the production of **reactors for the synthesis of ammonia, methanol, urea, maleic anhydride, and ethylene oxide**.

The companies of the Group are able to work with the most advanced materials in the industry, including **low-alloy chromium-molybdenum-vanadium steels, nickel alloys, stainless steels**, and **titanium**, and manufacture their equipment according to the main international design and manufacturing codes, ensuring **high standards of quality, safety, and reliability**.

#### LPG & Fuels Area

In addition to the production of complex and large-scale equipment, Walter Tosto S.p.A. also produces **small pressure vessels for private customers**. Recognizing the importance of a complete service, the company offers a range of ancillary services to enhance the customer experience, which include:

- Transport to the installation site
- After-sales assistance
- Consultation and intervention in case of anomalies or malfunctions of the supplied products
- Supervision during the installation phase



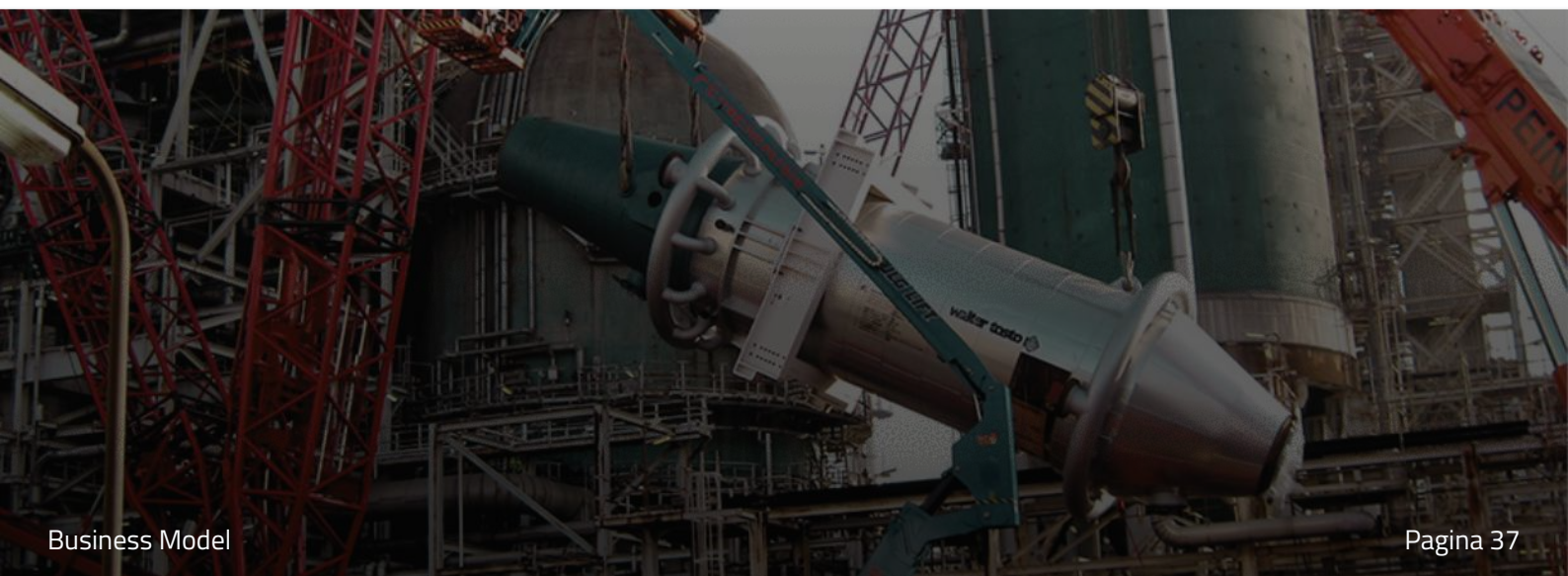
- Training of customer personnel on the use and maintenance of the supplied products
- Supply of spare parts

## Food & Pharma Area

The specialized skills in processing **stainless steel and special alloys** have led to the creation, within Walter Tosto S.p.A., of the Food & Pharma division, dedicated to the production of tanks for the containment of food and beverages – such as juices, soft drinks, wine, and oil – as well as equipment for the cosmetic, chemical, and pharmaceutical industries.

Founded in 2000, the division is now recognized as a **reference partner** for major companies operating in the food, beverage, and health sectors, offering solutions capable of meeting strict requirements in terms of hygiene, **safety**, and process characteristics.

The specificities of these sectors impose **very high production standards**: thanks to the experience gained and the use of advanced technologies, Walter Tosto is able to produce **high-quality tanks and vessels**, equipped with systems for mixing, heat exchange, surface finishing, and integrated cleaning, compliant with the most stringent regulatory and operational criteria.



## Business of the future

The consolidated experience of the Tosto Group in **high-tech boiler making**, gained in complex sectors such as Oil & Gas and refining, continues to represent a competitive and internationally recognized pillar. However, the current global context requires industrial companies to deeply rethink their priorities: **environmental sustainability, production ethics, and technological innovation** have become central criteria in strategic choices.

The market, in fact, demands less polluting technological equipment and pushes towards the production of innovative products, such as the new generations of nuclear plants, and products related to the "large works" in the field of **clean energy** and "**green production**". The Tosto Group's business has therefore undergone significant **transformations**, especially in the last decade, shifting **from the exclusive Oil & Gas sector to new, more sustainable markets and innovative fields**.

Walter Tosto is indeed ready to embark on new paths, always keeping a careful eye on the past, so as to benefit from the experience accumulated over the years.

An evident example of this change is participation in **nuclear energy** projects, demonstrating the adaptability and continuous evolution of the company's activities, which has been able to constantly evolve. In particular, Walter Tosto S.p.A. has **expanded its product range, innovating production processes**, and has gained **access to new and important markets**.

## Power – Conventional Energy, Nuclear and Renewable

Walter Tosto S.p.A. has established itself as a producer of next-generation nuclear power plants based on various technologies, including critical components of the primary and secondary circuits for heat transfer and the most important components supporting the turbine.

The Tosto Group recognizes the strategic importance of nuclear energy as a continuous source of energy that is virtually free of CO<sub>2</sub> emissions.

The Group anticipates significant growth in the nuclear sector both in the short term and in the medium to long term. This strategy is aligned with the objectives of the European Green Deal, aiming to actively contribute to achieving its ambitious goals by 2050.

This strategic vision unifies the approach of the Group's companies towards a more sustainable energy future

### Nuclear Fusion and Fission

In 2024, **Walter Tosto S.p.A.** and **Belleli Energy CPE S.r.l.** confirm their position among the **strategic industrial partners for the nuclear supply chain**, particularly for the development of **advanced fission technologies and Small Modular Reactors (SMR)**. This recognition from the main players in the sector is the result not only of excellent production capacity but also of **engineering expertise in managing complex projects and critical systems**.

The two companies are now directly involved **as main contractors** in next-generation projects, engaging with the main operators of plants and participating in defining technical specifications from the preliminary stages.

**Collaborations with international vendors for new nuclear plants in Europe and North America** have been initiated. In parallel, **qualification processes with the main SMR technology licensees** are underway, with the goal of **becoming global reference suppliers for at least two distinct technology lines**.

The selection process is highly competitive, requires multi-year investments, and is based on stringent criteria of quality, reliability, and delivery capability. Current market forecasts indicate that **SMRs will be a key lever for energy stability** in the transition to climate neutrality (net-zero), thanks to their modularity, intrinsic safety, and application flexibility.

The **Tosto Group** has chosen to **anticipate the trend**, strategically investing in infrastructure, skills, and innovation. This choice now allows Walter Tosto and Belleli to **be ready to meet the future industrial demand** of the SMR sector, asserting an active and competitive role in the **new generation of nuclear energy**.

The joint and complementary approach of the two companies strengthens the Group's position in the international landscape, consolidating an **industrial leadership at the heart of the global energy transition**.



## Big Science – The contribution to the ITER project

In 2024, **Walter Tosto S.p.A.** confirms and consolidates its role as a reference in the **supply of high-complexity components for Big Science**, particularly within the framework of the **ITER** project, the largest experimental nuclear fusion reactor ever built.

The commitment of the Tosto Group in this field began over 15 years ago with **targeted investments in advanced technologies and engineering capabilities**, which laid the foundations for a stable industrial presence in the frontier nuclear research sector.

In **2010**, the **AMW** consortium – of which Walter Tosto is a part – was selected by **Fusion for Energy (F4E)** for the realization of the **European contribution to the vacuum chamber** of ITER, a central element of the Tokamak reactor. In **2013**, Walter Tosto took another strategic step with the **award of a contract for the development of a prototype** intended for the ITER project, created with 3D modeling technologies in collaboration with **Belleli Energy CPE**. The high quality achieved allowed the prototype to be integrated into the series production of the final machine. These results led to the **award of two additional contracts** from F4E, in **2018** and **2021**, for the **complete production of the 54 divertor cassettes**, one of the most complex and critical systems of the entire plant.

In **2023**, Walter Tosto's industrial leadership is further reaffirmed with the acquisition of a new contract for the **realization of the Neutral Beam Vessel**, a strategic component of the neutral injection system, with **delivery expected in 2029**.

These developments testify to the **ability of the Tosto Group to tackle unique technological challenges** and to contribute concretely to the advancement of technologies for **nuclear fusion**, actively participating in the construction of scientific infrastructures aimed at **transforming the future of clean energy**.

The ongoing involvement in the ITER project confirms Walter Tosto as a **leading European player in Big Science**, serving research, energy transition, and global innovation.



## Other nuclear fusion projects

**The Tosto Group's engagement in the field of Nuclear Fusion** goes well beyond the ITER Project. In 2021, **Walter Tosto** acquired a second important contract for the supply of the **vacuum vessel for SPARC**, a project currently under development in the United States by Commonwealth Fusion Systems. In addition, the qualification and pre-selection process for supplying components for the **DTT tokamak (Divertor Tokamak Test facility)**, currently under construction at ENEA in Frascati, has been successfully completed. This project supports the **ITER Project** and the **DEMO project**, both focused on the practical realization of nuclear fusion.

Thanks to the mentioned successes, the Group ensures a **constant and significant presence** in nuclear fusion research projects that extends its commitment **until 2029-2030**.

Significant was the supply for the cases of the toroidal magnet coils of **JT-60SA**, an advanced Japanese research device that recently celebrated a major scientific milestone. In response to the projects already acquired and the market prospects offered by the **Nuclear & Big Science** sectors, the Tosto Group has undertaken **further and significant investments**. These include the acquisition of new production spaces, the construction of new office buildings, the purchase of new machinery, and the implementation of specific training courses.

**The goal** is to significantly increase our capacity and expertise to meet customer demands.



## the “Tosto Model” as an European Benchmark in the Nuclear Sector

The Tosto Group has been selected as a case study by the **Directorate-General for Energy (DG ENER)** of the **European Commission**, in recognition of its virtuous growth trajectory that, in just a few years, has positioned the company among the leading international players in the nuclear sector.

The so-called “Tosto Model” is based on three strategic pillars:

- **Strong territorial roots with industrial and employment impact**
- **Structured collaborations with technical schools and universities**
- **Technological innovation integrated with skills development**

The **DG ENER** hopes that this model will be adopted by other European organizations, viewing it as a replicable example of **sustainable, inclusive, and competitive development**.

This approach contributes to the creation of a **stable industrial ecosystem**, capable of concretely supporting Europe’s goals for **decarbonization** and the implementation of the **Net Zero** program.



## Idrogen

### Walter Tosto S.p.A. as a Leader in the Transition Toward a Low- and Zero-Carbon Economy

Walter Tosto S.p.A. positions itself as a leader in the transition toward a low- and zero-carbon economy, actively investing in **R&D** to carry out projects aimed at combating climate change through the **responsible use of resources** and their **integration within a circular economy framework**—in synergy with other sources and with waste materials. This evolution of the business enables the company to contribute to the **Sustainable Development Goals (SDGs)** defined by the **United Nations Global Compact**, to which the Tosto Group adheres.

Looking ahead, in the coming years the company aims to supply **innovative and competitive components** for the production of fuels derived from **green hydrogen**, such as **green ammonia** and **green methanol**.

Walter Tosto S.p.A. will be involved in all **technical aspects** related to the **scale-up of emerging technologies** for the production and storage of **gaseous and liquid hydrogen**. Moreover, the company intends to **design and manufacture equipment** for **circular processes** such as **gasification** and **pyrolysis**, further strengthening its commitment to sustainability and innovation within the energy sector.

The company's commitment to developing cutting-edge, sustainable solutions is exemplified by the **S.I.H.L.V.A.N. Project (Sulfur-Iodine Hydrogen Loop with Variable Amount and No-Emission)**, developed in collaboration with **Quality Engineering S.r.l.**, for which the companies have received **€6 million in public funding**.

The process under development involves the **production of hydrogen from water** through a combination of **desulfurization of petroleum products** and the **Bunsen thermochemical cycle (sulfur-iodine cycle)**. The goal is to advance this technology by building a **pilot plant** within the **Abruzzo Science and Technology Park in Chieti**, which will validate the process even in configurations powered by **high-temperature heat sources**, such as **solar concentrators** and **nuclear fission plants**.

Finally, Walter Tosto is expanding its **product portfolio** in sectors such as **ammonia, nitrogen fertilizers, urea, methanol, e-fuels, and SAF (Sustainable Aviation Fuel)**—areas that represent a **promising and increasingly strategic future** for the company.

Walter Tosto S.p.A. thus reaffirms its role as a **leader in the transition toward a low- and zero-carbon economy**, driven by research, innovation, and a steadfast commitment to environmental responsibility.



## WTS GAS S.p.A. - **LPG solution** for efficient and safe energy

**WTS GAS S.p.A.** stands out in the LPG gas distribution, marketing, and storage market thanks to its strategic partnership with its sister company **Walter Tosto S.p.A.**, leveraging over **50 years of experience** in both domestic and international markets.

The future lies in **renewable and next-generation energy sources**, areas in which the **Tosto Group** is a driving force. However, many companies still rely on **LPG**, and they can turn to an **Italian company with roots in Abruzzo**, part of a strong industrial group, that operates with **innovation and transparency** in a market often perceived as static and unclear.

The company offers a **comprehensive range of products and services**, including **"Amico GPL" underground tanks** for residential and industrial use, designed in compliance with **European regulations**, and the **PEG remote monitoring system**, which allows continuous tracking of gas levels.

**WTS GAS** is committed to **safety and reliability**, providing **CE-certified products** and **personalized support services**. Its offering also includes **advanced digital services**, such as an **online customer area** for automated service management and payments.

A distinctive strength is its ability to offer **specialized consulting** for **conversion from methane to LPG** or **supplier switching**, including **feasibility studies** and **savings simulations**. Furthermore, for industrial companies still using **diesel**, the company successfully provides **conversion solutions to LPG**, contributing tangibly to an **energy upgrade**.

Thanks to its **vertical integration** with **Walter Tosto S.p.A.**, along with **transparent pricing** and **flexible tariffs**, **WTS GAS** positions itself as a **competitive and reliable player** in both the domestic and industrial LPG markets.

This success is driven by a combination of **advanced technology**, **rapid service**, and **high-quality customer care**.



## Seastock – Evolution **logistics** for the energy of the future

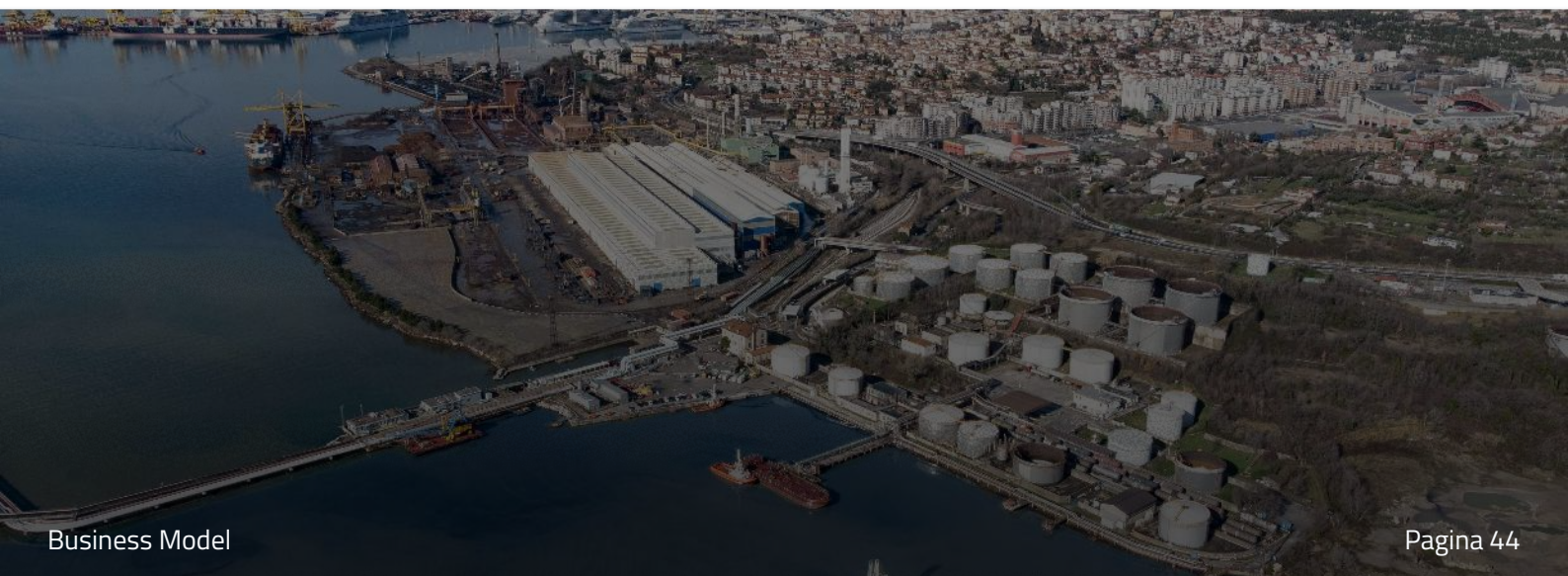
Seastock, a company of the Tosto group, has redefined its strategy in line with global trends in energy transition. The company has proposed an ambitious **investment plan** aimed at diversifying the stored and handled products. This plan, which includes extending the concession until 2060, focuses on adapting to future reductions in the use of traditional fossil fuels and increasing biofuels. The planned interventions include optimizing existing infrastructure, increasing storage capacity, and enhancing annual handling capabilities. Additionally, Seastock is evaluating the integration of hydrogen into its operations at the terminal, highlighting its interest in promoting sustainable and innovative energy solutions.

### Investment **Plan** 2025-2050: A Long-Term Vision

The new strategic plan provides for total investments of 23.5 million euros from 2025 to 2050, divided into three macro-areas of intervention that demonstrate a concrete commitment to sustainability and operational safety. In the period 2023-2024, **Seastock has already made investments of 3.3 million euros in extraordinary maintenance, with a particular focus on tank safety.** The Regional Technical Committee has requested the installation of double bottoms on several tanks, an intervention completed 100% on tanks 1 and 11 in 2023, and continued on tanks I, II and D in the 2024-2025 biennium. These interventions ensure the safe containment of stored products, raising environmental protection standards. A distinctive element of the strategy is the **preparation for new energy frontiers:** dedicated pipelines are planned for biodiesel and HVO (Hydrotreated Vegetable Oil) strengthening the capacity to manage sustainable biofuels.

The 2025-2030 plan includes a complete revamping of the loading canopy for tank trucks, the expansion of railway loading points, and the construction of a new canopy with 2 loading bays. These investments will significantly increase operational efficiency and handling capacity, supporting the sustainable growth of the business. With a current storage capacity of 108,266 m<sup>3</sup> distributed over 19 operational tanks (11 for diesel, 7 for HFO fuel oil, 1 for biodiesel), Seastock manages a maximum handling capacity of 450.000 tons/year for diesel and 200.000 tons/year for fuel oil. Despite market challenges, the company has maintained its operations by focusing on strategic customers in the fuel distribution sector, particularly those destined for bunkering large ships.

These changes will not only improve operational efficiency and environmental safety but will also create new job opportunities, demonstrating Seastock's commitment to sustainable growth aligned with the decarbonization goals defined by the United Nations Global Compact, to which the Tosto Group adheres.



## Clients and Licensors

GRI 2-6

The Tosto Group has developed a comprehensive strategy to effectively reach and serve the downstream entities of its value chain, operating through various distribution channels and types of customers that extend throughout the entire energy and industrial supply chain.

The Group's value chain is structured around an integrated business model that encompasses various areas of specialization in the energy sector. The most relevant companies in the Group excel in the production of high-tech components for the energy industry, combining strategic supplier management with advanced manufacturing processes, efficient logistics, and meticulous attention to quality and customer service. This synergy ensures the creation of safe, reliable, and high-quality products, significantly contributing to the transition towards a low-carbon economy.

### Types of customers and downstream segmentation

The Group's customers primarily operate in the Oil & Gas, Refining, Chemical and Petrochemical, Fertilizers, and Energy sectors, and can be categorized into three main groups representing different levels of the downstream value chain.

The **End Users** represent the companies that directly use the products and equipment provided by the Tosto Group in their operations. This segment includes Exploration and Production (E&P) Companies, which operate in the upstream of the energy sector, Midstream Operators who handle the transportation and storage of hydrocarbons, Refining Companies that transform crude oil into finished products, Petrochemical Producers who use petroleum derivatives for the production of plastic and chemical materials, and Energy Service and Generation Companies that provide electricity and thermal energy to end consumers.

The **Main Contractors** or **EPC** (Engineering, Procurement, and Construction) constitute the second strategic segment of the downstream clientele. These companies manage large-scale projects, providing complete solutions from initial design to commissioning. They are characterized by comprehensive project management, advanced engineering skills, specialized procurement services, construction management, and the ability to offer integrated solutions and turnkey projects.

The **Licensors** represent the third crucial segment, consisting of companies that own intellectual property, such as technologies, patents, or proprietary processes, which are licensed to other companies in the industry. Licensors play a crucial role in the dissemination of cutting-edge technologies and innovative processes throughout the value chain.

Complementary to the industrial strategy, WTS GAS focuses on the marketing and distribution of LPG, primarily intended for combustion and industrial processes. Its business model is based on a widespread distribution network and efficient logistics management, ensuring reliable and secure supplies to end customers. In the broader context of the Group, WTS GAS intensified its specialization in 2024 on business and industrial customers, acquiring clients who appreciated the professionalism and technical excellence of the offering.

Seastock offers specialized services in the storage of petroleum products, providing a crucial link in the downstream energy supply chain. Seastock's main customers are represented by operators in the fuel distribution segment. The company has planned significant investments to optimize existing infrastructure, increasing storage capacity from 95,000 to 140,000 cubic meters, and enhancing annual handling capacity from 600,000 to over 900,000 tons. Additionally, Seastock is considering the integration of hydrogen into its operations at the terminal, highlighting its interest in promoting sustainable and innovative energy solutions.

## Presence **Global**

Recognized and respected globally, Walter Tosto, its subsidiary Walter Tosto WTB, and Belleli Energy CPE are present on the "vendor lists" of the most important clients around the world. Despite the increased presence of manufacturers from low-cost countries, the companies have maintained their leadership position, focusing on quality, reliability, financial solidity, and timely delivery. With an export share exceeding 95% of production, the companies demonstrate a strong international orientation, being known and valued globally. Their products and services, aimed at the Oil & Gas, petrochemical, and power sectors, reach every corner of the world where there is a need to build new plants or replace existing components. The analysis of target markets, based on the average percentage over the last 3 years, reveals a significant and diversified presence. This geographical distribution highlights the companies' ability to operate on a global scale, with a strong presence in traditional markets such as Europe and North America, and a growing penetration in emerging markets such as Asia and the Middle East. Particularly noteworthy is the presence in Uzbekistan (18.4%), which represents a growing strategic market.





GRI 2-29

GRI 2-25

GRI 2-26

## Customer Loyalty

The Tosto Group demonstrates a constant commitment to excellence in products and related services. Customer **satisfaction** remains at the center of the business strategy, as highlighted by various key performance indicators.

For companies in the heavy boiler sector, a particularly significant aspect of success is represented by the numerous **Appreciation Letters** received from customers. These spontaneous communications provide direct and qualitative feedback, confirming the high quality of the products and services offered. The **absence of formal complaints** throughout the year is further testimony to the company's ability to meet and exceed customer expectations. The company maintains the practice of organizing dedicated meeting sessions with customers to assess business performance. These meetings, followed by in-depth internal analyses, allow for the definition of targeted strategies for continuous improvement and to anticipate future market needs.

WTS GAS, which is constantly growing, acquires numerous new customers every year, who are subsequently contacted through customer satisfaction phone calls. The company is constantly committed to building a trusting relationship with its customers, carefully listening to feedback and working to improve the overall customer experience. A particularly noteworthy initiative is the **virtual loyalty card "Club WTS Gas"**, reserved for private customers. This allows points to be accumulated through consumption, loyalty to the company, and some virtuous activities such as larger LPG refills and entering meter readings in the customer area of the website. Points can be converted into free liters of LPG or prizes, such as free stays through the partner [ipervacanze.it](#). An element that allows for extra points is the completion of a questionnaire on various aspects of the company, which in 2024 was completed by **about 1000 customers** with excellent results: an average score of **7/10** and well **700 ratings with the maximum score of 10/10**.

Constant positive feedback and customer loyalty confirm the **leadership position** of the Tosto Group in the sector. The companies in the group will continue to closely monitor customer satisfaction, constantly adapting and improving processes to maintain the high standards that distinguish them.

## Certifications

GRI 2-26

GRI 416-1

GRI 2-25

The **Tosto Group** stands out in the field of **heavy boiler making** not only for its **dedication to customer satisfaction**, but also for its commitment to the creation of **pressure equipment** that fully meet the purposes for which they are created. This goal translates into a **rigorous compliance with applicable technical requirements** during every phase of the production process, thus ensuring that each device is not only effective but also **safe for the intended use**.

The **compliance of finished products** is verified through a thorough **certification process**, conducted by **external organizations** of national and international significance. These certifications are not mere formal recognitions; they represent a **fundamental guarantee of safety, standardization, and reliability** for customers and the market. The maintenance of such certifications demonstrates that the **Quality System of Walter Tosto** is robust and reliable, capable of ensuring that each product meets the **rigorous standards** required by the relevant technical regulations.

A pillar of this quality strategy is represented by the **ISO 9001 certification**, a globally recognized standard that attests to the effectiveness of the **quality management system**. Since 1995, Walter Tosto S.p.A. has implemented a system that not only meets but often **exceeds the standards required by certification**, emphasizing its **long-term commitment to operational excellence** and **product quality**.

The Group's approach to **quality** and **compliance** is therefore a key element of its **identity** and **success**, allowing all companies to stand out as **trusted partners**, not only for the **technical superiority** of its products but also for the responsibility in ensuring maximum **safety and reliability** in every aspect of production.

### Certifications of Management and Quality

**ISO 9001:2015** and **ISO 3834-2:2006**: These certifications attest to the adoption of **quality management systems** and **specific requirements for the welding of metallic materials**. The rigorous approach to quality is applied in all operations, ensuring that every phase of production complies with the **highest international standards**.

**ISO 14001:2015**: Certifies the **Group's commitment to environmental management**, ensuring that all operations are conducted sustainably, **minimizing environmental impact** and continuously improving **ecological performance**.

**ISO 45001:2018**: This standard concerns **occupational health and safety management**, confirming that the Group adopts **safe working practices**, thus protecting its employees and minimizing **occupational risks**.

## Technical and Safety Certifications

**ASME Certificates (U, U2, U3, N, S):** The Group is authorized to design and manufacture a variety of **pressure equipment**, including components for the **nuclear sector** and boilers for **power generation**, according to the strict standards of the **ASME code**. These certifications demonstrate the **technical capability of the Group** to meet the complex needs of a **global market**.

**SELO:** With this certification, the Group is authorized to manufacture **pressure equipment and boilers** compliant with the **safety standards required by the Chinese market**, an essential element for **expansion into the Asian market**.

**KGS (South Korea):** Certification issued by the Korean Gas Safety Corporation that enables the Group to **manufacture and market pressure equipment** intended for the **South Korean market**, ensuring **compliance with local safety standards**.

**PED Module H1:** Certifies the Group's ability to comply with the **European directives on pressure equipment**, ensuring that products are **safe and reliable** for the European market.

## Recognitions from Regulatory Bodies

**National Board Certifications (R and NB):** These authorizations allow the Group to perform **repairs and modifications on pressurized components** and to register such items according to the standards of the **National Board**, ensuring **maximum safety and compliance**.

## Environmental and Energy Sustainability Certifications

**ISCC (International Sustainability and Carbon Certification):** It is a system approved by the European Commission for the **certification of sustainable fuels** and electricity production, in line with the sustainability requirements and greenhouse gas (GHG) emission reduction set by the RED II Directive. The certification, obtained by **Seastock S.r.l.**, ensures **traceability throughout the entire supply chain of biofuels** and their raw materials, ensuring compliance with European environmental standards.

**SNC (National System for the Certification of Biofuels and Bioliquids):** The mandatory Italian sustainability certification system, which concerns the entire production and distribution chain of biofuels, from the **cultivation of raw materials** to their **transformation and marketing**. The certification held by Seastock specifically concerns the **storage and marketing of bioliquids**, according to **D.M. 14.11.2019**, contributing to the achievement of decarbonization targets set by national regulations.

## Synergies

GRI 2-28

GRI 2-6

The **Tosto Group** has developed over the years a complex system of strategic relationships that reflects the complexity and diversification of its industrial activities, demonstrating a proactive approach to participation in relevant ecosystems at the local, national, and international levels.

### International Initiatives and Programs

The commitment to global sustainability finds its highest expression in joining the **UN Global Compact**, signed in 2022, which represents the fundamental framework for integrating the ten universal principles into the policies and operational practices of all the companies within the Group. In the nuclear sector, signing the **Net Zero Nuclear Industry Pledge** at COP28 in Dubai in 2023 marks a concrete commitment to contributing to the **tripling of global nuclear capacity by 2050**. For hydrogen, participation in the **Hydrogen Technology Collaboration Programme (TCP)** of the **International Energy Agency** supports global technological development.

### Commercial Partnerships and Technological Alliances

The Group's energy strategy is realized through **strategic commercial partnerships** and **innovative collaboration models**. Since 2023, **Walter Tosto** has partnered with **Newcleo** for the development of **lead-cooled modular reactors (Small Modular Reactors)**, contributing not only as a supplier but also through an innovative "**work for equity**" mechanism that enhances the Group's engineering expertise as a form of direct investment. This alliance represents a **frontier technological investment** and demonstrates the Group's intent to integrate **innovation, sustainability, and advanced financial models** into the energy transition.

### European Networks and Alliances

The hydrogen ecosystem sees the Group actively involved through **Hydrogen Europe**, positioning it at the heart of **European strategies for green hydrogen**, and the **European Clean Hydrogen Alliance** to accelerate the adoption of **zero-emission hydrogen**. **Waterstofnet**, the Belgian hydrogen network, completes this advanced technological landscape. The energy transition is further supported by participation in **Dii Desert Energy** (formerly **Desertec Industrial Initiative**), which brings together over 126 companies from 36 countries to develop **clean energy from deserts**.

### Agencies and Public Bodies

Institutional relations see the Group collaborating with **Fusion for Energy (F4E)**, the **European Fusion Energy Agency**, on strategic partnerships for projects such as **ITER**. Institutional recognition is reflected in the **case study by the European Commission DG ENER** for the "**Tosto Model**" of sustainable development in the nuclear sector. Collaboration with **ENEA** focuses on **nuclear fusion projects** like the **DTT**, while the **CNR – National Research Council** represents a strategic partner for **scientific and technological research**.

### Industry Associations

The Tosto Group actively participates in numerous **industry associations**, consolidating its positioning in strategic markets and contributing to the development of **networks for discussion and representation**. In the nuclear and pressure equipment sectors, the Group is a member of the **Italian Nuclear Association (AIN)** for advocacy and specialized networking activities. It is also a member of the **American Society of Mechanical Engineers (ASME)**, a point of reference for **international standardization** in the nuclear field and **pressure vessels**. Nationally and internationally, the Group is a member of the **Italian Pressure Equipment Association (AIPE)** and the **Romanian Pressure Equipment Association (ARPE)**, both central to its **manufacturing core business**.

In the **renewable energy sector**, the Group is represented within the **Consumers and Producers of Renewable Energy Association (ACEPER)**, which promotes and protects **clean energy sources**. Regarding **innovation and research**, the company is affiliated with the **Italian Association of Chemical Engineering (AIDIC)**, aiming to contribute to the **evolution of chemical processes** with a **sustainable perspective**. Finally, in terms of **territorial representation and entrepreneurship**, the Group is active in **Confindustria**

**Abruzzo**, a reference for **small and medium-sized enterprises** in the region, and **Assocostieri**, for **storage activities** through its subsidiary **Seastock**.

## Research and training

Technical excellence in joining technologies is supported by collaboration with **The Welding Institute (TWI)**, one of the most prestigious research institutes in the world for welding, and with the **Italian Welding Institute (IIS)**, essential for the nuclear and pressure vessel sectors.

## Consortia and technology parks

Applied research finds expression through the CALEF Consortium for open innovation in the field of welding and metal material treatment, and the Abruzzo Scientific and Technological Park as a hub for advanced technologies including the S.I.H.L.V.A.N. project for hydrogen production.

## Observers and chambers of commerce

The territorial bond is manifested through participation in the **Observatory on Sustainability Reporting of Abruzzo Companies (O.R.S.A.)** of the "G. d'Annunzio" University, which positions the Group as a regional best practice. Activities are supported by the **Chamber of Commerce, Industry, Handicrafts and Agriculture of Chieti Pescara** at the territorial level and by the **Italian Chamber of Commerce for Romania** for the international activities of Walter Tosto WTB.

## Events and specialized assemblies

Active participation in the **1st EU Small Modular Reactor Assembly** testifies to the recognition of the Group's technical expertise in European SMR technologies. This integrated system of strategic relationships demonstrates how the Tosto Group uses diversified tools not as mere formal memberships, but as strategic levers to influence sector policies, access innovation networks, develop technical standards, and build operational alliances.

The holistic approach to clean energy technologies - primarily nuclear and hydrogen - positions the Group as a key player in the global energy transition, while territorial roots and manufacturing excellence ensure operational solidity and social legitimacy.



# Governance

## Corporate governance and corporate purpose

GRI 2-9

GRI 2-10

GRI 2-11

GRI 2-12

GRI 2-13

GRI 2-15

GRI 2-16

GRI 2-17

GRI 2-18

GRI 405-1

### Governance Structure

The governance system of the companies within the **Tosto Group** is fundamental to ensure effective, ethical, and responsible management of business activities. It is structured in accordance with **current regulations** and the applicable rules of the sector in which the companies operate, based on the principles contained in their respective **Code of Ethics**.

The corporate governance systems are based on adherence to **internationally recognized standards**, including the **Universal Declaration of Human Rights** of the **United Nations**, the **fundamental conventions** of the **ILO**, and the **ten global ethical principles** of the **UN Global Compact**.

These standards promote respect for **human rights**, **environmental protection**, **workers' rights**, and the **fight against corruption**.

Below are the details of the composition of the governing bodies of the Group's main companies.



## Tosto S.r.l. – Governance and Composition of the Board of Directors

### Appointment and Term of Office

The Board of Directors of **Tosto S.r.l.** was appointed by the Shareholders' Meeting on **May 6, 2013**, with an **open-ended mandate**. On **May 18, 2013**, the Board also appointed **Walter Tosto** and **Luca Tosto** as **Chief Executive Officers**, positions that have been continuously renewed since then. The company's **statutory audit** is carried out by **PricewaterhouseCoopers S.p.A.**

### Composition of the Board of Directors

Name	Position	Appointment Date
<b>Walter Tosto</b>	Chairman of the Board; Chief Executive Officer	6 May 2013
<b>Luca Tosto</b>	Director; Chief Executive Officer	6 May 2013
<b>Monica Tosto</b>	Director	6 May 2013
<b>Maria Luisa De Luca</b>	Director	6 May 2013

### Gender Diversity

Gender	Members	%
<b>Women</b>	2	50 %
<b>Men</b>	2	50 %

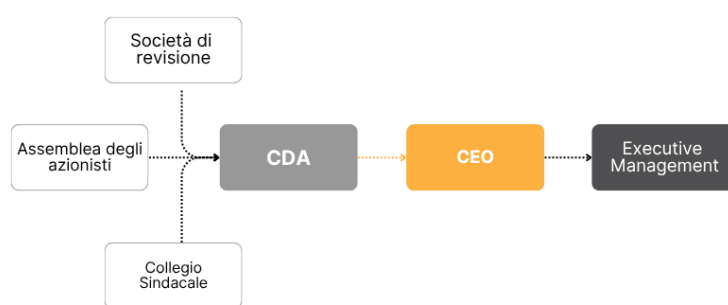
### Meetings and Attendance

Year	Number of Board Meetings	Average Attendance Rate
<b>2024</b>	8	75 %

### Age Distribution

Age Range	Members	%
<b>&lt; 30 years</b>	0	0 %
<b>30–50 years</b>	0	0 %
<b>&gt; 50 years</b>	4	100 %

**Average Age:** 67.5 years



## Walter Tosto S.p.A. – Governance and Transparency Practices

### Nomination and Mandate Duration

The **Board of Directors** of **Walter Tosto S.p.A.** was elected by the **Shareholders' Assembly** on **July 13, 2020**, with an initial three-year mandate expiring on **December 31, 2022**. During the renewal meeting, the mandate was extended for an additional three years. On **August 8, 2020**, the **Board of Directors** granted the powers of **Chief Executive Officer** to **Walter Tosto** and **Luca Tosto**, positions that were also renewed alongside the renewal of the Board. The **audit body** is **PricewaterhouseCoopers S.p.A.**.

### Composition of the Board of Directors

Name and Surname	Position	Date of Appointment
Walter Tosto	President of the Board of Directors; CEO	July 13, 2020
Luca Tosto	Director; CEO	July 13, 2020
Emanuela Tosto	Director	July 13, 2020

### Transparency Practices

Practice	Frequency
Board of Directors Meetings	At least quarterly
Conflict of Interest Questionnaire	Annually

### Participation and Meetings

Year	Board of Directors Meetings	Participation Rate
2024	9	100%

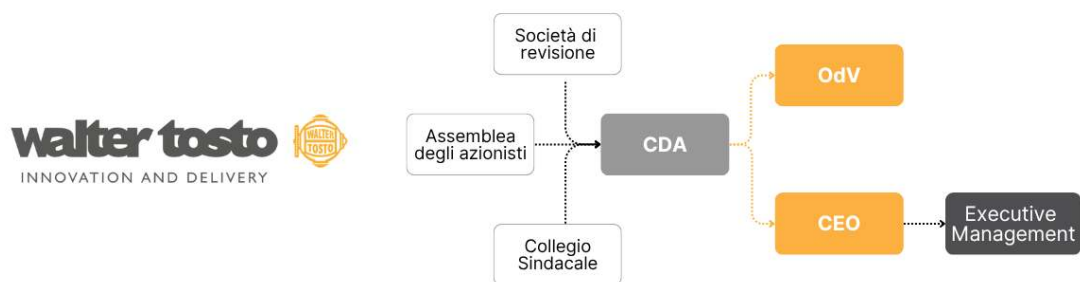
### Gender Diversity

Gender	Members	%
Women	1	33.33%
Men	2	66.67%

### Age Distribution

Age Group	Members	%
< 30 years	0	0%
30–50 years	1	33.33%
> 50 years	2	66.67%

**Average Age:** 63 years



## Walter Tosto WTB S.r.l. – Governance and Transparency Practices

### Appointment and Term of Office

The **Board of Directors of Walter Tosto S.p.A.** was elected by the Shareholders' Meeting on **July 13, 2020**, with an initial **three-year mandate** expiring on **December 31, 2022**. Upon renewal by the Shareholders' Meeting, the mandate was **extended for an additional three years**. On **August 8, 2020**, the Board granted **Chief Executive Officer (CEO)** powers to **Walter Tosto** and **Luca Tosto**, whose appointments have been renewed in parallel with the renewal of the Board. The company's **statutory audit** is performed by **PricewaterhouseCoopers S.p.A.**

### Composition of the Board of Directors

Name	Position	Appointment Date
<b>Walter Tosto</b>	Chairman of the Board; Chief Executive Officer	13 Jul 2020
<b>Luca Tosto</b>	Director; Chief Executive Officer	13 Jul 2020
<b>Emanuela Tosto</b>	Director	13 Jul 2020

### Transparency Practices

Practice	Frequency
<b>Board of Directors meetings</b>	At least quarterly
<b>Conflict of interest questionnaire</b>	Annual

### Meetings and Attendance

Year	Board Meetings	Attendance Rate
<b>2024</b>	9	100 %

### Gender Diversity

Gender	Members	%
<b>Women</b>	1	33.33 %
<b>Men</b>	2	66.67 %

### Age Distribution

Age Range	Members	%
<b>&lt; 30 years</b>	0	0 %
<b>30–50 years</b>	1	33.33 %
<b>&gt; 50 years</b>	2	66.67 %

**Average Age:** 63 years



## Belleli Energy CPE S.r.l. – Governance and Responsibility

### Appointment and Term of Office

The **Shareholders' Meeting of July 29, 2022** reconfirmed the **Board of Directors**, granting a mandate valid **until the approval of the 2024 financial statements**, thus ensuring continuity and a long-term strategic vision. The company's **statutory audit** is performed by **PricewaterhouseCoopers S.p.A.**

### Composition of the Board of Directors

Member	Position	Appointment Date
<b>Luca Tosto</b>	Chairman of the Board and Chief Executive Officer	29 Jul 2022
<b>Paolo Fedeli</b>	Chief Executive Officer	29 Jul 2022
<b>Luca Pierfelice</b>	Director	29 Jul 2022
<b>Giacomo Fossataro</b>	Director	29 Jul 2022

### Legal Representation

Representative	Position
<b>Luca Tosto</b>	Chairman of the Board and Chief Executive Officer
<b>Paolo Fedeli</b>	Chief Executive Officer

### Board Responsibilities

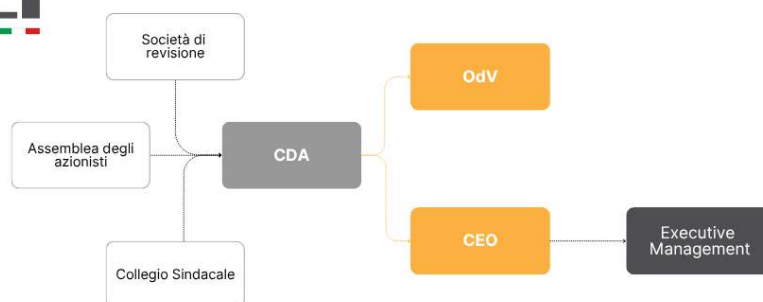
Activity	Description
<b>Strategic guidance and general management</b>	Oversees company direction and organizational performance
<b>Coordination of long-term strategies</b>	Defines and monitors strategic objectives
<b>Approval of investments in tangible and intangible assets</b>	Authorizes major corporate investments
<b>Definition of commercial policies</b>	Establishes key business and sales strategies
<b>Final validation of corporate participation projects</b>	Approves participation and partnership initiatives

### Governance Practices

Indicator	Value
<b>Board meetings (2024)</b>	3
<b>Attendance rate</b>	100 %

### Diversity and Age Distribution

Dimension	Value
<b>Gender</b>	Women: 0 % – Men: 100 %
<b>Under 30 years</b>	0 members (0 %)
<b>30–50 years</b>	2 members (50 %)
<b>Over 50 years</b>	2 members (50 %)
<b>Average age of Board</b>	52 years



## WTS GAS S.p.A. – Governance Structure and Delegations

**WTS GAS S.p.A.**, a joint-stock company operating under ordinary regime, provides – according to its Articles of Association – the possibility for the **Shareholders’ Meeting** to choose between a **collegial body (Board of Directors)** or a **Sole Director**.

The company’s **statutory audit** is performed by **PricewaterhouseCoopers S.p.A.**

### Sole Director

Company	Sole Director	Term of Office
<b>WTS GAS S.p.A.</b>	<b>Walter Tosto</b>	In office until 31 Dec 2024

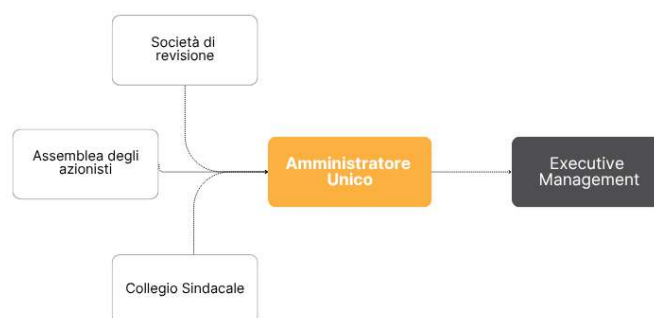
### Powers

- Ordinary and extraordinary management of the company
- All powers not expressly reserved by law or by the Articles of Association to the Shareholders’ Meeting

### Attorneys (Procuratori)

Attorney	Appointment Date	Registration Date	Summary of Powers
<b>Luca Tosto</b>	28 Mar 2011	20 Apr 2011	Legal representation for operational activities and routine contracts
<b>Catia Tosto</b>	24 Oct 2016	06 Feb 2017	Multiple powers for managerial acts and representation in line with corporate directives and applicable regulations

This governance model — featuring a **single decision-making authority** supported by **two attorneys with operational powers** — ensures **efficiency in decision-making** and **consistency in the execution of corporate strategies**.



## Seastock S.r.l. – Corporate Structure and Governance

### Company Data and Control

Item	Description
<b>Incorporation</b>	12 May 2014
<b>Start of Operations</b>	December 2020 (following the acquisition of Depositi Costieri Trieste S.p.A.)
<b>Control</b>	Managed and coordinated by <b>Tosto S.r.l. (51%)</b> and <b>Walter Tosto S.p.A. (49%)</b>

### Governing Body

Position	Name	Appointment Date	Term of Office
<b>Sole Director</b>	<b>Walter Tosto</b>	12 May 2014	Until revoked

**Powers** Ordinary and extraordinary management, except for matters reserved to the Shareholders' Meeting (Article 2479 of the Italian Civil Code and the Company's Articles of Association).

### Special Attorneys

Attorney	Appointment Date	Powers
<b>Luca Tosto</b>	22 Dec 2020	Legal representation equal to that of the Sole Director
<b>Catia Tosto</b>	22 Dec 2020	"
<b>Mauro Izzarelli</b>	22 Dec 2020	"
<b>Luca Sollecito</b>	22 Dec 2020	"
<b>Stefano Marchetti</b>	22 Dec 2020	"

### Statutory Audit

Auditor	Appointment Date	Term of Office
<b>Sandro Marcucci</b>	24 Feb 2023	Until approval of the financial statements as of 31 December 2024

These tables provide a concise overview of the **incorporation, ownership structure, governance model, and representation powers** of **Seastock S.r.l.**, offering a clear and comprehensive picture of its **organizational structure and corporate controls**.



## Governance Structure of Sustainability

The Tosto Group has adopted a **unified sustainability governance** for all companies within its scope, with the aim of systematically integrating ESG principles into the strategy and business processes.

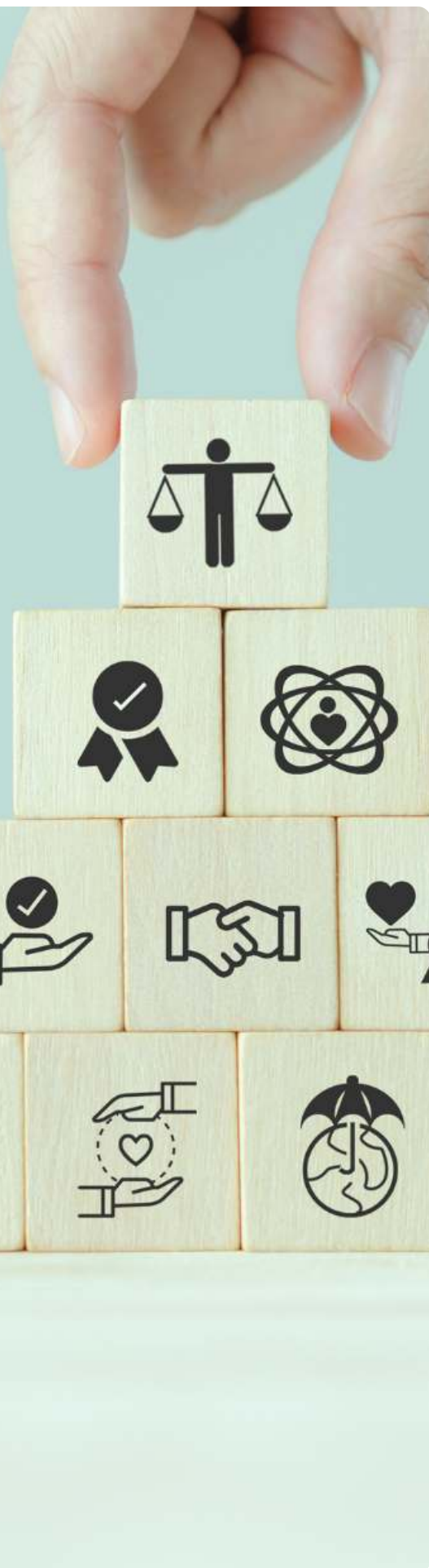
In this context, **Dr. Marzia Mazzoni** has been appointed as **Sustainability Manager**, tasked with:

- coordinating ESG reporting activities (GRI, CDP, Ecovadis, OpenES, Global Compact, etc.);
- supporting business decision-making processes with assessments of sustainability risks and opportunities;
- spreading the ESG culture within the Group, also through training, project, and communication activities.

The Sustainability Manager operates in **direct connection with the CEO and CFO** of the Group, ensuring a cross-cutting oversight of environmental, social, and governance issues. The management of sustainability impacts also occurs in coordination with the functions responsible for health, safety, environment, management control, and innovation, as outlined in the company organizational chart.

The **Board of Directors** and **Top Management** have recognized the importance of steering strategies towards **long-term value creation**, thereby strengthening the Group's commitment to sustainability. This top-down approach is essential for spreading a culture of sustainability throughout the company.

At the same time, **stakeholders** are playing an increasingly decisive role in this context. Their ability to influence business initiatives and promote a culture of sustainability has become crucial for the success of corporate policies in this area.



## Risk mitigation strategy

GRI 2-23

GRI 2-24

GRI 2-25

GRI 2-26

GRI 2-27

GRI 205-1

GRI 205-3

GRI 416-1

GRI 418-1

In today's business landscape, characterized by **rapid changes** and **increasing challenges**, the Tosto Group has developed a **holistic and proactive approach** to risk management. This strategy not only safeguards operations but also allows for the **transformation of potential threats into opportunities** for growth and innovation.

### Ethics and Integrity in Business

At the heart of the mitigation strategy lies a **solid ethical foundation**. The **Ethical Codes** adopted by all companies in the Tosto Group are not mere documents, but **true pillars of corporate culture**. They guide every action, from strategic decisions to daily interactions with customers, suppliers, and stakeholders, ensuring **transparency** in all relationships, **fairness** in business practices, **honesty** and **operational integrity**, and **impartiality** in decision-making processes.

**Walter Tosto S.p.A.** and **Belleli Energy CPE S.r.l.** have adopted the **Organization, Management, and Control Model** according to Legislative Decree 231/2001, of which the Ethical Code is an integral part. The **Supervisory Body (OdV)** represents an **essential element** for the effectiveness of the 231 system, being **equipped with autonomous powers of initiative and control**. It is a **collegial body composed of three members**: two external professionals with specific expertise in internal control systems and corporate criminal law, and one internal member with in-depth knowledge of corporate dynamics. The **President is always an external subject** to ensure full autonomy and independence.

The OdV performs **four fundamental macro-functions**: it verifies the **adequacy and effectiveness of the Model** through periodic and extraordinary checks; it ensures **continuous updating** by proposing improvements based on regulatory or organizational changes; it promotes **training and information initiatives** for all recipients of the Model; it manages **bidirectional information flows**, examining reports and informing the competent bodies about confirmed violations.

The **operational powers** of the OdV are extensive and include: **free access** to all functions, archives, and corporate documents without prior authorizations; the ability to conduct **surprise inspections**; the possibility to **hear staff** and engage external consultants; **direct reporting** to the Administrative Body without hierarchical interference. The OdV also has the task of **accurately documenting** all activities carried out and **preserving** relevant documentation, thus ensuring full traceability of the control system.

All companies maintain **very high standards of integrity**, not tolerating **any form of corruption**. This commitment aligns with the **tenth principle of the United Nations Global Compact**, creating a transparent and integral work environment that categorically rejects corruption, extortion, and bribery.

**Walter Tosto S.p.A.** and **Belleli Energy CPE S.r.l.** have integrated anti-corruption policies within the **Organization, Management, and Control Model (MOG 231)** according to Legislative Decree 231/2001. The MOG 231 specifically identifies corruption risks in sensitive business areas and defines prevention protocols that include task segregation, formal authorization of payments, document traceability, and continuous monitoring of relationships with the Public Administration. The Supervisory Body specifically oversees the implementation of anti-corruption measures, conducting periodic and extraordinary checks.

**Seastock** has adopted an **Anti-Corruption Procedure System** that establishes specific guidelines for administrators, unit managers, and collaborators. The procedure expressly prohibits the offer, payment, or acceptance, direct or indirect, of money or other benefits for the purpose of obtaining or maintaining a business or securing an unfair advantage. The system prohibits both **active** and **passive corruption**, including in the ban facilitation payments, gifts, expenses for third parties, in-kind contributions such as sponsorships, business and investment opportunities, confidential information, personal discounts, and assistance to family members.

The Seastock procedures establish that any request for payments or benefits must be immediately communicated to the direct superior, who will provide appropriate instructions. Staff who violate anti-corruption procedures are subject to disciplinary action up to dismissal, while business partners who violate such rules are subject to contractual remedies including termination of the contract.

The Tosto Group has implemented a **structured internal control system** whose principles and architecture are **aligned with the COSO framework**, ensuring operational effectiveness, reliability of information, and protection of corporate assets. The system is articulated through **integrated operational controls** in business processes (checklists, reconciliations, approvals), **Risk Management and Compliance functions** coordinated by the Supervisory Body for monitoring risks including those related to 231 and anti-corruption, and **continuous monitoring systems** supported by KPI dashboards and whistleblowing platforms that ensure **traceability, timeliness in identifying** non-compliances, and **rapid corrective actions**, promoting continuous improvement and maintaining high governance standards.

The Group fully complies with **antitrust laws** in the countries where it operates, considering the principles of **fairness, fair competition, and transparency** as fundamental, not only as corporate values but as cornerstones for the proper functioning of the market.

The commitment goes beyond mere compliance with antitrust regulations: this is demonstrated by the initiative of WTS GAS, which has implemented a **new contractual form** approved by the Antitrust Authority, establishing **new standards of transparency** in the sector.

## Insurance and Financial Protection

A fundamental element in the risk mitigation strategy of the Tosto Group is represented by a **detailed system of insurance coverage** designed to protect companies, employees, and stakeholders from a wide range of potential operational and financial risks.

All companies in the Group are equipped with **liability insurance** for third parties and contractors, ensuring **solid protection** in case of damages to third parties arising from business activities. **Walter Tosto S.p.A.**, in particular, extends its insurance coverage to **goods in transit**, including in this protection other group companies such as Belleli Energy CPE, Walter Tosto WTB, and Your Way on Leisure Flight.

To safeguard corporate assets, **Walter Tosto, Belleli Energy, Walter Tosto WTB, and Seastock** have taken out **Property/all risk policies**, which offer **comprehensive coverage** against material damage and financial losses. The focus on safety also extends to **employee protection**, with accident and life insurance policies for executives, in accordance with the requirements of the national collective labor agreement. Walter Tosto also has a **specific coverage** for the management of the company nursery, demonstrating a commitment to the **welfare of employees and their families**.

Of particular relevance is the **Environmental/Pollution liability policy** taken out by Seastock, which reflects the Group's awareness and commitment to **environmental responsibility**. In 2023, Walter Tosto also signed a **SACE insurance policy** for a strategic contract, covering **50% of the value to be collected**, including deferred interest, offering **95% protection** against commercial risks and **100%** against political risks.

Finally, the holding Tosto S.r.l. has taken out a liability policy for Directors, Auditors, and Executives (so-called D&O coverage) that covers the contracting company, its corporate representatives, and, by extension, the companies of the Group directly and indirectly controlled.

## Digital Security and Data Protection

In the **digital age**, **data protection** and **cybersecurity** have become **top priorities**. The approach to **personal data management**, compliant with the **GDPR** and supervised by a **dedicated DPO**, has allowed companies to maintain an **impeccable record**, with no **complaints of privacy violations** over the years.

The **cybersecurity infrastructure**, which includes cutting-edge technologies such as **Next Generation Firewalls** and **Paloalto Cortex XDR Endpoint Protection**, is **constantly updated** and reinforced by **ongoing training programs** for staff.

**Walter Tosto, Belleli Energy CPE**, and **Walter Tosto WTB** have long demonstrated their commitment to **corporate integrity** and **transparency** through the implementation of a **whistleblowing system**.

This **mechanism**, already present in the companies, has been **updated and enhanced** following the adoption of the **European directive on the matter**. The **new system** provides **employees and stakeholders** with a **secure and confidential channel** to report **potential ethical, legal, or procedural violations**.

The **update** has led to a **strengthening of protection measures** for whistleblowers, **ensuring anonymity** and **preventing any form of retaliation**. Additionally, the **categories of accepted reports** have been **expanded** and the **management and investigation procedures** have been **optimized**.

## Quality and Product Safety

For companies specializing in pressure equipment, **product safety** is a top priority. **Walter Tosto, Walter Tosto WTB**, and **Belleli Energy CPE** have implemented rigorous risk analysis processes, compliant with the strictest regulations such as the **PED Directive 2014/68/EU**, ensuring maximum safety and reliability of products.

The Group's global vision is reflected in the **export certifications** (**AEO, REX, Authorized Exporter, Approved Place**) obtained, which not only facilitate international operations but also testify to adherence to the highest standards of compliance and quality globally.

## External Recognitions and Compliance

The commitment to integrity and transparency is also recognized externally, as demonstrated by the **legality ratings** obtained by our companies and the registration in the **prefectural white lists**. These recognitions not only attest to reliability but also open new business and collaboration opportunities. This integrated risk management strategy is **not static**, but in **continuous evolution**. The Group constantly monitors the effectiveness of the tools, adapting them to **new emerging challenges**. It is this **dynamism** that allows not only to mitigate risks but to **transform them into opportunities** for innovation and sustainable growth.

**In conclusion**, the Tosto Group's risk mitigation strategy is much more than a defense system: it is a **value engine** that fuels competitiveness, strengthens stakeholder trust, and leads towards a **more resilient and sustainable future**.





## Innovation and Research & Development

The Tosto Group recognizes the vital importance of **research and development** and **innovation** to drive sustainable economic growth and social inclusion. Following the guidelines established by the **Frascati Manual** and the **Oslo Manual**, developed by the Organisation for Economic Co-operation and Development (OECD), Walter Tosto is dedicated to applied research, experimental development, and innovation, thus enriching the value of the company and the benefits for its stakeholders.

The **innovation in production processes** is the core of Walter Tosto's R&D initiatives, focused on the development of new equipment. The challenge of sourcing suitable equipment in an increasingly demanding market has driven the company to design and build highly complex devices, requiring increasing specialization and the search for innovative solutions to meet customer demands and access projects with stringent requirements.

The development of dedicated machines and support equipment optimizes the production cycle and improves ergonomics for workers, thanks to greater automation. This approach leads to a **reduction in processing times** and, consequently, in **energy consumption**.

Alongside the development of new equipment, the company is committed to modernizing existing ones. This process allows for maintaining the competitiveness of machines already in use, preventing obsolescence and extending their lifecycle, in line with the principles of **circular economy**. The ultimate goal is to increase operational efficiency and reduce waste in production, improving equipment performance and implementing smart production technologies.

**Walter Tosto** also takes a proactive role in research and innovation initiatives in the fields of **syngas and hydrogen**, accompanying the process from pilot scale to industrialization. Collaborations are established with some steel mills and forges to identify the optimal quality of specific materials intended for the **storage of gaseous hydrogen** in large volumes, at high and very high pressure. In synergy with Belleli Energy CPE, Walter Tosto is conducting mechanical tests, in accordance with international standards, for the qualification of certain metals. Furthermore, Walter Tosto collaborates with potential partners to accelerate the implementation of various low and zero carbon emission hydrogen production technologies in various industrial applications. The know-how and experience in the design, manufacturing, and construction of pressure vessels, along with our innovative activities, will play a significant role in the safety and scalability of the systems necessary for decarbonization.

The **Belleli Energy CPE** conducted a study in the 2023/24 biennium on the feasibility of **cold rolling** of thick plates, obtaining positive results that will therefore allow avoiding the use of furnaces for preheating the plates and reducing gas consumption and consequent emissions into the environment.

As part of the group's property guidelines for close collaboration with licensees, Belleli Energy CPE has supported an important holder of the fertilizer production process for the development (design, feasibility study, and prototype realization) of a new pressure device that will allow for **greater efficiency** and significant **energy savings**.

The **WTS Gas** has launched important research and innovation projects to improve its competitiveness and sustainability. The company has developed an **innovative remote control system** for LPG tanks, which allows for safe and reliable reading and transmission of gas levels, integrating with the company's logistics system to optimize supplies and fleet management. At the same time, WTS GAS has undertaken a project to optimize procurement and logistics processes, implementing new loading bases for a more widespread presence in the territory, streamlining transportation and **reducing CO<sub>2</sub> emissions**. These efforts aim to improve operational efficiency, reduce costs and environmental impact, thus strengthening the company's position in the competitive LPG market.

Such initiatives not only contribute to improving the company's processes and products but also help create a **"cultural environment" conducive to change**. The interaction between the R&D department and other business functions helps to reduce the risks associated with the introduction of new technologies or processes. Existing resources and business skills are also enhanced, contributing to creating a climate of **continuous innovation**. This approach to R&D and innovation ensures that the Tosto Group remains at the forefront of its sector, capable of responding to emerging challenges and seizing new opportunities.



## Intellectual Property

The **Research and Development** activity of Walter Tosto S.p.A. and Belleli Energy CPE S.r.l. represents a strategic pillar for the sustainable growth of the Group, materializing in a **constant increase in patent filings** in the relevant global markets.

The **overall intellectual property (IP) portfolio of the Tosto Group** includes **58 patent filings distributed in 22 countries** worldwide, demonstrating the **commitment to innovation** and the **protection of inventions** on a global scale. This strategic geographical distribution, illustrated in the related chart, reflects the Group's international approach to technological innovation.

The Group utilizes **advanced international protection tools**, including:

- **European Patent Office (EPO)** for protection in the European market
- **Patent Cooperation Treaty (PCT)** to facilitate the protection of inventions on a **multinational scale**

## Sustainable Innovation Strategy

This **positive trend** highlights the **Group's ongoing commitment to innovation** and the **protection of intellectual property**, key elements for:

- **Maintaining technological leadership** in the energy and industrial sector
- **Supporting long-term growth** through innovative solutions
- **Contributing to the energy transition** with cutting-edge technologies
- **Strengthening competitive positioning** in international markets

Investment in R&D and the protection of intellectual property are fundamental components of the Group's **sustainability strategy**, aligning with the objectives of **sustainable innovation** defined in the materiality analysis and contributing to the achievement of the **UN SDGs**.

## Protection of Digital Intellectual Property

The Tosto Group has also formalized the protection of its digital innovation through the **SIAE registration** of the proprietary software 'QUOTE', an automated budgeting system that represents a concrete example of how digitalization contributes to operational sustainability and the efficiency of business processes.

## Digital Technologies for Sustainable Innovation

The analysis of digital technologies highlights the **strategic intent of the Tosto Group** to position itself as a leader in sustainable innovation through the adoption of **advanced technological solutions** that address the challenges of energy transition and operational efficiency. In line with **GRI standards and the impact materiality approach** adopted by the Group, the implementation of technologies such as **cloud computing, robotics, Internet of Things (IoT), Big Data, and additive manufacturing** represents a key element of the corporate sustainability strategy.

These technologies not only **optimize production and organizational processes**, ensuring greater safety in the workplace and product quality, but also significantly contribute to the **reduction of environmental impact** through **real-time monitoring** of energy consumption and operational performance. The integration of advanced digital solutions aligns perfectly with the **material theme of sustainable innovation** identified by the Group, demonstrating how digitalization can be a **fundamental driver for achieving the Sustainable Development Goals (SDGs)**, particularly **SDG 9** related to industry, innovation, and infrastructure, and contributing to the **operational excellence** that characterizes the corporate mission of the Tosto Group.

Technology	Cloud computing	Robotics	Internet of Things	Big Data	Additive manufacturing and 3D Printers
<b>Description</b>	Cloud for secure data management and storage	Networked robots for welding and cutting processes	Integration of smart devices and IoT sensors to monitor energy consumption, operating conditions, and performance in real-time.	Advanced platform for the analysis of management data	Use of 3D printers to create prototypes and customized components
<b>Impacts</b>	Production processes Products	Health and safety	Production processes Organization	Production processes Organization	Products Organization

## Research Partnership

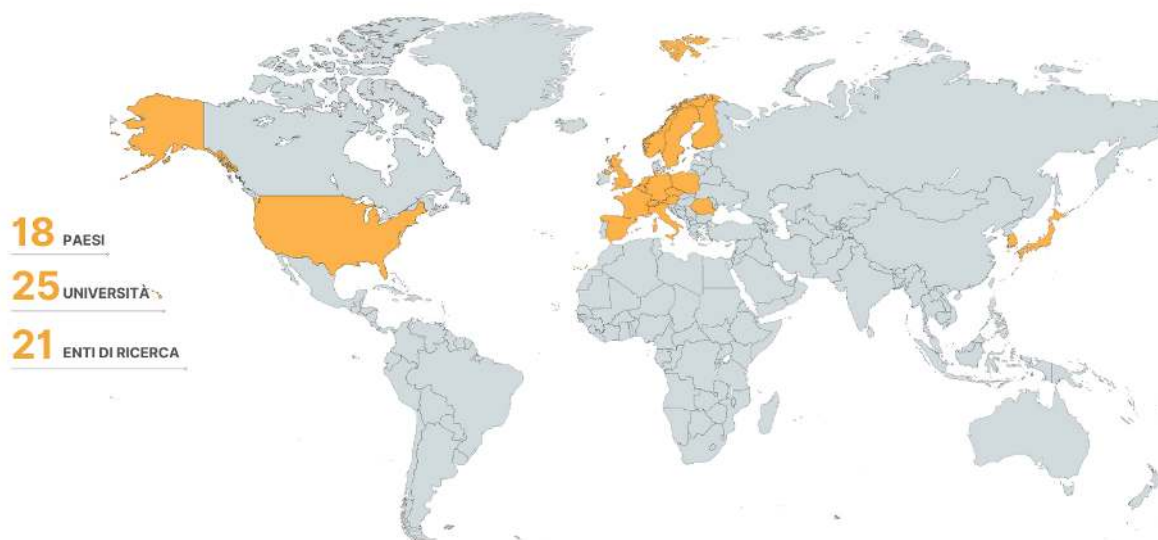
Our research and development strategy is founded on a solid network of international collaborations, encompassing more than **50 strategic partners** across **Europe, Asia, and North America**.

Particularly significant are the partnerships in the fields of **nuclear energy** and **sustainable technologies**, established through collaborations with leading centers of excellence such as the **Korea Atomic Energy Research Institute**, the **French Commissariat à l'énergie atomique (CEA)**, and the **Karlsruher Institut für Technologie (KIT)**.

Our alliances with prestigious universities — including **Oxford, Princeton**, and the **École Polytechnique Fédérale de Lausanne (EPFL)** — further strengthen our innovation capacity in **Big Science projects** and **nuclear fusion research**.

At the national level, we maintain strategic partnerships with **ENEA, CNR, INFN**, and Italy's leading **poly-technic universities**, consolidating our role within the Italian research ecosystem.

These collaborations, primarily focused on **European research and development projects**, demonstrate our commitment to **sustainable technological innovation** and **knowledge transfer** in support of the **energy transition**, actively contributing to global **decarbonization goals** and the development of **clean technologies**.



## Economic results and shared value

GRI 201-1

### Financial **solidity**

For the companies of the **Tosto Group**, the **integration of economic decisions with social and environmental ones** is considered **fundamental for the creation of long-term value**.

The **economic value** is recognized as an essential element for the **overall sustainability of the Group**, and is the subject of **great attention** in decision-making and reporting processes. The companies communicate their **value creation process** in a **transparent, timely, and detailed** manner through their respective **Management Reports on the Budget**, which are referenced for further insights.

This approach demonstrates the commitment not only to **economic success** but also to a broad and integrated vision of **social and environmental responsibility**.

In 2024, the Tosto Group confirmed its economic and financial solidity, demonstrating careful and effective management even in the presence of a physiological decline in revenues.

The **consolidated budget revenues** amounted to **€166.6 million**, marking a **reduction of 6.5%** compared to the previous year. This decline, following the peak recorded in 2023, is attributable to a different temporal distribution of orders and the physiological alternation typical of a production cycle based on complex and multi-year projects.

Despite this, the **value of production** showed a **growth of 12.3%**, reaching **€247 million**. This figure highlights the good progress of the work in the portfolio and testifies to the Group's ability to maintain a stable production level consistent with its industrial prospects.

Another positive signal comes from the **operating costs**, which in 2024 decreased by **12.6%**, thanks to a careful policy of rationalization and cost containment. This efficiency allowed for a partial absorption of the revenue contraction and maintained a **solid EBITDA of €26.9 million** (-16.2% compared to 2023).

The **net result** improved, rising from **€4.8 million** to **over €5 million**, with a **growth of 5.9%**. This figure represents an important indicator of the overall profitability of the Group, resulting not only from industrial management but also from a careful financial strategy.

From a patrimonial perspective, the Group maintained a **solid and well-balanced structure**. The **total capitalization** stood at **€332.6 million**, slightly down from 2023, but still at high levels. The **net equity** recorded an increase of **2.93%**, confirming the Group's ability to strengthen its foundations by reinvesting the generated profits.

The debt position remains **under control**, with a **net debt** around **€63.5 million**, an increase compared to the previous year.

Finally, the **total assets** amounted to **over €700 million**, with a **contained but constant growth** (+0.23%), demonstrating the continuity of industrial development and the overall stability of the Group.

Overall, 2024 closes with a picture that confirms the Tosto Group's ability to **generate value over time**, combining **operational efficiency, financial balance, and a strategic vision oriented towards long-term economic sustainability**.

## Economic-financial results (euros) - consolidated budget

	2022	2023	2024	2024 vs 2023
Revenues	€138,067,444.52	€178,193,187.56	€166,619,484.67	-6.50%
Value of production	€200,271,661.48	€220,310,014.08	€247,489,703.33	+12.34%
Operating costs	€70,733,272.55	€100,082,682.20	€87,465,443.50	-12.61%
EBITDA	€24,475,682.13	€32,185,162.86	€26,969,915.97	-16.20%
Net result	€3,470,387.12	€4,858,557.83	€5,146,357.86	+5.92%
Total capitalization	€316,369,857.58	€347,059,808.30	€332,656,261.54	-4.15%
Net equity	€167,110,037.43	€171,912,770.26	€176,958,393.50	+2.93%
Debts	€149,259,820.15	€175,147,038.04	€155,697,868.04	-11.10%
Net debt	€72,316,768.00	€51,615,184.00	€63,511,661.00	+23.05%
FOCF (Free Operating Cash Flow)	€23,539,352.25	-€8,456,962.63	€37,088,940.24	-538.56%
Total assets	€555,355,480.35	€707,462,128.52	€709,072,852.30	+0.23%

## Costs and Revenues by geographical area

(please note that these items do not include data from Romanian companies)

Revenues by area	2022	2023	2024	2024 vs 2023
Italy	€55,592,881	€55,200,562	€101,953,410	+84.7%
CEE	€33,221,546	€42,705,865	€59,133,774	+38.5%
Extra-CEE	€75,111,053	€120,552,520	€23,027,631	-80.9%
<b>TOT.</b>	<b>€163,925,480</b>	<b>€218,458,946</b>	<b>€184,114,816</b>	<b>-15.7%</b>
Costs by area				
Italy	€49,970,386	€51,386,439	€102,213,816	+98.9%
CEE	€38,181,944	€41,271,481	€70,931,441	+71.9%
Extra-CEE	€28,190,387	€101,094,859	€23,065,965	-77.2%
<b>TOT.</b>	<b>€116,342,717</b>	<b>€193,752,778</b>	<b>€196,211,222</b>	<b>+1.3%</b>

*\*Exchange*

<i>Euro / RON exchange rate</i>				
<i>Balance Sheet</i>			<i>Income Statement</i>	
<i>31/12/2022</i>	<i>4.9495</i>		<i>2022</i>	<i>4.9313</i>
<i>31/12/2023</i>	<i>4.9756</i>		<i>2023</i>	<i>4.9467</i>
<i>31/12/2024</i>	<i>4.9743</i>		<i>2024</i>	<i>4.9746</i>

**Sustainable finance**

In 2024, the Group adopted innovative sustainable finance tools to strengthen financial governance and create shared value. The **ESG KPI Linked Loan** with Crédit Agricole anchored the financing conditions to measurable sustainability objectives (emissions, health, and safety), integrating ESG performance and capital costs. At the same time, the **sale of tax credits** with Intesa Sanpaolo transformed resources that were not immediately usable into operational liquidity, supporting strategic investments and the supply chain. These levers demonstrate how responsible economic-financial management is a driver for long-term innovation and resilience.

GRI 2-27

GRI 2-24

## Tax compliance and transparency

The **Tosto Group** demonstrates a **constant commitment to compliance and tax responsibility**, adopting transparent and correct practices both in Romania and Italy.

In **Italy**, **Walter Tosto S.p.A.** confirms in 2024 its position as a **large taxpayer**, maintaining **active collaborative relationships with the tax administration**, based on **transparency and timeliness**. The company is indeed part of the **tax mentoring program** provided for by Article 27 of **Decree Law 185/2008**, converted with amendments into Law No. 2/2009, applicable to taxpayers with a **turnover exceeding 100 million euros**. In this context, the company has always provided **timely and comprehensive documentation** to the requests of the Revenue Agency.

In parallel, also in **Romania**, the company **Walter Tosto WTB** has been included, starting from **January 1, 2022**, in the **list of large taxpayers** managed by the **General Directorate of Large Taxpayers Administration**. This classification is in accordance with what is established by **Order No. 83/2022** of January 26, 2022, and is based on the criteria defined by orders **O.P.A.N.A.F. No. 1721/2021** and **No. 83/2022**. The recognition represents a **concrete signal of the company's tax reliability** and its alignment with the highest regulatory standards.

The **presence of both companies among the large taxpayers in their respective countries** reinforces the vision of the Tosto Group, which considers **tax compliance not only as a regulatory obligation**, but as an **integral part of its sustainability strategy**. The Group is fully aware of the **social role of tax contributions** and is committed to ensuring that its practices reflect **values of integrity, transparency, and responsibility**, wherever it operates.

## Public contributions and tax benefits fiscal

In the three-year period 2022–2024, the **Tosto Group** benefited overall from public contributions of **over 3.3 million euros**, divided between **grants for research and development (R&D), training and reimbursements related to exports**. The trend highlights a **strong concentration of contributions in 2023**, which represents the year with the highest peak: **1,667,137.16 €**, compared to **1,247,627.40 €** in 2022 and **418,953.30 €** in 2024.

### Research and Development and Training

The predominant component consists of **non-repayable contributions for R&D and training**, with a total in the three-year period of **3,058,005.20 euros**. The peak in 2023 is mainly attributable to participation in funded projects, including **SIHLVAN**, which led to a record disbursement of nearly **1.5 million euros**.

Other relevant projects that benefited from grants include: **EBM, WOLF, Blaze, EQATOR, HBF 2.0 and Nextower**, with varying distributions between the years and among the Group's companies.

### Reimbursements for exports

The **contributions for exports**, in the form of **reimbursement of customs duties and related expenses**, amount to approximately **273 thousand euros** in the three-year period, with the highest value in 2023 (135,195.47 €), followed by 2022 (114,550.03 €) and a significant reduction in 2024 (23,102.61 €).

Walter Tosto S.p.A. is the company that received the highest volume of public funding, with 1.67 million euros in 2023. The contributions concerned European and national projects as well as reimbursement of export expenses.

Belleli Energy CPE S.r.l. also significantly benefited from public funds, especially in 2022, with **368,408.89 €**, thanks to **regional and national** projects, in addition to reimbursements for exports.

Finally, WTB received **minor public contributions**, but significant in the local context: a **subsidy for the purchase of electric cars** amounting to **480 euros in 2023** and **2,865 euros in 2024**, in support of environmental policies and sustainable mobility promoted by the Romanian government.

## Public contributions

	2022	2023	2024
Non-repayable contributions R&D	1,133,077.37	1,531,941.69	392,986.14
Export contributions	14,550.03	35,195.47	23,102.61
Other contributions	-	480.12	2,864.55
<b>TOT.</b>	<b>1,247,627.40</b>	<b>1,667,617.28</b>	<b>418,953.30</b>

### Public contributions by company

	2022	2023	2024
WT	879,218.51	1,651,974.82	411,615.01
WTB	-	480.12	2,864.55
BELLELI	368,408.89	5,162.34	4,473.74
<b>TOT.</b>	<b>1,247,627.40</b>	<b>1,667,617.28</b>	<b>418,953.30</b>

The financial data related to the **tax incentives** of the Tosto Group for 2024 highlight a significant increase of **74.3% compared to 2023**, reaching a total of **2.52 million euros**. This growth reflects a concrete strategic commitment to sustainable transition and technological innovation.

**Belleli Energy CPE** recorded the most significant growth (+304.1%), consolidating its strategic role in the Group's energy transition, with a particular focus on innovative technologies for clean energy and industrial decarbonization.

The **Walter Tosto**, which represents 53.7% of the total incentives, maintains its lead in investment in R&D and Industry 4.0, confirming its commitment to technological excellence and sustainable digitalization.

## Tax incentives

Type	2022	2023	2024
Tax exemptions	639,144.34 €	666,077.49 €	620,818.05 €
Tax credits	2,437,545.79 €	787,464.64 €	1,897,064.38 €
<b>TOT.</b>	<b>3,076,690.13 €</b>	<b>1,453,542.13 €</b>	<b>2,517,882.43 €</b>

### Tax incentives for companies

	2022	2023	2024
WT	2,332,807.88	1,134,241.66	1,352,916.59
BELLELI	712,691.22	281,312.92	1,136,673.86
WTS GAS	14,625.52	29,070.00	28,291.98
SEASTOCK	16,565.51	8,917.55	0
<b>TOT.</b>	<b>3,076,690.13</b>	<b>1,453,542.13</b>	<b>2,517,882.43</b>

## Creation and Distribution of Value 2024

In 2024, the Tosto Group confirmed and deepened its "shared value" strategy, creating wealth not only for the company but for all stakeholders: employees, suppliers, financiers, shareholders, institutions, and local communities. The integrated approach takes into account economic, social, and environmental dimensions, guided by the Values and the Ethical Code that define transparency, fairness, and sustainability as fundamental criteria. In the rapidly evolving context of energy and industrial markets, the Group generated over €173 million in economic value, distributing €62.7 million (36%) and retaining €5.9 million (3.4%) to fuel investments in innovation, digitalization, and ESG projects.

### Added Value and main indicators

	2022	2023	2024	2024/2023
Net revenues	€138,067,444.52	€178,193,187.56	€166,619,484.67	-6.50%
Result of participations	€569.04	€1,138.00	€2,845.20	150.02%
Financial income	€13,814.08	€238,612.79	€629,529.94	163.83%
Other income	€6,765,045.33	€5,753,944.01	€5,975,244.63	3.85%
<b>Economic value generated</b>	<b>€144,846,872.97</b>	<b>€184,186,882.37</b>	<b>€173,227,104.44</b>	<b>-5.95%</b>
Operating costs	-€70,733,272.55	-€100,082,682.20	-€87,465,443.50	-12.61%
Depreciation & Provisions	-€18,757,871.55	-€19,930,914.26	-€17,049,179.22	-14.46%
<b>Net Added Value</b>	<b>€55,355,728.87</b>	<b>€64,173,285.90</b>	<b>€68,712,481.72</b>	<b>7.07%</b>

## Distribution of Added Value

	2022	2023	2024	2024/2023
Labor cost	€46,957,364.78	€48,017,169.97	€55,333,530.83	15.24%
Remuneration of financiers	€578,958.03	€4,325,265.91	€3,846,660.20	-11.07%
Remuneration of shareholders	€5,500,000.00	-€	-€	n/a
Remuneration of Public Administration	€2,238,550.02	€3,160,565.37	€3,149,835.00	-0.34%
Charitable contributions and donations	€385,913.00	€424,488.11	€438,483.10	3.30%
<b>Distributed added value</b>	<b>€55,660,785.83</b>	<b>€55,927,489.37</b>	<b>€62,768,509.14</b>	<b>12.23%</b>
<b>Retained added value</b>	<b>-€305,056.96</b>	<b>€8,245,796.54</b>	<b>€5,943,972.59</b>	<b>-27.92%</b>

Through these results, the Tosto Group reaffirms its leadership in creating sustainable and lasting value, laying the foundations for responsible and shared growth in a rapidly evolving industrial context.

## Support for the community

GRI 2-28

GRI 2-25

GRI 413-1

The Tosto Group confirms in 2024 its commitment to the territory and local communities through a structured and responsible social investment strategy. In continuity with the principles established in previous years, significant resources have been allocated to support initiatives of social, cultural, health, educational, and sports value, actively contributing to the collective well-being and sustainable development of the reference communities.

The Group manages its charitable donations through a structured process that ensures transparency, control, and maximization of social impact. Each initiative is evaluated based on criteria of consistency with corporate values, territorial impact, and sustainability over time, ensuring that the resources allocated to community support produce concrete and measurable benefits.

### Distribution of Social Investments by Category

During 2024, the Tosto Group invested a total of **€438,233.10** in community support initiatives, structuring its investments in the following priority areas:

#### Sports and Social Aggregation

The sports area represents the Group's main social investment, reflecting the belief that sports is a powerful tool for inclusion and social cohesion. Investments range from support for local sports organizations to international dimensions through significant support for **FOTBAL CLUB FCSB S.A.** and **Asociația Club Sportiv FCSB Academy** in Romania. This latter investment, which represents the most significant share of the category, demonstrates the Group's commitment in areas of international presence, using sports as a vehicle for integration and social development.

#### Health and Scientific Research

The Group has reaffirmed its commitment to supporting medical research and essential health services. Among the main initiatives is support for the **Telethon Foundation**, a center of excellence in research on rare genetic diseases, and the contribution to the **Italian Red Cross** for territorial healthcare assistance activities. Particularly significant is the **donation of advanced endoscopic medical equipment to the University of G. D'Annunzio** valued at €119,793.79.

This donation, intended for activities in agreement with the Local Health Service, has equipped the university with cutting-edge diagnostic tools including 4K video processors, specialized monitors, and accessories for endoscopy, significantly enhancing the research and medical training capabilities of the area.



## University Education and Research

Investment in education represents a strategic priority for the Group, which has focused its resources mainly on supporting the **University of Studies G. D'Annunzio** through the sponsorship of the "Night of Research 2024". The collaboration with the **University of Studies of Tuscia** for the activation of a scholarship in "Engineering for Energy and Environment" is also significant, a program that demonstrates the alignment between university education and the sectoral skills of the Group.

## Social and Recovery Projects

Particular importance is given to the support of the **Pope Paul VI Foundation** for the recovery project of the **Tabor Center**, a socially valuable initiative that demonstrates the commitment to the recovery and redevelopment of spaces intended for aggregation and social support. The project represents a strategic investment in territorial cohesion and the creation of opportunities for the most vulnerable segments of the population.

## Culture and Artistic Heritage

Support for culture is articulated through the sponsorship of prestigious events such as the **Dannunziano Festival** in its sixth edition, an important cultural event in the Abruzzo region, and the **51st Sulmona Prize**.

## Industrial Development and Networking

The Group maintains its commitment to the industrial associative system through support for Confimi Industria, consolidating its role in the entrepreneurial fabric and in the dynamics of industrial representation. All donations have been managed in full compliance with current regulations and the principles of transparency defined by the corporate Ethical Code. The selection process for beneficiaries has followed criteria of merit, social impact, and consistency with corporate values, ensuring the absence of conflicts of interest and adherence to anti-corruption principles. The Tosto Group intends to further consolidate its role as a responsible partner of the reference communities, maintaining its commitment to initiatives of high social and environmental value, in line with the Sustainable Development Goals of the United Nations 2030 Agenda.

## Local Green Deal

In December 2024, Walter Tosto S.p.A. signed a *Local Green Deal* (LGD) with the Municipality of Pescara, a public-private collaboration agreement aimed at accelerating the energy transition and contributing to climate change mitigation. This tool, promoted under the **Intelligent Cities Challenge** of the European Commission, aims to create local synergies among businesses, administrations, and communities, in line with the objectives of the European Green Deal.

The LGD represents an innovative model of sustainable territorial governance, where the company takes an active role not only in the decarbonization of its production processes but also in spreading good practices along the value chain and promoting sustainability among employees, suppliers, and citizens. In this regard, Walter Tosto has committed to doubling the photovoltaic capacity of its Italian plants, calculating its Carbon Footprint across all three GHG Scopes, and promoting sustainable mobility by encouraging the use of public transport and the development of cycling infrastructure in coordination with local authorities.

At the same time, the company has initiated joint awareness-raising initiatives in the area: from collaboration with the Municipality's Department of Social Services for corporate volunteering activities, to educational programs in local schools and universities, to organizing public events dedicated to the energy transition and the dissemination of Renewable Energy Communities (CER), such as the **CER Pescara**, founded in January 2024.

This partnership reflects the Tosto Group's vision of integrated sustainability in business, based on innovation, social responsibility, and territorial roots.



## Future goals and commitments

The **Tosto Group** has outlined an ambitious strategy for the period 2022-2030, aimed at fully achieving the **United Nations Sustainable Development Goals**. In particular, the company is committed to the forefront of the fight against climate change through specific decarbonization actions and significant expansion of renewable energy sources, thus contributing to global energy transition goals. To confirm this commitment, the Group has initiated the process of joining the **Science Based Targets initiative (SBTi)**, with the aim of **formalizing its emission reduction targets in line with Net-Zero scenarios by 2025**.

This strategic vision is based on **six fundamental pillars** that reflect the Group's concrete commitment to responsible and sustainable growth. The first pillar concerns the **centrality of people**, recognizing that human capital is the most valuable resource for addressing sustainability challenges. The second pillar focuses on **attention to health and safety at work**, implementing rigorous standards that go beyond regulatory requirements. The third pillar embraces the **sustainability of the supply chain**, promoting responsible practices throughout the entire production chain.

The fourth strategic pillar concerns the **integrated governance structure**, which ensures transparent and responsible management of business activities. The fifth pillar focuses on **technological innovation and digitalization**, recognizing the crucial role of technology in achieving sustainability goals. Finally, the sixth pillar promotes the **adoption of a circular economy model**, minimizing waste and maximizing the value of the materials used.

It is important to emphasize that the first cross-cutting objective, which encompasses environmental, social, and governance areas, is the introduction of **specific quantitative targets**.

This approach aims to make the Group's progress towards sustainability in all its aspects **measurable and verifiable**.

The adoption of quantifiable targets will allow for a more precise assessment of performance, facilitating the identification of areas for improvement and the definition of corrective actions where necessary.

This commitment to **quantifying objectives** reflects the Tosto Group's determination to pursue a **concrete and evidence-based** sustainability strategy.

## Environmental Objectives

In the environmental field, the Group has defined specific and measurable objectives that demonstrate its concrete commitment to sustainability. The **increase in participation in research and development projects** focused on decarbonization and energy transition represents a constant commitment throughout the strategic period. This approach ensures a continuous flow of technological innovations aimed at reducing environmental impact.

The **expansion of photovoltaic plants** for renewable energy generation is scheduled to be completed by 2026, representing a significant investment in the autonomous production of clean energy. At the same time, the **implementation of an EPP policy for preferable green purchases** by 2025 will radically transform procurement processes, favoring suppliers and products with a lower environmental impact.

The **carbon management** for the progressive reduction of CO<sub>2</sub> emissions and the compensation of residual emissions is an ambitious goal set for 2030, which will require a systematic and integrated approach at all organizational levels. The **mapping of greenhouse gas emissions from suppliers** by 2025 will extend environmental control throughout the value chain, creating an ecosystem of partners aligned with sustainability objectives.

The **adoption of a real-time monitoring system** for energy consumption to optimize efficiency, expected by 2026, represents a significant step towards the digitalization of energy management processes. The **drafting of the Environmental Balance** by 2025 will provide a comprehensive and transparent assessment of the environmental impact of the Group's activities. Finally, the **installation of electric charging stations** for employees and internal vehicles by 2025 will concretely support the transition to sustainable mobility.

Environmental Objectives	Timing	Reference SDG
Increase in participation in R&D projects focused on decarbonization and energy transition	Constant	SDG 7 - Clean and affordable energy SDG 13 - Climate action
Expansion of photovoltaic plants for renewable energy generation	By 2026	SDG 7 - Clean and affordable energy
Implementation of an EPP policy (preferable green purchases)	By 2025	SDG 12 - Responsible consumption and production
Carbon management for the progressive reduction of CO <sub>2</sub> emissions and compensation of residual emissions	By 2030	SDG 13 - Climate action
Mapping of greenhouse gas emissions from suppliers	By 2025	SDG 13 - Climate action
Adoption of a real-time monitoring system for energy consumption to optimize efficiency	By 2026	SDG 7 - Clean and affordable energy
Drafting of the Environmental Balance	By 2025	SDG 12 - Responsible consumption and production
Installation of electric charging stations for employees and internal vehicles	By 2025	SDG 7 - Clean and affordable energy SDG 11 - Sustainable cities and communities

## Development Social and Human Capital

The Group recognizes the crucial role of people in the energy transition process and in achieving business objectives. For this reason, specific training and wellness initiatives have been planned to enhance human capital. The **development of training activities** for all staff on legality, anti-corruption, diversity, and inclusion, scheduled by 2026, represents a strategic investment in the professional and personal growth of employees.

The achievement of the **SA8000 Certification** by 2026 demonstrates the Group's commitment to the highest international standards of social responsibility. This certification guarantees respect for workers' rights, safe and healthy working conditions, and the promotion of social dialogue. At the same time, the **Certification UNI/PdR 125:2022** for equal opportunities, expected by 2025, reinforces the commitment to gender equality and the enhancement of diversity.

The **integration of policies for equal opportunities, diversity, and inclusion** will create a fairer and more inclusive work environment, where everyone can express their potential to the fullest. Furthermore, the implementation of a **Supplier Code of Conduct** will ensure that the Group's values extend throughout the value chain, promoting ethical and sustainable practices even among business partners.

Social Objectives	Timeline	Reference SDG
Development of training activities for all staff on legality, anti-corruption, diversity, and inclusion	By 2026	SDG 4 - Quality education SDG 5 - Gender equality SDG 16 - Peace, justice, and strong institutions
SA8000 Certification	By 2026	SDG 8 - Decent work and economic growth SDG 16 - Peace, justice, and strong institutions
Equal opportunities certification (UNI/PdR 125:2022)	By 2025	SDG 5 - Gender equality SDG 8 - Decent work and economic growth
Supplier Code of Conduct	By 2026	SDG 8 - Decent work and economic growth SDG 12 - Responsible consumption and production
Integration of policies for equal opportunities, diversity, and inclusion	By 2025	SDG 5 - Gender equality



## Governance and Risk Management

The governance structure of the Group has been designed to ensure the **constant strengthening of tools for mitigating ESG risks**. This proactive approach allows for the effective identification, assessment, and management of risks related to environmental, social, and governance aspects, often transforming them into opportunities for improvement and innovation.

The **establishment of a sustainability committee at the board level** by 2028 represents a fundamental step towards integrating sustainability into the Group's strategic decisions. This body will be responsible for overseeing the implementation of the sustainability strategy, monitoring progress towards set goals, and ensuring alignment with best international practices.

Governance Objectives	Timeline	Reference SDG
Constant strengthening of tools for mitigating ESG risks	Ongoing	SDG 16 - Peace, justice, and strong institutions; SDG 17 - Partnerships for the goals
Establish a sustainability committee at the board level	By 2028	SDG 16 - Peace, justice, and strong institutions

### Contribution to the Sustainable Development Goals

The Group Tosto's approach to the SDGs reflects a balanced commitment across the various ESG dimensions, ensuring responsible management of business activities and a broad positive impact on society and the environment. The contribution to **SDG 3 - Good Health and Well-being** is realized through advanced workplace safety policies and employee wellness programs.

**SDG 7 - Affordable and Clean Energy** represents a central strategic focus, with significant investments in renewable energy production and the search for innovative solutions for the energy transition. The contribution to **SDG 8 - Decent Work and Economic Growth** is manifested through responsible employment policies and investments in the professional growth of employees.

**SDG 12 - Responsible Consumption and Production** guides the implementation of circular economy practices and the adoption of sustainable procurement policies. **SDG 13 - Climate Action** represents the most ambitious challenge, addressed through decarbonization and carbon management programs. Finally, **SDG 17 - Partnerships for the Goals** is realized through strategic collaborations and adherence to the United Nations Global Compact.

### Commitment to the Future

The path towards fully sustainable development is long and complex, but the Group Tosto is determined to pursue it with consistency, innovation, and responsibility, aware that every step in this direction contributes to a fairer, more prosperous, and sustainable future for all. Technological innovation, digitalization, and the adoption of a circular economy model are identified as key levers to accelerate the achievement of the goals outlined in the 2021-2030 Sustainability Plan.

Through these commitments and objectives, the Group Tosto aims to create long-term value for all stakeholders, actively contributing to the fight against climate change and the expansion of renewable energy sources, in full alignment with the United Nations Sustainable Development Goals.

# Materiality Analysis



## Stakeholder

GRI 2-29

GRI 3-1

With the adoption of the **GRI Universal Standards 2021**, the Tosto Group has updated its definition and mapping of stakeholders, considering as such **all individuals or entities that can be influenced, directly or indirectly, positively or negatively, by the activities of the Group**.

This broader vision has also redefined the **stakeholder engagement** process, which today is not limited to the materiality analysis phase, but actively involves stakeholders in **every phase of impact management**, in a continuous, structured, and proactive manner.

Particular attention is given to **the groups most exposed or impacted by business activities**, promoting an authentic dialogue aimed at improving social, environmental, and economic sustainability.

### Categories of stakeholders

The **Tosto Group** has developed a **systematic methodology for identifying stakeholders**, based on a **multidimensional approach** that considers the **mutual influence capacity** and the **level of dependence on the company**. The **mapping** includes eight macro-categories:

- **Human Resources** (employees, collaborators, consultants)
- **Customers and Market** (distributors, subsidiaries, end consumers)
- **Communities** (media, local communities, non-profit organizations)
- **Institutions and Regulatory Bodies** (public authorities, trade associations)
- **Suppliers and Partners** (supply chain, universities, research centers)
- **Financial System** (banks, insurance companies, shareholders)
- **Environmental Interest Groups** (regulatory bodies, ecosystems, environmental associations)

The **identification of stakeholders** follows a **structured process** that evaluates four main dimensions:

- the **influence capacity of the stakeholder** (on a **4-level scale**),
- the **dependence of the stakeholder on the company**,
- the **reciprocity of the relationship**,
- the **materiality of the impacts**.

Each stakeholder is then **classified** according to **specific levels of engagement**:

- **"Strategic"** high influence and high mutual dependence

- **"To engage and inform"** medium-high influence
- **"To be treated fairly"** specific needs for respect
- **"Low priority"** limited influence but relevance for monitoring

The **stakeholder mapping** is **updated annually** through an integrated process with the **materiality analysis**, which in **2024** led to the identification of **39 relevant impacts** compared to **35 from the previous year**.

The process involves:

- the **top management of each company in the Group**,
- the **Sustainability Governance**,
- **selected external stakeholders** for each business sector.

The review takes into account the **regulatory evolution, sector trends** (heavy boiler, GPL distribution, petroleum product storage), and **business relationships** with customers, suppliers, and licensees in the markets where the Group operates.

GRI 2-29

GRI 413-1

## Stakeholder Engagement

The Tosto Group has implemented a **structured stakeholder engagement system**, which adapts the methods of engagement according to the nature of the relationship and the specific objectives to be achieved.

For **strategic stakeholders**, the Group employs **high-intensity approaches** such as one-to-one meetings, in-depth management interviews, structured partnerships for **Research & Development projects**, and active participation in the **Sustainability Steering Committee**.

For stakeholders **"to be engaged and informed,"** the organization adopts **systematic methods** including departmental meetings, noticeboard communications, customer satisfaction surveys, shareholders' meetings, business meetings, and participation in international trade fairs.

Continuity is ensured through **direct relationships, structured qualification processes, and constant performance monitoring**.

Significant engagement is achieved by integrating stakeholder participation into the organization's **key decision-making processes**. The **Sustainability Governance** coordinates the process, ensuring that the outcomes of stakeholder engagement **concretely influence corporate strategies**.

The organization has also developed **systematic mechanisms** to ensure the **effectiveness of engagement**, through **measurement and continuous feedback**.

Specific indicators used include:

- level of participation in events;
- quality of responses in **customer satisfaction surveys**;
- number of **collaborative projects** launched with universities and research centers;
- frequency of communications with **regulatory bodies**.

The system also provides for **multi-directional communication channels** (website, social media, press releases, daily press reviews) and **internal validation processes** by key stakeholders, ensuring that identified impacts are **accurate, relevant, and based on verifiable data**.

The process concludes with **specific action plans** and **future commitments**, which are **monitored and reported annually**.

## Finalità del coinvolgimento degli stakeholder

Il coinvolgimento degli stakeholder del Gruppo Tosto mira primariamente alla **creazione di valore condiviso** attraverso lo sviluppo di **partnership strategiche durature**. Per gli stakeholder classificati come **"strategici"** (clienti diretti, fornitori chiave, sistema finanziario, natura ed ecosistemi), l'obiettivo è sviluppare **collaborazioni che generino benefici reciproci**, in particolare attraverso **progetti di Ricerca e Sviluppo, iniziative di co-innovazione e soluzioni sostenibili**. Questo approccio si traduce in **partnership con università e centri di ricerca** per lo sviluppo di tecnologie avanzate come il **Sustainable Aviation Fuel (SAF)**, **progetti di decarbonizzazione** e **soluzioni per la transizione energetica**.

Una finalità centrale è l'utilizzo dello **stakeholder engagement come strumento strategico** per **identificare, comprendere e gestire responsabilmente** gli **impatti positivi e negativi** dell'organizzazione sull'economia, sull'ambiente e sulla società. Per gli stakeholder **"da coinvolgere e informare"** (dipendenti, comunità locali, enti regolatori, associazioni ambientaliste), l'obiettivo è garantire **trasparenza nelle comunicazioni, condivisione proattiva delle performance di sostenibilità e sviluppo di competenze specifiche**. Questo si realizza attraverso **attività di formazione continua, comunicazione efficace della sicurezza, rapporti diretti con le comunità locali e dialogo costruttivo con le autorità di controllo**.

Per gli stakeholder **"da trattare con equità"** (utilizzatori finali, enti regolatori specifici), l'obiettivo è assicurare **processi decisionali trasparenti e rispettosi dei diritti legittimi**, mentre per quelli **"a priorità bassa"** (organizzazioni no profit, alcune associazioni di categoria) la finalità è **mantenere canali informativi aperti per il monitoraggio proattivo di opportunità future**.

L'approccio complessivo mira anche all'**allineamento con gli Obiettivi di Sviluppo Sostenibile (SDGs)**, in particolare il **Goal 17 "Partnership per gli Obiettivi"**, e all'**implementazione dei Dieci Principi del UN Global Compact** attraverso un **dialogo continuo con tutti i portatori di interesse**.

## Communication with stakeholders

The **Tosto Group** carries out a **constant, updated, and timely communication** to tell, step by step, all the **activities and experiences** of the companies that are part of it.

This strategy aims to **spread the values of the Group**, the **exclusivity of the products**, the **efficiency of the organization**, and its **attention to customers, communities, territory, and the environment**.

In addition to **offline communication**, mainly based on **participation in events and industry fairs** and on the **use of major daily newspapers** to support **development policies** and **protect business strategies**, the Tosto Group conducts an **effective online communication activity** through the main **social networks: LinkedIn, Facebook, and Instagram**.

These tools allow for **rapid and widespread dissemination of the corporate philosophy** and for **keeping interlocutors constantly updated** on facts and events concerning the reality of the Group.

A significant part of the publications on our channels concerns the **sharing of efforts and commitments regarding environmental and social responsibility**. This is crucial to **inform stakeholders about sustainability practices, generate trust, and improve corporate reputation**.

The entire activity is coordinated by the **Marketing and Communication Office**, which works in close collaboration with a **team of professional consultants** in the fields of **graphics, publishing, printing, mass media, and web**, creating a **teamwork of excellence**.

Transparent **communication**: the heart of the relationship with customers

In the landscape of corporate communication, **WTS GAS** stands out for its **commitment to transparency and clarity**. Recognizing the **crucial importance of customer trust**, in **2021** the company launched an **innovative and ambitious advertising campaign** under the hashtag **#parliamocichiaro**.

This initiative, born from a **careful analysis of critical points** in the perception of **GPL** by consumers, aims to **dissipate doubts and uncertainties** through **open and direct communication**. The **marketing team** developed **engaging and accessible informational materials**, illustrating in a simple and transparent way the **path of GPL from origin to the end customer**.

The **market response** has been **extremely positive**. The campaign not only contributed to an **increase in sales** and the **acquisition of new customers**, but also **significantly strengthened the bond with existing customers**. This success highlights how **transparency** is not just a **marketing strategy**, but a **core identity pillar** of **WTS GAS**.

Maintaining the momentum of the initiative, the company has continued to **evolve its communication strategy**, developing a **distinctive marketing line**, characterized by a **direct, recognizable, and ironic approach**. Focusing on a **unique tone of voice**, **WTS GAS** has been able to **capture attention**, while enhancing the **distinctive features** and **competitive advantages** of the company.

This **combination of humor and substantial content** has allowed for a **fresh and engaging dialogue** with the public, **consolidating the brand's positioning** as **innovative and close to the consumer**.

The commitment to **clear and accessible communication** extends to **all corporate channels**. The **website** has been optimized with **streamlined and intuitive contact forms**, facilitating interaction with **current, potential, and aspiring collaborators**. Additionally, the introduction of a **dedicated WhatsApp number** offers a **direct and immediate communication channel**, perfectly in line with **modern consumer preferences**.

## Positive and Negative Impacts

GRI 3-1

In 2024, the **Tosto Group** carried out a comprehensive analysis of its **impacts** on the **environment, society, and the economy**, with the goal of clearly and systematically identifying which activities generate **positive or negative effects**, and to what extent. The process included **39 impacts**, each assessed using objective parameters such as **probability, magnitude, scope, irreversibility, and severity**, as well as the **current or potential** nature of the impact.

### positive Impacts Generated

The Group has achieved a series of **concrete, effective, and positive results**, particularly in the following areas:

- **Sustainable Innovation (16)**: targeted investments in technologies for **industrial decarbonization** and **operational efficiency** have generated both environmental and competitive value.
- **Qualified Employment (14)**: steady creation of **highly specialized job positions**.
- **Economic Performance (16)**: improvement in **value generation and redistribution** across the supply chain.
- **Health and Safety at Work (16)**: strengthening of the **culture of prevention** and internal **training programs**.
- **Corporate Welfare (12)**: enhancement of **employee and family support policies**.
- **Inclusion and Equal Opportunities (14)**: progress in **equity and diversity programs** promoting a fair and respectful work environment.
- **Education and Training (12)**: development of **skills among young people and local workers**.
- **Impact on Local Communities (14)**: support for **cultural, social, and local development programs**.

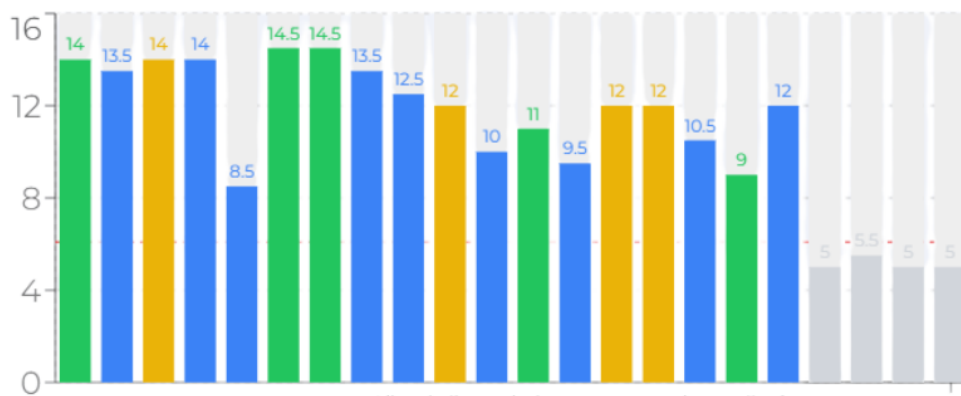
### negative Impacts Identified

The analysis also revealed several **negative impacts**, which are already being addressed through **targeted mitigation actions**:

- **Failure to Reduce GHG Emissions (14.68)**: tangible environmental risk linked to **high-emission industrial processes**.
- **Inefficient Energy Management (14.68)**: potential critical issue in case of **delays in energy transition plans**.
- **Waste Management (6.66)**: environmental and regulatory risk due to **suboptimal waste and residue handling**.
- **Obsolete Technologies (12)**: strategic risk caused by **delayed modernization** and **slow adoption of advanced digital solutions**.
- **Privacy and Sensitive Data (10.5)**: potential vulnerability in **strategic information management systems**.

In summary, the **Tosto Group** achieved **very positive results in more than 20 areas**, with **impact scores among the highest (up to 16)**, confirming the **effectiveness of the measures implemented**. At the same time, **six negative impacts** were identified, which are being addressed through **targeted strategies, investments, and enhanced internal controls**.

**Grafico Impatti Temi Materiali con Soglia**



## Risks and Opportunities

GRI 201-2

### Strategic Considerations

In the current context—where **reputational, operational, and strategic risks** ranging from **technical and ESG compliance** to **cybersecurity** and **energy transition** demand constant attention—it is essential to adopt an **integrated approach** that transforms these challenges into **drivers of growth**.

Ensuring consistency with **regulatory requirements** and adopting **sustainable solutions** strengthens reputation and opens access to new markets; conducting **rigorous due diligence** throughout the supply chain protects against litigation and reputational damage; implementing **advanced IT policies** and **continuous monitoring systems** ensures operational resilience; and bridging the **skills gap** through targeted training programs prepares human capital to effectively lead digital and environmental transformation.

The following summarizes the **risks and opportunities** identified through the **materiality analysis** conducted using the **TreeBlock One** software.

### Category Summary

Category	Total	Brief Description of Priorities
<b>Risks</b>	22	Prevalence of reputational, operational, and strategic risks. Focus on safety, ESG, supply chain, and digitalization.
<b>Opportunities</b>	12	Competitive levers in innovation, energy efficiency, training, and human capital enhancement.

### Main Risks

Area	Summary of Risk	Type	Score
<b>Anti-Corruption</b>	Sanctions, exclusion from tenders, reputational damage	Reputational	12
<b>Privacy and Cybersecurity</b>	GDPR violations, strategic data loss, operational disruption	Operational	12
<b>Emissions</b>	Extreme events, physical damage, interruptions	Operational	12
<b>Health and Safety</b>	Inadequate safety culture, workplace accidents	Operational	12
<b>Lack of Innovation</b>	Loss of attractiveness, exclusion from public funding, ESG non-compliance	Strategic	12
<b>Delays in Energy Transition</b>	Loss of competitiveness, inefficiency, penalties	Strategic	12

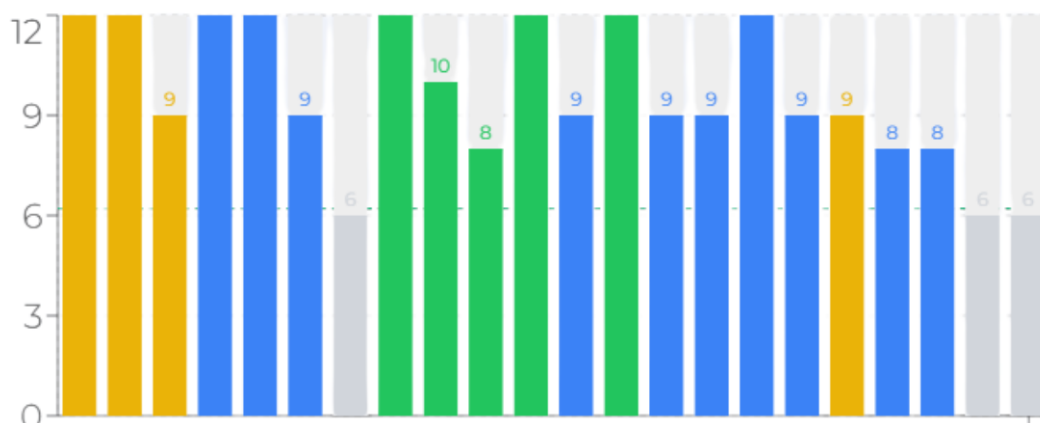
<b>Low ESG Rating</b>	Limited access to capital, financial loss	Financial	9
<b>Training and Skills</b>	Skills mismatch with innovation and new regulations	Strategic	9
<b>Forced/Child Labor in Supply Chain</b>	Lack of due diligence, reputational and compliance risks	Compliance	8

### Key Opportunities

Area	Summary of Opportunity	Type	Score
<b>Sustainable Innovation</b>	R&D in low-carbon technologies, decarbonization, efficiency	Financial	12
<b>Safety and Training</b>	Accident prevention, strengthened organizational culture	Strategic	12
<b>Resource Optimization</b>	Energy efficiency, waste and CO <sub>2</sub> reduction	Financial	12
<b>Climate Neutrality</b>	Strategies for resilience and environmental impact reduction	Financial	12
<b>Circular Economy</b>	Circular approach and recycling throughout the supply chain	Strategic	12
<b>Inclusion &amp; Diversity</b>	Respectful workplace, talent attraction and retention	Strategic	9
<b>Value to the Community</b>	Welfare, local community relations, well-being	Strategic	9

Overall, this analysis highlights how the **Tosto Group's strategic priorities**—ranging from **ESG compliance** and **technological innovation** to **human capital development**—converge toward a model of **resilient, sustainable, and competitive growth** capable of addressing global challenges while generating long-term value.

Grafico Rischi e Opportunità Temi Materiali con Soglia



## Double Materiality

### Construction of the Double Materiality Matrix

In 2024, the **Tosto Group** carried out an in-depth **double materiality analysis** with the aim of identifying the most significant **material topics** capable of reflecting both the **organization's impacts on the environment, economy, and society** (*impact materiality – “inside-out”*) and the **factors that can influence business performance** (*financial materiality – “outside-in”*).

This analysis was based on the principles defined by the **GRI Standards 2021** and involved all Group companies: **Walter Tosto S.p.A.**, **Walter Tosto WTB S.r.l.**, **Belleli Energy CPE S.r.l.**, **WTS GAS S.p.A.**, and **Seastock S.r.l.**

#### Process Phases

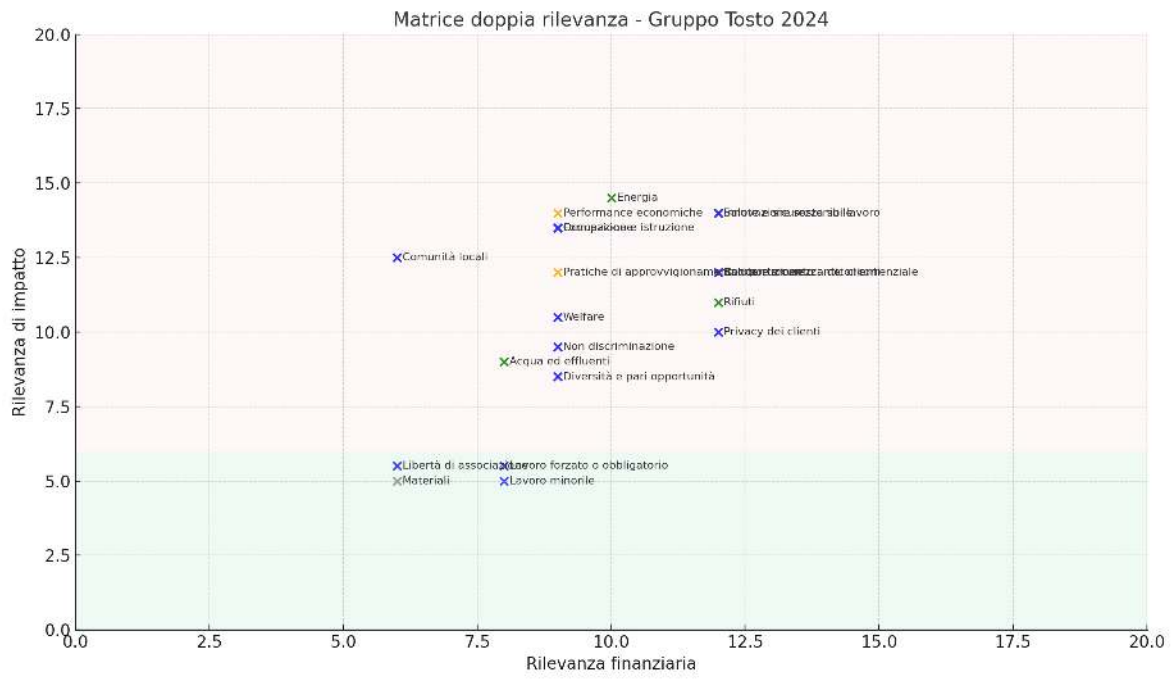
1. **Impact Mapping:** A total of **35 potentially material topics** were identified through an analysis of the Group's **operating sectors, value chains, and business relationships**, taking into account **regulatory developments, global megatrends, and key ESG reference frameworks**.
2. **Stakeholder Engagement:** Dedicated meetings, surveys, interviews, and focus groups were conducted with both **internal stakeholders** (Boards of Directors, employees, ESG committees) and **external stakeholders** (clients, suppliers, local authorities, certification bodies, academic institutions). This process made it possible to gather **diverse and context-specific perspectives**, calibrated to the sectoral and territorial realities of each company.
3. **Qualitative and Quantitative Assessment:** Each impact was evaluated using **two scales from 1 to 15** — one for **financial materiality** and one for **impact on the environment and society**. The evaluations were weighted according to the **intensity of the impact**, the **likelihood of occurrence**, and the **geographical or sectoral scope**.
4. **Integration with Risk Management:** The matrix was aligned with the Group's **Enterprise Risk Management (ERM)** system to ensure a **holistic and strategic perspective**, supporting effective **planning, sustainability objectives, and innovation strategies**.

### Visualization and Readability

The final matrix is represented through a **scatter plot with Cartesian axes**: on the **horizontal axis** is indicated the **financial materiality**, while on the **vertical axis** is indicated the **impact materiality**. The topics are represented by **colored dots** according to the **ESG dimension** (*E – Environmental, S – Social, G – Governance*), with **three classification areas**:

- - **Green area:** non-material topics
  - **Pink area:** material topics
  - **Red area:** highly material topics

The outcome enabled the **selection and prioritization of key topics for 2024**—including **sustainable innovation, health & safety, training, and integrity**. The matrix will be a **core tool** for monitoring **ESG performance** and for defining the **2025–2027 Sustainability Plan**.

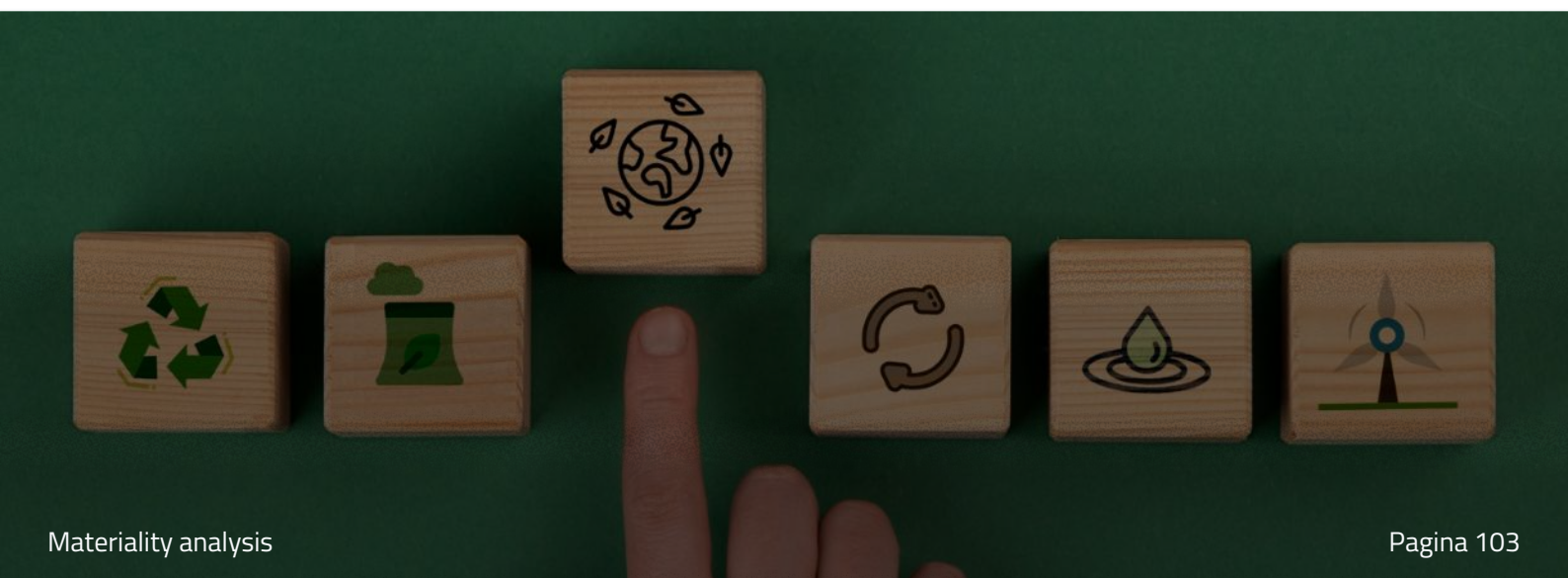


# Materials

GRI 3-2

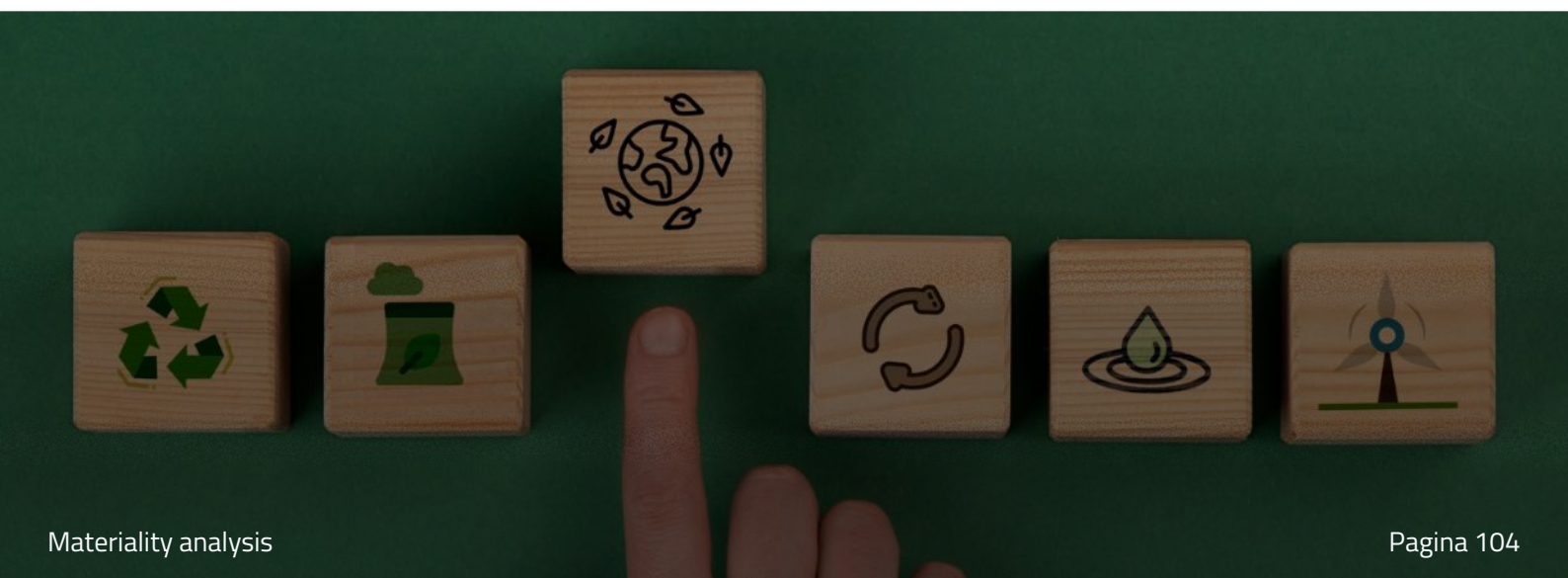
The following list represents the priority material themes for 2024, ordered by their financial relevance, ESG impact, and contribution to the SDGs:

Material Theme	Financial Relevance	Impact Relevance	ESG
Sustainable innovation	12	14	E
Employment	9	13.5	S
Economic performance	9	14	G
Health and safety at work	12	14	S
Diversity and equal opportunities	9	8.5	S
Emissions	12	14.5	E
Energy	10	14.5	E
Training and education	9	13.5	S
Local communities	6	12.5	S
Procurement practices	9	12	G
Customer privacy	12	10	S
Waste	12	11	E
Non-discrimination	9	9.5	S
Anti-corruption	12	12	G
Anti-competitive behavior	12	12	G



Welfare	9	10.5	S
Water and effluents	8	9	E
Customer health and safety	12	12	S

Through this mapping, the Tosto Group confirms its commitment to generating shared value, fostering a concrete, measurable impact that aligns with stakeholder expectations and international sustainability goals.



## Contribution to the SDGs and respect for UNGC principles

GRI 2-23

GRI 2-24

In 2024, the **Tosto Group** is strengthening its commitment to the **Sustainable Development Goals (SDGs)** by identifying those on which it can generate the greatest impact, in line with its corporate mission and the diversification of its industrial activities.

Starting from these **priority SDGs**, the Group has defined **short- and long-term operational targets** (see the "Future Objectives" section), adopting a **systemic approach to continuous improvement**, tailored to the specifics of each sector.

The **priority SDGs for the Tosto Group in 2024** are:

- **SDG 3** – Good health and well-being for all and at all ages
- **SDG 7** – Affordable, reliable, sustainable, and modern energy
- **SDG 8** – Inclusive economic growth and decent work for all
- **SDG 9** – Industry, innovation, and infrastructure
- **SDG 12** – Responsible consumption and production
- **SDG 13** – Climate action
- **SDG 17** – Partnerships for the goals

The latter, **transversal to all goals**, is considered essential for strengthening a **collaborative industrial ecosystem**, capable of accelerating the achievement of the SDGs through synergies among businesses, institutions, territories, and stakeholders.

The **Tosto Group's approach to the SDGs** reflects a balanced commitment across the various **ESG dimensions**, ensuring responsible management of business activities and a broad **positive impact on society and the environment** in all the sectors in which it operates.

As evidence of its dedication and the importance of integrating sustainability into strategic business decisions, the **Tosto Group** joined the **United Nations Global Compact** in 2022. The **Ten Principles of the Global Compact**, covering the areas of **human rights, labor, environment, and anti-corruption**, are integrated into the policies and practices of all Group companies.

The Group has also signed the **Manifesto "Business for People and Society"**, promoted by the **UN Global Compact Network Italy**, reaffirming its commitment to accelerating efforts in promoting the **social dimension of sustainability**. This Manifesto represents a private sector call to raise the ambition level in advancing the **UN 2030 Agenda**, with specific reference to the social dimension. It promotes increasing commitment to people along the entire value chain and in the communities where the Group operates, aspiring to generate an impact that goes beyond legal obligations to ensure a fair and sustainable future.

**Joining the Global Compact** provides the **Tosto Group** with a platform for **knowledge exchange** and **best practices**, fostering **mutual learning** and **collective growth** toward sustainability. This commitment translates into concrete actions across all of the Group's areas of activity, from **heavy boiler-making** to **LPG distribution** and **petroleum product storage**, inspiring positive change within their respective industries and the communities in which the companies operate.

The **Tosto Group** is committed to **reporting annually** on the progress made in implementing the **Ten Principles** and contributing to the **SDGs**, reaffirming its role as a **responsible leader** in the **Italian and international industrial landscape**.



**WE SUPPORT**



**Environment**

## Commitment to the climate

### The Commitment of Gruppo Tosto in the Energy Transition

The climate crisis represents one of the most urgent and complex challenges of our time. The *Sixth Assessment Report of the IPCC (AR6)* has consolidated a broad scientific consensus: climate change, primarily caused by human activities, is transforming our planet with increasingly evident effects. The synthesis of the work of the three IPCC groups – from climate physics (2021), to impacts and vulnerabilities (2022), to mitigation (2022) – highlights that limiting global warming to 1.5 °C is still possible, but requires an unprecedented acceleration in global action.

In 2024, this message is even more urgent: greenhouse gas emissions continue to rise, and current international commitments are insufficient. The Paris Agreement of 2015 requires a 45% reduction in global emissions by 2030 compared to 2010 levels and achieving climate neutrality by 2050. The European Union, with the Green Deal, raises the bar further, setting the target at -55% by 2030 compared to 1990. However, scientific data and extreme events (fires, droughts, floods, water crises) demonstrate that the time to act is now.

Gruppo Tosto is strongly committed to **climate mitigation actions**, seeking to reduce greenhouse gas emissions from its industrial and service activities through the adoption of new methodologies and sustainable practices.

Participation in the construction of the **nuclear fusion reactor** represents a project of great relevance and innovation in the energy sector. Nuclear fusion, in fact, is a promising source of energy that can overcome the limits of traditional sources, contributing to the production of clean and sustainable energy. This pioneering project underscores the commitment to finding innovative solutions to address the challenge of energy scarcity and combat climate change.

In addition to the construction of the fusion reactor, Gruppo Tosto demonstrates a constant interest in its reference market and in seeking initiatives aimed at **energy efficiency, circular economy, and reducing CO<sub>2</sub> emissions**. This commitment manifests both through direct participation as stakeholders or investor partners in such initiatives, and through the analysis and identification of opportunities in this sector.

The Group also supports and promotes **research projects** in collaboration with research institutes and universities on issues related to climate change, contributing to the promotion of a low-carbon economy.

In 2024, the Group assessed a total of **39 climate, environmental, and social impacts**, distinguishing between **positive** effects, related to innovation and energy transition, and **negative** effects, often connected to the climate and operational risks of its activities. The assessment included indicators such as probability, severity, scope, and duration of the impact, defining material thresholds to guide strategic actions.

**Sustainable innovation** remains the main lever to address environmental challenges, anticipate regulatory risks, attract capital, and respond to the expectations of stakeholders who are increasingly attentive to climate performance.



GRI 2-23

GRI 2-24

GRI 2-27

## Environmental Management

For over twenty years, **Walter Tosto S.p.A.** has aligned its production and operational processes with the standards of **UNI EN ISO 14001**. Since 2002, the company has obtained and maintained the Environmental Management System certification, consolidating its presence in national and international markets. Adherence to international certification standards is not limited to system quality but also extends to product quality, demonstrating a concrete commitment to environmental excellence and continuous improvement of business practices.

At the same time, other companies in the Group have adopted an **environmental policy** that reflects shared principles, ensuring environmental protection, continuous improvement of environmental performance, and providing all stakeholders with the broadest guarantees in terms of efficiency, transparency in communications, and reliability of monitoring activities.

The environmental issues that the Group must manage are numerous and complex. At the center of its strategies are **sustainable land management**, taking responsibility in production processes, and seeking a balance between industrial growth and environmental conservation.

### Priority Intervention Areas

#### Land Consumption

Optimize land use through careful planning that minimizes the environmental impact of industrial expansion. This includes managing spaces for production and storage operations, preserving green areas, and reducing the footprint of consumed land. Adopt practices that ensure the redevelopment of abandoned industrial areas and the remediation of contaminated ones, to further reduce land consumption and promote sustainable management of terrestrial resources.

#### Waste Management

Manage the waste produced through practices of reduction, recycling, and safe disposal, especially for hazardous waste and special materials.

#### Circular Economy

Promote the adoption of circular economy models through the reuse of materials, the valorization of industrial by-products, and the design of processes that minimize waste. Particular attention is given to the recovery and recycling of metallic materials, which are reintroduced into production cycles, reducing dependence on virgin raw materials and the overall environmental impact.

#### Protection of Water and Marine Resources

Optimize water use, improve wastewater treatment, and prevent contamination of local water resources through sustainable management practices.

#### Energy Efficiency

Improve energy efficiency in industrial operations, reduce energy consumption, and adopt renewable energy sources where possible to decrease dependence on fossil fuels.

**Emission Management**

Reduce emissions from production processes, energy distribution, and material transport. This includes monitoring CO<sub>2</sub>, CH<sub>4</sub>, and other greenhouse gas emissions.

**Impact on Biodiversity and Safety**

The company must consider the impact of its operations on local biodiversity, protecting natural habitats and taking measures to minimize negative impacts on ecosystems. Safety in the management of LPG is also a priority to prevent accidents that can have harmful effects on the surrounding environment.

**Dialogue with Local Communities**

Improve the transparency of industrial activities and engage in corporate social responsibility initiatives to mitigate environmental and social impacts.

## Energy consumption

GRI 302-1

**The path to energy sustainability for a company that operates on a contract basis presents unique and specific challenges**, which the Tosto Group faces with a strategic and flexible approach. **The nature of the Group's business, characterized by highly complex and variable-duration custom projects**, directly influences the energy consumption profile, creating dynamics that require careful and contextualized analysis.

**Each contract represents a world of its own**, with different technical specifications, timelines, and energy requirements.

**The variations observed in the three-year period 2022-2024 are not necessarily indicative of greater or lesser energy efficiency**, but reflect **cyclicity and production dynamics inherent to the operational model**.

### Total energy consumption 2024

Source	Quantity	Energy (GJ)
Aviation Fuel	146,934.06 Liters	5,179.89
Combustion Oil	786.82 Tons	34,541.40
CNG (Compressed Natural Gas)	157.24 Liters	5.64
Diesel - 100% Mineral Diesel	697.58 Liters	25.19
Diesel - Medium Blend of Biofuels	532,149.87 Liters	19,215.29
Electricity (Non-Renewable)	20,540,300.87 kWh	73,945.08
Gas Oil	48,000.00 Liters	1,723.44
LPG (Liquefied Petroleum Gas)	72,117.77 Liters	1,854.16
Lubricants	62.42 Tons	1,000.93
Natural Gas	2,811,925.00 m <sup>3</sup>	100,385.72
Gasoline - 100% Mineral Gasoline	3,351.90 Liters	112.02
Gasoline - Medium Blend of Biofuels	15,493.08 Liters	517.79
Processed Fuel Oils - Distillate Oil	10.40 Liters	0.38
Processed Fuel Oils - Residual Oil	22.00 Liters	0.88
Propane	299.45 Tons	13,894.48

Refinery - Various	0.13 Tons	5.41
Used Oils	0.22 Tons	8.76
<b>Total - Non-Renewable</b>		<b>252,416.47</b>
Electricity (Renewable)	1,501,288.00 kWh	5,404.64
Biodiesel Off-Road	172.76 Liters	5.70
<b>Total - Renewable</b>		<b>5,410.34</b>
<b>Total energy consumed by source</b>		<b>257,826.81</b>

## Historical comparison

Source	2022 (GJ)	2023 (GJ)	2024 (GJ)
Aviation Fuel	0	0	5,179.89
Biodiesel (OVI)	0	206.18	0
Heating Oil	24,728.74	32,481.61	34,541.40
CNG (Compressed Natural Gas)	11.66	0	5.64
Diesel - 100% Mineral Diesel	0	0	25.19
Diesel - Medium Blend of Biofuels	20,491.95	17,364.47	19,215.29
Electricity	83,592.86	71,806.50	79,349.72
Gas Oil	2,226.11	2,118.40	1,723.44
LPG (Liquefied Petroleum Gas)	1,381.85	1,476.15	1,854.16
Lubricants	1,016.81	704.11	1,000.93
Natural Gas	79,635.78	75,584.04	100,385.72
Off-Road Biodiesel	0	13.09	5.70
Gasoline - 100% Mineral Gasoline	0	0	112.02
Gasoline - Medium Blend of Biofuels	565.04	414.28	517.79
Processed Fuel Oils - Distillate Oil	0	0	0.38
Processed Fuel Oils - Residual Oil	0	0	0.88
Propane	13,541.00	7,323.59	13,894.48
Refinery - Various	0	0	5.41
Used Oils	0	0	8.76
<b>Total</b>	<b>227,191.79</b>	<b>209,492.42</b>	<b>257,826.81</b>

## Comments on the historical comparison of **energy consumption**

**2024 marked a significant increase in overall energy consumption**, with the total rising from 209,492.42 GJ in 2023 to 257,826.81 GJ in 2024, **recording a growth of about 23%. This substantial increase is attributable to a strategic combination of factors**: on one hand, **the expansion of the detection perimeter and the inclusion of new energy sources** previously not accounted for, and on the other hand, **the intensification of production activities** related to the Group's order portfolio.

**It is essential to emphasize that the Tosto Group operates on a project basis**, a characteristic that implies an **intrinsic variability of energy consumption**. Consumption can vary significantly from year to year depending on the **type, quantity, and complexity of the projects managed**.

### Introduction of new sources in 2024:

**2024 represented a turning point in the accurate mapping of energy consumption** through the introduction of several **new energy sources** that had not been detected or accounted for in previous years. **This methodological inclusion has allowed for a more accurate and complete representation of the Tosto Group's energy footprint**, providing a more solid data foundation for future sustainability strategies.

- *Aviation Fuel (5,179.89 GJ)*
- Diesel - 100% Mineral Diesel (25.19 GJ)
- *Gasoline - 100% Mineral Gasoline (112.02 GJ)*
- Processed Fuel Oils (0.38 GJ of Distillate Oil and 0.88 GJ of Residual Oil)
- *Refinery - Various (5.41 GJ)*
- Used Oils (8.76 GJ)

**Aviation fuel emerges as the most significant new addition with 5,179.89 GJ**, while the **inclusion of used oils** demonstrates particular attention to the principles of the circular economy and the recovery of materials otherwise destined for disposal.

## Prevalent **sources**

**Natural gas and electricity confirm themselves as the predominant energy sources** of the Tosto Group, together representing over 69% of the total energy requirement. **This concentration reflects the nature of the Group's production processes**, characterized by high thermal and electrical intensity operations.

**Natural gas has solidified its position as the main energy source**, recording a significant increase from 75,584.04 GJ in 2023 to 100,385.72 GJ in 2024, **now representing the most used source by the Group**. **This increase of 32.8%** is directly related to the start of particularly energy-intensive contracts in the nuclear and petrochemical sectors, which require prolonged thermal cycles and extremely precise temperature controls.

**Location-based electricity has shown a recovery trend**, rising from 71,806.50 GJ to 79,349.72 GJ in 2024, **after the decline recorded in 2023 compared to 2022**. **This dynamic perfectly reflects the cyclicity of the project-based business**, where electrical intensity varies significantly depending on the types of processing planned in the active project portfolio.

### Fluctuating trends of some fuels:

-Diesel (biofuels) shows a recovery in 2024 (19,215.29 GJ) after the decline in 2023.

-Lubricants are growing again in 2024, reaching almost the levels of 2022 (from 704.11 GJ to 1,000.93 GJ).

-LPG and Propane increase moderately in 2024 after a decrease in 2023.

**The expansion of the detection perimeter implemented in 2024** represents an important step towards **an increasingly aware and accurate energy management**, providing the necessary informational basis to develop optimization strategies that respect the cyclical nature of the business while maintaining environmental sustainability goals.

## Energy intensity

### Energy intensity for companies in the heavy boiler sector

The **heavy boiler** sector, which includes the companies **Walter Tosto S.p.A.**, **Walter Tosto WTB S.r.l.**, and **BELLELI Energy CPE S.r.l.**, is characterized by a **made-to-order** production, which leads to **significant variations in production volumes** and, consequently, in the **dynamic of energy intensity**.

This variability makes monitoring the energy consumed relative to operational output particularly relevant.

Boiler sector	unit	2022	2023	2024
Total net weight of manufactured products	<i>tons</i>	15,670	11,290	17,137
Energy intensity ratio	<i>GJ/t</i>	13.38	14.67	11.07

### Energy intensity for marketing and handling companies

WTS GAS	unit	2022	2023	2024
Liters of LPG sold	<i>L</i>	24,639,263	29,293,296	24,995,959
Energy intensity ratio	<i>GJ / LPG L</i>	470.30	526.51	417.81

SEASTOCK	unit	2022	2023	2024
Moved tons	<i>tons</i>	207,769	167,469	166,319
Energy intensity ratio	<i>GJ / LPG l</i>	0.33	0.39	0.34

## Note Methodological

In 2024, the system for collecting, consolidating, and normalizing energy data has been significantly improved with the aim of providing a more accurate, consistent, and comparable representation over time. To this end:

- **New energy vectors** that were previously unrecorded have been included, improving the coverage of the reporting perimeter.
- All energy data has been **converted to gigajoules (GJ)** to allow for homogeneous comparison. For electricity, the conversion was made using the coefficient **1 kWh = 0.0036 GJ**.
- Conversions for other energy sources have been made using the **official coefficients** published by national and international authorities.

The sources that will be used for **emission factors** in the upcoming sheets are as follows:

### Romania

- **Electricity factors (GRID):** EEA 2022
- **WTT factors (Well-to-Tank):** BEIS 2022
- **T&D factors (Transmission & Distribution):** BEIS 2021

### Italy

- **Electricity factors (GRID):** ISPRA 2022
- **WTT factors:** BEIS 2021
- **T&D factors:** BEIS 2021

### United Kingdom

- **Electricity factors (GRID):** DEFRA 2024
- **WTT factors:** DEFRA 2024
- **T&D factors:** DEFRA 2024

The associated emissions have been calculated using the **official emission factors from ISPRA** (for Italy) and **DEFRA** data (for the United Kingdom) in accordance with best practices for environmental reporting.

## Production of energy from renewable sources

GRI 302-1

The Tosto Group has embarked since 2012 on a structured path towards self-production of renewable energy, positioning itself among the pioneers of the industrial sector in the energy transition. Investment in solar energy represents a strategic component of the Group's energy policy.

### Performance of Existing Plants

In 2024, the Tosto Group continued its energy transition path, more structurally integrating renewable sources into its energy mix. The installed photovoltaic power remained unchanged at **1,900 kWp**, distributed across the two plants in Chieti (WT5 and WT7), but the efficiency strategy and the quality of energy monitoring have been further strengthened.

Production from photovoltaic plants reached **2,120 MWh** in 2024, with an increase of **+2.1%** compared to 2023. This improvement was made possible thanks to maintenance interventions, such as cleaning the modules and optimizing the MPPT inverter.

The self-consumption of renewable energy reached **1,823 MWh**, equal to **86%** of photovoltaic production, an increase of 3 percentage points compared to the previous year, contributing to reducing dependence on the electricity grid.

In 2024, the total electricity demand stood at **8,300 MWh** (equal to **29,880.00 GJ**), slightly decreasing compared to the **8,437 MWh** of 2023 (**30,373.20 GJ**, **-1.6%**). This result was made possible thanks to energy efficiency interventions already initiated, including the adoption of **LED lighting**, **optimization of HVAC systems**, and **precise monitoring of consumption**.

**Share of renewable energy** In 2024, the Group consumed **5,410.34 GJ** of energy from renewable sources, equal to about **2.10%** of total energy consumption (**257,826.81 GJ**). Although there is an **absolute decrease** compared to the **6,591.47 GJ** of 2023 (**-17.9%**), the **stability of photovoltaic self-consumption** and the targeted integration of green energy into production processes confirm an **efficient and conscious management** of internal renewable sources.

2024 confirms the strengthening of **energy monitoring** and **transparency in data**. The integration of renewable sources, even in a variable production context, continues to represent a pillar of the Group's energy strategy.

These results highlight the Group's commitment to meeting the **Sustainable Development Goals**, particularly **SDG 7** (Affordable and Clean Energy) and **SDG 13** (Climate Action).



## Expansion **Projects** of Photovoltaic Capacity

**The Group has defined a strategic expansion plan** on an international scale with **projects in various stages of development**. **Starting from the end of 2023, internal engineering has been initiated** for the projects of **expansion of the Chieti plant** (doubling from 1.9 MWh to 3.8 MWh), **the new plant in Ortona** (0.687 MWh) and **the Belleli Energy CPE project** (2 MWp).

**The international expansion in Romania shows significant progress**. **The Oltenita project (0.767 MWh) and the Bucharest project (2 MWh) have completed the installation phase** and **are currently in the final technical verification phase**, with **commissioning planned in the short term**. **Both projects benefit from financial support from the PNRR**, demonstrating strategic alignment with European energy transition policies.

**The 2023 energy diagnoses have identified for Belleli Energy CPE an investment opportunity of 2 MWp on the roof of the CA warehouse**, using an area of approximately **14,000 m<sup>2</sup>**. **The estimated production of 2,101 MWh/year** would be intended **entirely for self-consumption**.

**The investment would allow a reduction of over 516 tons of CO<sub>2</sub> per year**.

**Once the planned expansion phase is completed, the Group could reach a photovoltaic capacity exceeding 10 MWp, strengthening its leadership** in the self-production of renewable energy in the heavy boiler sector.



# Carbon Footprint

## Climate and Commitments **Global**: the Context

In 2024, climate change remains one of the central challenges for businesses and governments. Reducing greenhouse gas emissions is now a global imperative. The **MSCI Net-Zero Tracker** represents a crucial tool for monitoring the effectiveness of climate commitments, providing an updated snapshot of companies' alignment with net-zero goals. According to the latest analysis, less than **10% of the world's large companies** are actually on track to limit global temperature rise to **1.5°C**, as established by the **Paris Agreement**.

The Tosto Group reaffirms its concrete commitment to combating climate change by adopting **advanced technologies and emission reduction strategies**. The initiated path is aimed at achieving progressive **de-carbonization**, in line with stakeholder expectations and international standards.

## First Step: Mapping of **Consumption**

The approach started with a systematic mapping of energy consumption, creating a **data collection system** capable of producing accurate, timely, and verifiable reports. The method is based on **GRI principles** of accuracy, clarity, balance, comparability, and completeness.

Starting from 2024, the reporting perimeter has been extended to new operational areas and cost centers previously excluded, ensuring a more comprehensive mapping of emissions and detailed monitoring for each company in the Group. This expansion allows for even more precise analyses and reports, facilitating the identification of further reduction and control interventions.



## Emissions by Scope - 2024

The granular analysis of the Tosto Group's emissions for 2024 reveals a complex composition that reflects the diversification of energy sources and the multisectoral nature of activities. A total of **21,883.43 tCO<sub>2</sub>e** is distributed across three main scopes, with a prevalence of direct emissions characterizing energy-intensive production processes.

### Scope 1 – Grouped Fossil Fuels

Source (Grouped)	Scope	CH <sub>4</sub> (t)	N <sub>2</sub> O (t)	CO <sub>2</sub> (t)	2024 CO <sub>2</sub> e (t)
Diesel and fuel oil (all types)	1	0.30	18.88	1,451.72	1,472.91
Gasoline (all types)	1	0.15	0.11	40.09	40.36
LPG, CNG, Propane	1	0.87	0.55	1,012.58	1,013.95
Natural gas	1	9.43	2.94	6,079.83	6,092.18
Fuel oils (distillates, residues, used)	1	0.00	0.01	0.80	0.81
Combustion oil	1	6.61	5.49	2,478.22	2,490.32
Aviation fuel	1	4.64	3.11	366.88	374.63
Lubricants	1	0.09	0.16	78.95	79.20
Off-road biodiesel	1	0.00	0.00	0.03	0.03
<b>Total Scope 1</b>	<b>1</b>	<b>22.09</b>	<b>31.26</b>	<b>11,509.50</b>	<b>11,562.83</b>

### Scope 2 – Electric Energy

Source	Scope	CH <sub>4</sub> (t)	N <sub>2</sub> O (t)	CO <sub>2</sub> (t)	2024 CO <sub>2</sub> e (t)
Electricity	2	15.89	21.61	5,770.18	5,807.68
<b>Total Scope 2</b>	<b>2</b>	<b>15.89</b>	<b>21.61</b>	<b>5,770.18</b>	<b>5,807.68</b>

### Scope 3 – Waste, WTT and Others

Source (Grouped)	Scope	CH <sub>4</sub> (t)	N <sub>2</sub> O (t)	CO <sub>2</sub> (t)	2024 CO <sub>2</sub> e (t)
<b>Waste</b>	3	0.14	0.19	662.38	664.77
<b>WTT</b>	3	0.00	0.00	4,201.65	4,201.65
<b>Electricity (td)</b>	3	1.14	1.55	121.63	124.35
<b>Water Supply</b>	3	0.00	0.00	16.40	16.40
<b>Total Scope 3</b>	<b>3</b>	<b>1.28</b>	<b>1.74</b>	<b>4,510.87</b>	<b>4,512.92</b>

## Historical Emissions Comparison by Company

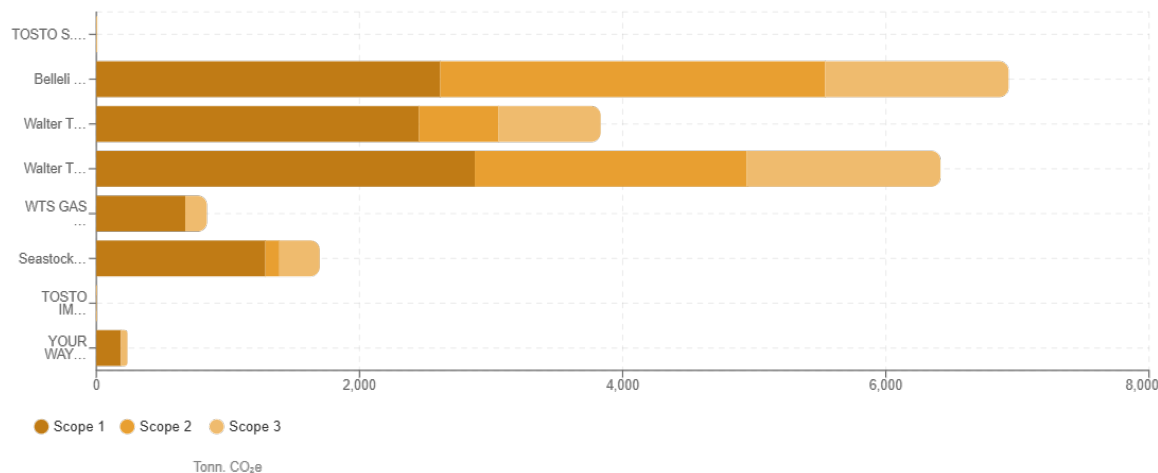
The analysis of the **evolution of CO<sub>2</sub> equivalent emissions** for each **Tosto Group company** over the **2022-2024 period** highlights complex dynamics that reflect the inherent nature of the project-based business and the expansion of the reporting scope. These variations do not necessarily indicate operational inefficiencies, but rather the natural consequence of project portfolios with different carbon intensities and timelines.

Company	2022 (tCO <sub>2</sub> e)	2023 (tCO <sub>2</sub> e)	2024 (tCO <sub>2</sub> e)	2023/2024 Change
<b>Tosto S.R.L.</b>	0.00	0.00	0.00	n/a
<b>Walter Tosto S.p.A.</b>	5,957.90	5,435.21	6,407.84	+17.9%
<b>Walter Tosto WTB</b>	3,413.23	3,695.19	3,832.88	+3.7%
<b>Belleli Energy Critical Process Equipment</b>	6,966.14	5,194.90	6,932.09	+33.4%
<b>WTS Gas S.p.A.</b>	786.60	657.98	840.21	+27.7%
<b>Seastock S.r.l.</b>	2,545.77	3,192.78	3,394.41	+6.3%
<b>Tosto Immobiliare S.r.l.</b>	0.00	0.15	2.95	n/a
<b>Your Way on Leisure Flight S.r.l.</b>	0.00	0.00	473.05	n/a
<b>Total Group</b>	19,451.05	18,394.06	21,883.43	+18.9%

### Emission Trend Analysis

In the **2022-2023 period**, the Group's total emissions decreased by **-5.4%**, from **19,451.05** to **18,394.06 tCO<sub>2</sub>e**, thanks to management improvements and efficiency measures. However, between **2023 and 2024**, a **+18.9% increase** in emissions was observed, rising to **21,883.43 tCO<sub>2</sub>e**. This increase is mainly due to the **expansion of the reporting scope**, which included new entities previously not monitored, as well as other emission-related factors.

This expansion allowed for a more **complete and transparent mapping** of emissions at the Group level, strengthening alignment with international reporting guidelines and demonstrating a growing commitment to **integrated ESG reporting**.



## Scope 1

In **2024**, the **Tosto Group** completed the tracking of **Scope 1 emissions**, including for the first time **aviation fuel consumption** and all new production lines. The total reached **11,563 tCO<sub>2</sub> eq**, with **83%** coming from **fixed combustion sources** (furnaces, boilers, generators) and **17%** from **mobile activities** (company fleet, off-road vehicles, aviation).

- **Thermal processes:** Natural gas remains the dominant source, accounting for **6,092 tCO<sub>2</sub> eq** (52.7%).
- **Alternative fuels:** Supplies of **fuel oil** and **propane** total **3,388 tCO<sub>2</sub> eq** (29%).
- **Fleet and mobility:** Mobile emissions (**1,945 tCO<sub>2</sub> eq**, 17%) benefit from the increase in the **biodiesel blend to 20%** (potential savings of **250 tCO<sub>2</sub> eq/year**).

Over the three-year period, the Group progressively enhanced its **Scope 1 emissions measurement system**.

Year	CO <sub>2</sub> e (t)	Annual Change
2022	9,288.78	–
2023	8,946.02	–4%
2024	11,562.54	+29%

Between **2022 and 2024**, **CO<sub>2</sub>e emissions** showed a decrease between **2022 and 2023** (–4%), followed by a significant increase in **2024** (+29%).

This increase is due to the nature of the business, which operates on a **project basis**, leading to an annual update of the data. In **2024**, additional fuels, such as **aviation fuel** and other types of fuel previously unaccounted for, were included for the first time. The inclusion of these new data expanded the scope of the recorded **CO<sub>2</sub>e emissions**, contributing to the overall increase in emissions for the year.

### Emissions by Source

- **Fixed combustion** (furnaces, boilers, generators)
- **Mobile activities** (company fleet, off-road vehicles, aviation)
- **Thermal processes** (natural gas)
- **Alternative fuels** (fuel oil, propane)

## Scope 2

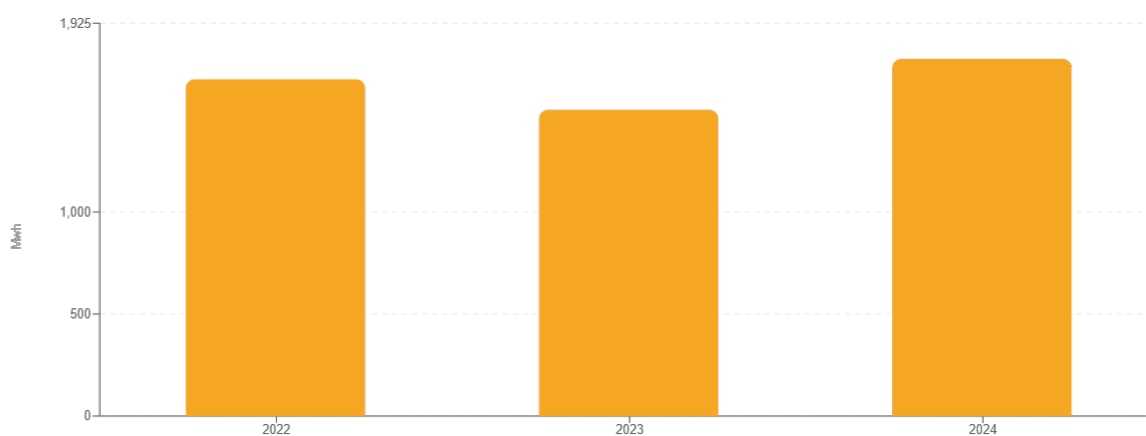
The **Tosto Group** adopts the **location-based approach** for calculating **Scope 2 emissions**, which considers the average emission factors related to the energy mix of the country where the electricity is consumed. This method provides a realistic picture of the environmental impact associated with the national energy context and complements the **market-based approach**, which is based on specific electricity supply contracts.

Year	Electricity Consumption (G)	Scope 2 Emissions (tCO <sub>2</sub> e)
2022	83,592.86	6,128.19
2023	71,806.50	5,105.14
2024	79,349.72	5,807.68

Between **2022** and **2023**, electricity consumption decreased by **14%**, accompanied by a **16.7% decrease in Scope 2 emissions**. This improvement is attributed to the Group's efforts in **energy efficiency** and **streamlining consumption**.

In **2024**, there was a **10.5% recovery in consumption**, which led to **Scope 2 emissions** rising to **5,807.68 tCO<sub>2</sub>e**, though still lower than the 2022 levels. This increase may be linked to higher production volumes or operational changes.

**Scope 2 emissions** include the electricity used for **lighting, operating machines, production facilities, and heating systems**.



GRI 305-3

GRI 305-5

## Scope 3

Scope 3 emissions represent the **indirect emissions** related to the value chain of the Tosto Group, originating from **not directly controlled** sources, such as:

- waste treatment and disposal.
- production and transport of purchased energy (WTT and TD).
- transport and distribution of fuels (WTT).
- water supply.

Over the three-year period, the Group has progressively enhanced the measurement system for Scope 3 emissions.

Year	Scope 3 CO <sub>2</sub> e (t)	Annual Variation
2022	4,252.67	–
2023	4,124.96	–3%
2024	4,512.92	+9%

In **2022 and 2023**, Scope 3 reporting mainly included:

- some WTT flows (fuels and energy)
- waste disposal
- water supply
- minor residual emissions.

With **2024**, the Group has chosen to **significantly expand the Scope 3 reporting perimeter**, including:

- new categories previously untracked (*WTT lubricants, refinery components, etc.*),
- updating and harmonizing data across all upstream and downstream flows.

### A change in strategic approach

The increase of **+9.7%** between 2023 and 2024 **does not represent a real increase in emissions**, but reflects the **Group's willingness to map all relevant indirect emissions more comprehensively and transparently**. This approach allows for:

- strengthening **integrated ESG reporting**.
- aligning with the requests of stakeholders, customers, and European regulations.

## Intensity of emissions

### Emission intensity for companies in the heavy boiler sector.

The **heavy boiler** sector, which includes the companies **Walter Tosto S.p.A.**, **Walter Tosto WTB S.r.l.**, and **BELLELI Energy CPE S.r.l.**, is characterized by a **custom production**, a feature that leads to **significant variations in production volumes** and, consequently, in the **dynamics of emission intensity**.

This variability makes monitoring the energy consumed relative to operational output particularly relevant.

Boiler sector	u.m.	2022	2023	2024
Total net weight of products made	<i>Ton.</i>	15,670	11,290	17,137
Emission intensity per ton produced	<i>t CO<sub>2</sub>e / ton of net weight</i>	1.02	1.28	1.00

### Energy intensity for marketing and handling companies.

WTS GAS	u.m.	2022	2023	2024
Liters of LPG sold	<i>L</i>	24,639,263	29,293,296	24,995,959
Emission intensity per liters of LPG sold	<i>t CO<sub>2</sub>e / L</i>	0.00003	0.00002	0.00003

Seastock	u.m.	2022	2023	2024
Tons handled	<i>Ton.</i>	207,769	167,469	166,319
Emission intensity per tons handled	<i>t of CO<sub>2</sub> / t</i>	0.006	0.009	0.01

## Note methodological

Greenhouse gas (GHG) emissions are categorized according to the GHG Protocol in the following areas:

- **Scope 1** – *Direct emissions*: arising from sources owned or controlled by the company (e.g. boilers, vehicles).
- **Scope 2** – *Indirect emissions from electricity*: originating from the generation of purchased and consumed electricity.
- **Scope 3** – *Other indirect emissions*: include all indirect emissions not covered in Scopes 1 and 2 (e.g. purchased materials, transport, business travel, etc.).

### Reporting criteria:

- **Reporting boundaries**: companies included in the consolidation area of the **Consolidated Non-Financial Statement 2024/2025**.
- **Reference period**: year 2024/2025
- **Types of greenhouse gases considered**: CO<sub>2</sub>, CH<sub>4</sub>, N<sub>2</sub>O (aggregated in CO<sub>2</sub>e)
- **Excluded greenhouse gases**: HFC, PFC, SF<sub>6</sub>

### Emission factors used:

- **Scope 1**: DEFRA 2023
- **Scope 2**: ISPRA 2023 Italy, EEA 2022 Romania, DEFRA 2024 Other countries (location-based approach)
- **Scope 3**: DEFRA-BEIS 2021 (including WTT for energy and transport)

### Estimation method:

Emissions are estimated using the formula:

Greenhouse gas emissions = A x EF x GWP

Where:

- **A** = Activity data provided by the user
- **EF** = Emission factors (from official databases)
- **GWP** = Global warming potential (IPCC AR5, value 1)

**Scope 3 – Categories excluded from reporting:**

The following Scope 3 categories **have not been included** in the emissions reporting:

- Purchased goods and services
- Capital goods
- Upstream transportation and distribution
- Business travel
- Employee commuting
- Downstream transportation and distribution
- Processing of sold products
- Use of sold products
- End-of-life of sold products
- Investments

## Mobility management

### Home-to-Work Movements **Home Work (PSCL)**

Since 2022, Walter Tosto S.p.A. has initiated a systematic survey of employees' home-to-work movements, extending in 2023 to WTS GAS (shared office in Chieti). The initiative responds to the **Interministerial Decree No. 179/2021, art. 3 c.5**, which promotes PSCL in organizations of significant size, and is part of the Group's climate strategy aimed at reducing indirect emissions (Scope 3 – *Employee Commuting* and part of *Business Travel*).

#### How we collect data

- **Periodic questionnaires to employees** regarding mode, frequency, distance, and willingness to change transportation means.
- **Inventory of the company fleet** (assigned vehicles, pool, logistics vehicles, special vehicles, internal movement).
- **Fuel consumption and telemetry**, where available, with conversion to CO<sub>2</sub>e using recognized emission factors (ISPRA, DEFRA/UK BEIS, EEA, vehicle database; alignment with GHG Protocol).
- **Air transport data** from travel systems / agencies.
- **Mileage normalization**: estimated or measured distances converted to km/year and g CO<sub>2</sub>e/km.

## Assi MiTE & Measures

<p><b>ASSE 2 - Promote the use of public transport</b></p> <p><b>ASSE 5 - Additional measures</b></p>	<p>Active presence of the company for the implementation of the project "<i>New public interchange parking, new pedestrian-cyclist overpass, and new urban park in the area of the Chieti Scalo railway station</i>"</p> <p>To improve the company connection with the main hubs of public transport</p> <p>Resulting request for pedestrian crossings near the accesses to the company offices</p>
<p><b>ASSE 3 - Promote cycling and/or micromobility</b></p>	<p>Request for interventions in the area (Cyclist-Pedestrian Pescara-Chieti-Manoppello)</p> <p>Increase in the number of bike racks in company areas</p>
<p><b>ASSE 1 - Discourage the use of private cars</b></p>	<p>Evaluation of the introduction of Car Pooling for employees</p>

## Company Fleet

The company fleet of the Group reflects a **diversified mix** of vehicles and means of transport, with a prevalence of diesel fuel in many categories. The cars and company vehicles for mixed use show a combination of diesel, petrol, and, to a lesser extent, LPG, with the introduction of **hybrid and electric vehicles**, although still in limited numbers.

Commercial and industrial vehicles, such as vans, trucks, and tractors, are mainly diesel-powered, with some exceptions for methane and LPG.

A positive aspect is represented by the presence of **36 electric bikes** and **8 electric forklifts**, indicating a concrete step towards sustainable mobility in logistics. Additionally, the company has **5 electric bicycles, 80 traditional bicycles, and 12 electric scooters**, promoting zero-emission mobility for urban and inter-company travel.

Category	No. Vehicles	Fuel Type	Usage / Notes
Company cars	95	Petrol / Diesel	Travel between offices and business trips
Assigned company cars	28	Petrol / Diesel	Mixed use (work/personal)
Electric bicycles	5	Electric	Internal services and short trips
Traditional bicycles	80	Zero direct emissions	Internal mobility

GRI 305-1

Type	No.	Primary power supply	Notes
Electric trolleys	36	Electric	Internal component handling
Kick scooters	12	Electric	Short internal movements
Electric forklifts	8	Electric	Internal warehouse use
Light commercial vehicles (vans)	27	Predominantly diesel	For light logistics
Industrial vehicles (trucks / articulated lorries / tractors)	49	Predominantly diesel, some methane/LPG	For heavy transport and external deliveries
Construction machinery (cranes, excavators, mobile ovens, etc.)	16	Diesel / mixture	Use on construction sites and production areas
Private jet	1	Jet A	Intercontinental travel

In order to further improve the sustainability of the fleet, the Group has developed a project, complete with a budget, for the establishment of a **GPL refueling station at the Bucharest headquarters**. This infrastructure aims to promote the gradual introduction of **GPL vehicles**, reducing the environmental impact of corporate transport.

In parallel, **the company is planning to further expand Scope 3 reporting**, including in the next calculation cycle the **emissions from logistics shipments (national and international)** and **from employees' home-to-work transfers**, which are currently partially estimated. This process of expanding the scope will improve the accuracy of the overall carbon footprint and the mitigation strategy.

### Emissions Vehicles 2024 – Quantitative summary

**Total emissions from transport (land + air): -1,184.4 t CO<sub>2</sub>e (100%)**

- **Air transport: 374.6 t CO<sub>2</sub>e (31.6%)**
- **Land transport: 809.8 t CO<sub>2</sub>e (68.4%)**

Mode	t CO <sub>2</sub> e	% of total	Scope GHG (provisional)	Data source	Notes
Land	809.8	68.4%	1	Mobility system	Includes road fleet, internal logistics, estimated commuting
Air	374.6	31.6%	1	Mobility system	Includes business flights (company jet and commercial)
<b>Total</b>	<b>1,184.4</b>	<b>100%</b>	–	–	–



## Integrated Approach to Circular Economy

In 2024, the **Tosto Group** strengthens its commitment to a fully circular economy, based on waste reduction, resource recovery, and material regeneration.

Within the facilities, production flows have been redesigned to **maximize the reuse of steel and foundry sands**, helping to reduce the environmental impact of processes. On the cultural front, the transition has been accompanied by a **corporate training program** aimed at all functions, focused on practices such as *'reduce, reuse, regenerate'*.

In parallel, the Group has invested in **cutting-edge innovation**, collaborating with universities and research centers to develop:

- solutions for the integration of **green hydrogen** into production cycles;
- **small modular nuclear reactors**, safer and more efficient.

### Quantitative Analysis of Waste Management

Year	Total Quantity (t)	(%)
2022	6,415.72	–
2023	5,882.96	-8.31%
2024	4,802.32	-18.37%

The 18.37% reduction in total waste in 2024 is indicative of strong industrial rationalization and increasing efficiency in processes.

## Raw Materials used in the production cycle

The Tosto Group bases its operations on a solid heritage of skills and intangible assets that support design, custom development, and construction activities. The production process integrates advanced technologies, from computer systems and specialized software in the initial design phases to specific technical resources such as electrodes and welding materials in the intermediate operational phases. The use of specialized materials is a fundamental element to ensure quality and efficiency of the entire production process.

### Raw Materials and Additives

The essential raw materials of the production process consist of semi-finished products made of carbon steel and stainless steel of various dimensional specifications. The production cycle also requires several specialized additives:

- Chemical products for welding and surface treatments
- Lubricating oils for the operation of machine tools and maintenance activities
- Solvents for cleaning semi-finished and finished products during emulsified bath processing

### Energy and Water Needs

The energy needs of the Group are divided into different types: electrical energy for design phases, mechanical energy for turning and assembly operations, and thermal energy for critical processes such as heat treatments and hydraulic testing. The use of water is mainly concentrated in the cutting operations of specific components and in the hydraulic testing phases.

### Sustainability of Packaging

For packaging solutions, the Group exclusively adopts PEFC and FSC certified wood for the production of crates intended for the shipment of spare parts and small components. The choice of wood as the reference material is determined by the dimensional characteristics of the manufactured products, which do not require alternative packaging materials.

### Output Management and Circular Strategy

The environmental outputs of the process include emissions to the biosphere, mainly represented by the exhaust gases from transport vehicles, and outputs to the technosphere that include exhausted electrodes, processing chips, and welding fumes. Effective management of these waste materials is a strategic element for minimizing environmental impact and implementing recovery and reuse practices.

### From Renewal to Recycling

The Tosto Group demonstrates a concrete approach to the circular economy through targeted strategic initiatives. The systematic modernization of existing equipment, through the implementation of functional improvements, allows for the extension of the operational life cycle and prevents premature obsolescence. This strategy optimizes the use of company resources while simultaneously reducing the need for new acquisitions.

WTS GAS has developed an innovative recovery process for end-of-life LPG tanks. Through a collection and recovery system, steel is extracted, melted, and reintegrated into the production cycle for the creation of new products. This practice represents a virtuous example of applying the principles of the circular economy, contributing to the reduction of environmental impact and the preservation of material resources.

## Detail for Treatment Method– 2024

Type	Method	Quantity (t)	Classification
Waste	Closed loop	3,277.43	Recovery
Waste	Landfill	1,056.19	Disposal
Waste	Incineration	339.00	Disposal
Waste	Open loop	128.84	Recovery
Waste	Composting	0.29	Disposal
Waste	Anaerobic Digestion	0.50	Recovery

**Note:** Incineration may vary in classification depending on whether it involves energy recovery or not. If R1, it is recovery; if D10, it is disposal.

**Strategic Considerations**

- The decrease in total and hazardous waste demonstrates the effectiveness of a sustainable industrial model.
- The anomaly in the decrease of recovery in 2024 may depend on temporary exogenous factors (infrastructure, regulations, availability of facilities).
- Continuous monitoring and expanding partnerships with recovery operators are recommended to reverse the trend and return to the virtuous values of 2023.

## Waste

### Integrated Waste Management

In 2024, the **Tosto Group** consolidated a systemic approach to waste management, based on three strategic pillars:

1. **Source Reduction:** optimization of processes to minimize waste generation.
2. **Targeted Separate Collection:** traceability and advanced categorization of each waste type.
3. **Circular Valorization:** maximization of recycling operations, especially for metals.

A total of **255 types of waste** were recorded, amounting to **4,802.32 tons**, corresponding to **616.15 tons of CO<sub>2</sub> equivalent**. In detail:

- **80.1 %** (3,369.06 t) are **hazardous** waste, managed through certified safe disposal procedures.
- **19.9%** (836.7 t) are **non-hazardous** waste, mainly **metal shavings and scrap**, sent for recycling in foundries.

Type of Waste	Quantity (t)	% of Total
Metal	2,876.63	<b>59.90 %</b>
Generic Waste	1,383.19	<b>28.80 %</b>
Construction	388.28	<b>8.09 %</b>
Electrical Equipment	19.98	<b>0.42 %</b>
Paper	111.68	<b>2.33 %</b>
Plastic	16.88	<b>0.35 %</b>
Other	5.70	<b>0.12 %</b>
<b>Total</b>	<b>4,802.32</b>	<b>100.00 %</b>



### Destination of waste (2021-2024)

Year	Recovery (%)	Disposal (%)
2022	18.0 %	82.0 %
2023	28.9 %	71.1 %
2024	7.5 %	92.5 %

In 2023, a significant improvement in environmental performance was recorded in terms of waste recovery, with an increase of over 10 percentage points in recovery compared to 2022. However, in 2024, the recovery rate drastically decreased to **7.5 %**, due to:

- a higher incidence of non-recoverable hazardous waste generated in special processes.
- regulatory or technical constraints in the management of certain fractions.

### Hazardous and non-hazardous waste 2022-2024

Indicator	Unit	2022	2023	2024
<b>Total waste production</b>	<b>t</b>	<b>6415.72</b>	<b>5882.96</b>	<b>4802.32</b>
- of which non-hazardous	t	4647.93	4909.82	3963.90
- of which non-hazardous (%)	%	67.6%	81.9%	82.54%
- of which hazardous	t	1767.78	973.13	838.42
- of which hazardous (%)	%	32.4%	18.1%	17.46%

In the three-year period 2022–2024, there is a **significant reduction in the share of hazardous waste**, which decreased from **32.4 %** to **17.46%**. This trend is attributable to:

- redesigning production processes to reduce the use of hazardous substances,
- the adoption of materials with a lower environmental impact.

At the same time, the **percentage of non-hazardous waste** has stabilized above **82.5%**, maintaining a high share of potentially recoverable material, consistent with the Group's circular approach.

## Local initiatives for **management**

- **Selection and storage:** dedicated covered areas with containment systems compliant with ISO 14001:2015 ensure the correct separation of fractions through specific CER coding and identified containers.
- **Recovery and recycling:** sending metal shavings and semi-finished steel to the foundry (84% of total waste destined for recovery), while WTS GAS has implemented innovative recovery of decommissioned LPG tanks, with steel melting and reintegration into the production cycle.
- **Authorized disposal:** hazardous waste (used paints CER 080111, *solvents CER 140603*, spent sands, lubricating oils) is managed by suppliers registered with the Waste Management Register and mandatory consortia, with complete traceability through FIR, loading/unloading register, and SISTRI system.
- **Improvement plans:** monitoring with specific objectives for each waste category and annual deadlines, continuous training of personnel and qualification of suppliers through contractual clauses D.Lgs. 231/2001, ensuring an additional 16% reduction in waste destined for disposal.

In this way, the Tosto Group confirms its commitment to an effective circular economy, minimizing environmental impact and promoting the sustainability of its production activities.

## Waste reduction strategies

The **Walter Tosto WTB S.r.l.**, a company established under Romanian law and belonging to the Walter Tosto Group, has also launched for the year 2024 a structured and comprehensive program aimed at the prevention and reduction of waste, in full compliance with the regulatory provisions set forth by the Romanian Emergency Ordinance no. 92 of 2021, regarding sustainable waste management.

This plan develops through a variety of targeted actions, divided into different strategic areas:

- Responsible management of paper, cardboard, and plastic packaging, with particular attention to the reuse of materials and the promotion of separate collection, in order to facilitate the recycling process and reduce the amount of waste sent to landfills.
- Optimization of the treatment of metal and wooden packaging, promoting recovery and reuse in production, with the aim of decreasing dependence on virgin materials and increasing the level of environmental sustainability.
- Specific and constant monitoring of waste generated from production processes such as welding, sand-blasting, and other industrial operations, with the intent to ensure efficient management in compliance with environmental safety standards.
- Introduction of technical measures aimed at limiting the production of electrical and electronic waste, including the choice of long-lasting devices, such as high-efficiency lighting fixtures, which reduce the need for frequent replacements and premature disposal.
- Continuous training and awareness-raising activities for staff, through educational initiatives aimed at fostering greater awareness of waste reduction practices, strengthening the corporate culture of eco-sustainability.

The plan establishes, for each type of waste, specific objectives to be achieved within predetermined deadlines and through the use of quantitative and qualitative indicators, useful for assessing the effectiveness of interventions and the company's progress over time.

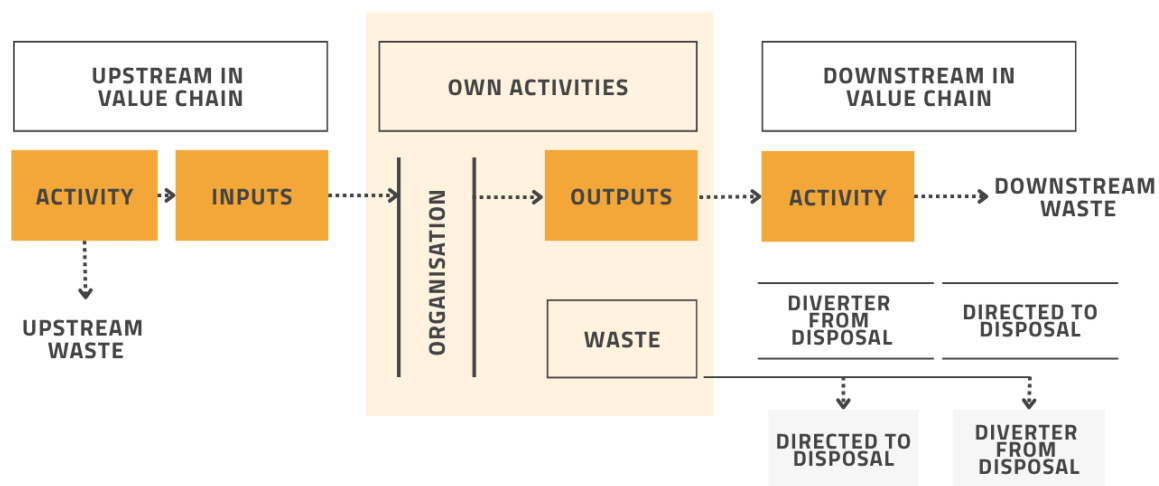
Furthermore, Walter Tosto WTB S.r.l. is committed to ensuring meticulous monitoring of the flow of materials and the waste generated, actively collaborating with authorized operators for management, recycling, and recovery, with a view to promoting a sustainable and environmentally friendly production chain.

For further information and to consult the complete version of the waste prevention and reduction program implemented in Romania, please refer to the official documentation available on the corporate website of Walter Tosto WTB S.r.l.

## Material and Waste flow Diagram Along the Value Chain

The **"upstream and downstream" model** of the **Tosto Group** is characterized by its **operational simplicity** and **effectiveness** in the sustainable management of materials. The **absence of waste recovery activities from third parties** allows for a **total focus on optimizing internal processes** and on **strategic collaboration** with qualified partners throughout the entire value chain.

The **future roadmap** aims to further consolidate these results through **technological innovation, process digitalization**, and the development of **strategic partnerships** to create an increasingly **sustainable and resilient supply chain**.





## Protection of biodiversity and conservation of ecosystems

The Tosto Group recognizes **biodiversity** as a fundamental element for the sustainability of the planet and for the continuity of its industrial operations. The Group's integrated environmental strategy focuses on **sustainable land management, taking responsibility in production processes**, and seeking a **balance between industrial growth and environmental conservation**.

The Group's operations are primarily concentrated in established industrial areas; however, the **WT6 site in the municipality of Ortona** presents a specific situation that requires special attention. This facility is indeed located near two areas of significant natural value: the **Site of Community Importance (SIC) "Fosso delle Farfalle" (code IT7140106)**, situated between Rocca San Giovanni and San Vito less than 10 km from the production site, and the **"Punta dell'Acquabella" Nature Reserve** in the Municipality of Ortona, less than 5 km from the company's activities.

At the WT6 site, **final assembly operations of components** are carried out, which include welding, milling, and related processes. The proximity to protected areas has prompted the Group to implement **specific monitoring protocols** and **particularly stringent air emission control procedures**. Air emissions are **strictly limited** considering the potential impact on the biodiversity of the surrounding areas, ensuring that all emissions comply with environmental standards and that their possible effects on the surrounding ecosystem are carefully assessed through **continuous monitoring**.

The Group ensures **full compliance** with all applicable environmental regulations and conducts **Environmental Impact Assessments** for any changes in activities, actively collaborating with the relevant local authorities for the environmental management of the territory. This particular attention also extends to **water resource management**: the water used for testing and equipment trials is **collected and reused repeatedly**, while stormwater treatment systems limit the impact on the quality of surface water bodies.

**WTS GAS S.p.A.** significantly contributes to the protection of biodiversity through the promotion of **LPG as a cleaner energy source**. The combustion of LPG produces **significantly lower emissions** compared to coal and oil, reducing anthropogenic pressures on ecosystems. Investments in **cutting-edge technological solutions**, such as the **double-walled Amico tank**, reduce the risk of leaks or spills that could contaminate soil and water, further protecting the surrounding environment.

The Group's **integrated approach** to waste management indirectly contributes to the protection of biodiversity through the **reduction of pressure on natural resources**. Efficient management of paper, cardboard, and plastic packaging, optimization of recycling of metal and wood materials, and collaboration with authorized companies for recovery reduce the need for the extraction of new raw materials.

In line with the requirements of the **Carbon Disclosure Project (CDP)**, the Group has implemented **monitoring and reporting systems** of its impacts on biodiversity, with a particular focus on the WT6 site in Ortona. The reporting includes **specific monitoring of emissions** of dust, noise, and odors in sensitive areas, the **continuous assessment of impacts on biodiversity** of species and on the conditions of local ecosystems, and the implementation of systems for controlling accidental pollution.

The Group's **future commitments** include the development of technologies for the production of **fuels derived from green hydrogen**, targeted strategies for the **conservation of the SIC "Fosso delle Farfalle" and the "Punta dell'Acquabella" Reserve**, and research projects in collaboration with local entities for monitoring local biodiversity.

The Group's approach to biodiversity protection is based on an **integrated vision** that recognizes the interconnection between industrial activities, environmental quality, and ecosystem conservation, demonstrating a **concrete commitment to biodiversity protection** and the promotion of a more sustainable energy future.

## Water management as a resource

GRI 303-5

Although the activities of the Tosto Group are generally not water-intensive, the company recognizes the importance of protecting water resources as an integral part of its environmental strategy and in line with the ISO 14001:2015 certification.

The production process is characterized by a limited water requirement, mainly for civil uses (restrooms and cafeterias) and for specific phases, such as hydraulic tests and welding activities that require localized cooling. The facilities have differentiated systems for managing and treating wastewater.

At the **Ortona** facility, a system for managing first rainwater is in place, integrated with a **activated carbon** treatment plant, aimed at recovering **test** and rainwater.

This solution allows for minimizing withdrawals from the water supply while also limiting the environmental impacts of production activities.

The water used in **tests and trials** is collected in dedicated tanks, filtered, and reintroduced into subsequent cycles, allowing for **multiple reuse** before the next treatment/disposal. This approach:

- reduces withdrawals from the network;
- decreases wastewater volumes;
- lowers operational costs related to disposal.

In the main facilities, systems for **capturing and pre-treating rainwater runoff from the yards** are active to remove oils, suspended solids, and metallic pollutants before discharge into the sewer or controlled release. The goal is to **not overload the local sewer system** and to prevent impacts on the quality of nearby watercourses and aquifers. Periodic audits verify the efficiency of the separators and the proper disposal of residues.

Regarding internal consumption, an initiative has been launched and completed to reduce the use of drinking water in cafeteria and restroom services. The introduction of modern sanitary fixtures and faucets equipped with low-flow aerators has significantly contributed to this goal. In the cafeteria, chilled drinking water is provided without the use of plastic containers, eliminating waste and reducing environmental impact.



## Risks, Safeguards and Procedures

The **assessment of environmental risks** also includes the risk of spills or contamination of water, and provides for the adoption of preventive and corrective measures in accordance with the PRGA 08 procedure "Management of Environmental Emergencies".

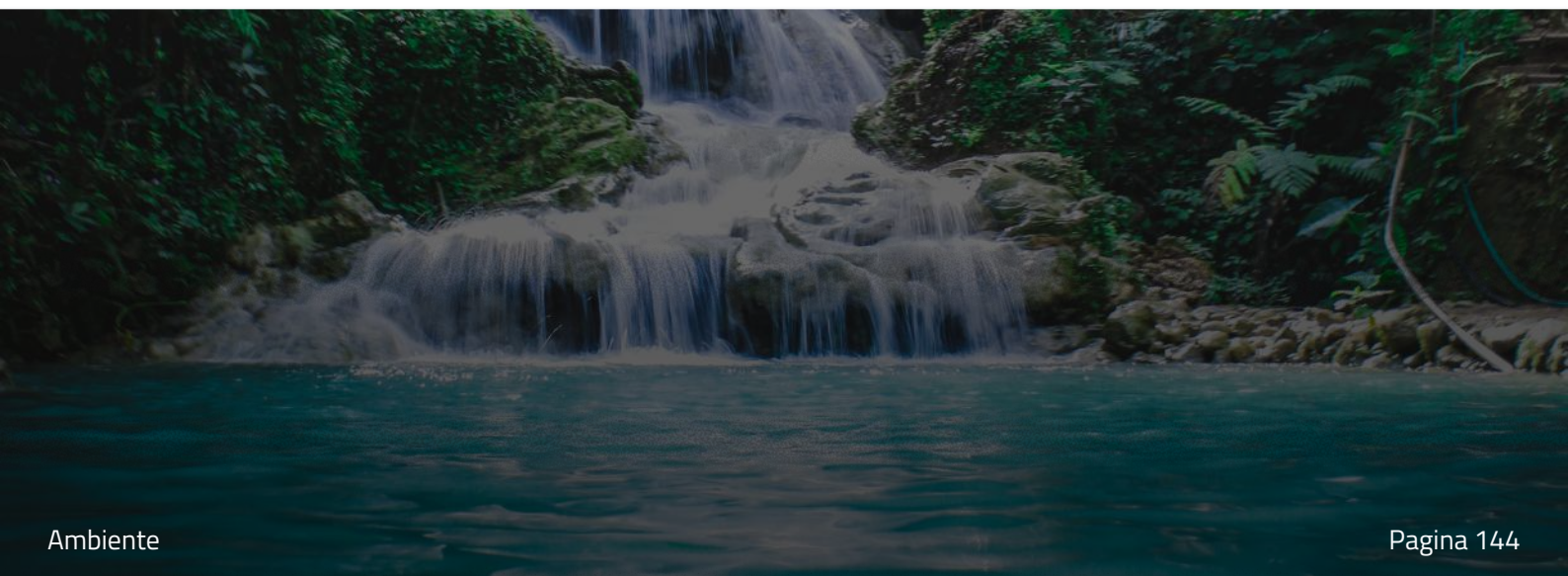
The company has also adopted a **procedure for managing environmental non-conformities** (PRGA 10), which includes the possibility of activating corrective actions in case of exceeding regulatory limits related to water discharges.

### 2024 Performance – Consumption and Impact

Group Indicator	2022	2023	2024	Var. 24/23	Notes
<b>Monitored supply points (n)</b>	14	11	16	+55.56%	<i>Includes wells and sites.</i>
<b>Total (m<sup>3</sup>)</b>	148,544.05	174,718.79	247,627.58	+41.74%	<i>Includes productive, civil, and technical uses.</i>
<b>Ton. CO<sub>2</sub>e</b>	13.2	12.3	18.16	+47.64%	<i>Emissions not from withdrawal.</i>

### Trend historical uses (m<sup>3</sup>)

From the data collected through the Group's environmental system, a gradual increase in water consumption is highlighted between 2022 and 2024, with an increase of over **41%** between 2023 and 2024. This increase is partly attributed to the **expansion of the consolidation perimeter**, which has included new plants and water users, and partly to **extraordinary production peaks** recorded during the period.



**Social**

## Employee statistics

GRI 2-7

GRI 405-1

GRI 2-30

### Employment 2024

The success of every business is built on **people**. In the **Tosto Group**, it is the **skills, commitment, and passion** of human resources that make daily **innovation** possible and fuel **growth** in a constantly evolving global context. For this reason, people represent our **most valuable resource** and the true **engine of sustainable change**.

The **centrality of people** is not an abstract principle, but a **concrete pillar** of our organization. In every company of the Group, we are committed to ensuring **safe, inclusive, and motivating work environments**, where everyone can feel an integral part of a **cohesive professional community**, valued and protected.

This approach translates into a **continuous investment** in the quality of relationships, in **training**, in **organizational well-being**, and in **professional growth**. A management model inspired by **humanistic values**, which places **respect for the individual** at its center and guides our path towards **ethical, responsible, and prosperous growth**.

In the last three years, the Group has demonstrated great **dynamism** in the field of human resources, adopting **targeted tools and strategies** to respond to the challenges of a labor market in deep transformation and to **attract and retain talents** capable of actively contributing to the future of the organization.

This humanistic approach is not just a business practice, but an ethical commitment to responsible and sustainable growth, in line with the *Sustainable Development Goals* (SDG 8: Decent Work) and the *UN Global Compact Principles* (1, 2, 6).

### Performance 2024

SDGs	KPI	Performance 2024	Notes
SDG 8, 10	Personnel growth index	+4.2%	+4.2% compared to 2023 (from 1,136 to 1,184)
SDG 8, 10	Permanent contracts (%)	88%	+6% compared to 2023
SDG 8, 10	Turnover rate (Italy)	22.5%	-28.4% compared to 2023
SDG 8, 10	Turnover rate (Romania)	42.3%	-44.1% compared to 2023

### Growth and Stability of the Workforce

In 2024, the Tosto Group recorded a total of **1,184 employees**, with an overall growth of **4.2% compared to 2023** (1,136 employees). This increase reflects the positive trend of activities and the consolidation of operating companies, supported by a personnel management strategy focused on stability and professional development.

The growth of the workforce is evenly distributed among the Group's companies:

- **Walter Tosto S.p.A.:** 528 employees in 2024, **+6.5%** compared to 2023 (496).
- **Walter Tosto WTB:** 246 employees, **+1.2%** compared to 2023 (243).
- **Belleli Energy CPE:** 316 employees, **+2.3%** compared to 2023 (309).
- **WTS GAS:** 50 employees, **+8.7%** compared to 2023 (46).
- **Seastock S.r.l.:** 17 employees, stable compared to 2023.
- **Tosto S.r.l.:** 27 employees, down compared to 2023 (-10%).

## Employment Contracts

The Group maintains a strong commitment to job stability, with **88% of employees on permanent contracts in 2024** (+6% compared to 2023). The total number of permanent contracts is **1,020**, while fixed-term contracts are **164**. This flexibility meets the needs of an evolving global market.

Contract Type	2022 (%)	2023 (%)	2024 (%)
Permanent	95%	82%	86%
Fixed-term	5%	18%	14%

## Type of Employment

The workforce in 2024 reflects a diversified structure, with a **prevalence of full-time contracts (95%)** and a **limited presence of part-time contracts (5%)**, to meet specific needs. The gender distribution highlights a **male predominance (85%)**, consistent with the industrial sector, but with an **increase in the female component (+2% compared to 2023)** thanks to inclusion initiatives.

Employment Type	Men (n.)	Women (n.)	Total (n.)
Full-time	987	174	<b>1,161</b>
Part-time	20	3	<b>23</b>

## Distribution by **Category** Professional

The occupational structure maintains a pyramidal configuration, with a solid operational base and increasing levels of managerial responsibility:

Company	Executives	Managers	Employees	Workers	Total
<b>Tosto</b>	2	1	17	7	27
<b>Walter Tosto S.p.A.</b>	6	8	135	379	528
<b>Seastock</b>	0	2	8	7	17
<b>Walter Tosto WTB</b>	1	8	48	189	246
<b>Belleli Energy CPE</b>	3	8	55	250	316
<b>WTS GAS</b>	0	2	26	22	50
<b>Total</b>	<b>12</b>	<b>29</b>	<b>289</b>	<b>854</b>	<b>1,184</b>

Category	Number of Employees	Percentage 2024
<b>Worker</b>	854	72.1%
<b>Managers</b>	29	2.4%
<b>Executive</b>	12	1.0%
<b>Employee</b>	289	24.4%
<b>Total</b>	<b>1,184</b>	<b>100%</b>

## New Employment

During **2024**, the **Tosto Group** confirmed a high level of employment dynamism, recording **170 new hires** and **145 exits** overall. This trend reflects the **Group's ability to attract new talent**, support growth, and effectively manage generational turnover.

### Data Italy

Age group	Entries (n.)	Exits (n.)
< 30 years	32	15
30–50 years	81	35
> 50 years	10	38
<b>Total</b>	<b>123</b>	<b>88</b>

Entries are concentrated in the middle age group (30–50 years), which is strategic for the development of operational and managerial skills, while exits mainly affect workers over 50.

Reason for termination	No. of exits	Percentage
Voluntary resignations	71	80.00%
Contract expiration	3	3.33%
Dismissals	10	11.11%
Natural causes	3	3.33%
Other	1	2.22%
<b>Total</b>	<b>88</b>	<b>100%</b>

The data highlights a prevalence of voluntary terminations, indicating an outgoing mobility that may reflect new professional opportunities but also requires **retention** and internal enhancement strategies.

### Entry Rates

Indicator	Value
Total employees	938
New hires	123
<b>Entry rate</b>	<b>13.1%</b>

### Exit Rates

Indicator	Value
-----------	-------

Total employees	938
Total exits	88
<b>Exit rate</b>	<b>9.4%</b>

## Turnover Rates

Year	Total Employees	Income	Expenses	Turnover Rate
2022	845	152	133	<b>33.7%</b>
2023	893	283	171	<b>50.9%</b>
2024	938	123	88	<b>22.5%</b>

Between 2022 and 2023, there is a significant increase in the **turnover rate**, which rises from **33.7% to 50.9%**, indicating a period of high mobility and renewal of personnel, likely related to organizational expansions, redefinition of roles, or new strategic hires.

In **2024**, the rate drastically decreases to **22.5%**, signaling greater **employment stability** and a possible consolidation of personnel hired in previous years. This trend suggests an improvement in **human resource management, retention, and turnover balance**.

## Data Romania

### Entry Rates

Indicator	Value
Total Employees	246
New Hires	47
<b>Entry Rate</b>	<b>19.1%</b>

The data highlights a phase of strengthening the workforce in Romania, linked to the expansion of production activities.

### Exit Rates

Indicator	Value
Total Employees	246
Total Exits	57
<b>Exit Rate</b>	<b>23.2%</b>

Mobility remains high, with physiological exits and technical turnover related to contracts and seasonality.

## Turnover Rates

Year	Total Employees	Income	Expenses	Turnover Rate
2022	197	44	67	<b>56.4%</b>
2023	243	133	76	<b>86.4%</b>

2024	246	47	57	<b>42.3%</b>
------	-----	----	----	--------------

## The labor market in Romania

During 2024, Romania confirmed a **relatively stable** employment situation at the national level, with a **unemployment rate of 5.6%** according to *Eurostat*. However, this apparent stability hides deep **territorial and sectoral differences**. In **peripheral and less industrialized** areas – such as **Oltenița**, where one of the Group's facilities is located – the **critical issues** are much more evident. In these areas, the unemployment rate is significantly higher (**7.8% in the South-Muntenia Region**) and the **competition among companies to attract qualified personnel** is particularly fierce.

One of the main challenges that companies face is the **high turnover rate**, especially in **technical and manufacturing sectors**. According to estimates from the **Romanian National Institute of Statistics (INSSE)**, in 2023 the **annual turnover rate in the manufacturing sector** exceeded **18%** in some less developed provinces. The main causes of this instability are multiple: **salaries perceived as inadequate, low internal mobility, lack of services and infrastructure** in rural areas, and, above all, the growing tendency towards **migration** to more developed urban centers or directly to other **European Union countries**.

2024 also saw a **significant increase in average wages** in the industrial sector, amounting to about **13% year-on-year**. This phenomenon has intensified the **competition among companies to retain skilled workers**, worsening mobility dynamics and making it even more complex to **maintain the workforce** in decentralized locations.

In this context, the **Tosto Group** records a **staff turnover** to which it responds with **timeliness and determination**, strengthening **training policies** and **enhancing local personnel**, improving **working conditions**, and intensifying relationships with **technical institutes in the area**. These measures aim to create a **more stable, attractive, and integrated working environment** that meets the needs and prospects of **new generations**.

### Sources:

- **Eurostat – Labour Market Overview (Romania, 2023–2024)** Unemployment rate Romania [https://ec.europa.eu/eurostat/databrowser/view/une\\_rt\\_m/default/table?lang=en](https://ec.europa.eu/eurostat/databrowser/view/une_rt_m/default/table?lang=en)
- **EURES – Labour Market Information: Romania** Regional unemployment data, critical sectors, and migration flows [https://eures.europa.eu/living-and-working/labour-market-information-europe/labour-market-information-romania\\_en](https://eures.europa.eu/living-and-working/labour-market-information-europe/labour-market-information-romania_en)
- **INSSE – Institutul Național de Statistică România** Sectoral employment report and turnover indicators <https://inssé.ro/cms/en>
- **Adecco Romania – Labour Market Report 2023** Analysis of the causes of job abandonment, salaries, and sectors with the most critical issues <https://www.adecco.ro/studii-si-analize>
- **Europe-Data.com – Sector Outlook Romania 2023–2024** Average wage trends <https://eu-rope-data.com/romanian-manufacturing-retail-and-services-sectors-anticipate-stable-outlook>

## Workers **Non-Employees**

In addition to the staff hired with direct contracts, the Tosto Group also relies on the collaboration of non-employee workers, mainly through contractual forms of **temporary work** (formerly agency work), **coordinated and continuous collaborations** (co.co.co), and, to a lesser extent, **self-employment with VAT number**.

During 2024, the total number of temporary workers reached **47 units**, an increase compared to 2023 (39 units) and 2022 (44 units). The female presence remains stable at **6 female workers**, while men represent the predominant share with **41 units**.

As for co.co.co collaborators, the number has remained substantially stable (11 units in 2024), but there is a clear male prevalence (11 men and 0 women). Finally, collaborations through VAT number show a slight decrease, going from 3 in 2023 to **2 in 2024**, all male.

These data highlight how the use of flexible contractual forms, particularly temporary work, represents a significant organizational lever for managing peaks in production activity and ensuring operational continuity. However, the Group maintains as a priority the enhancement of stable and direct work, limiting the use of atypical contracts to specific and temporary situations.

## Human Rights and Working Conditions

GRI 2-23

GRI 2-30

GRI 408-1

The **Tosto Group** renews its commitment to the protection of human rights, integrating ethical principles and international standards into all its operations.

### Performance 2024

SDGs	KPI	Value	Notes
SDG 16	Human rights complaints received/resolved	0	No cases recorded
SDG 8	Employees covered by national collective labor agreements	100%	Indicator refers only to the Italian companies of the Group. In Romania, individual employment contracts (CIM) are adopted.
SDG 8	Average overtime hours/employee	76	+4% vs 2023

The **respect for human rights** is based on the **intrinsic dignity of every human being** and the **responsibility of businesses** to contribute to the **well-being of individuals and local communities**.

This approach is **deeply rooted and widespread in the corporate culture of the Tosto Group**, whose commitment starts from the **relationships with collaborators** and extends to those with **local communities, governments, suppliers, and all business partners**, also embracing **security activities** and **workers' rights**.

This commitment is framed by the **Universal Declaration of Human Rights of the United Nations** and is reinforced by the **Group's adherence to the 10 principles of the Global Compact**.

In line with these principles, the Tosto Group pays particular attention to the **prevention of child labor and forced or compulsory labor** in all its operations and along its **supply chain**. These practices are an integral part of the **corporate policy on human rights** and are subject to **continuous monitoring and evaluation** to ensure full compliance with **international standards and local regulations**.



## Management of Overtime

The Tosto Group manages the use of overtime with particular attention, constantly balancing production needs with employee well-being and strict compliance with current regulations in all the countries in which it operates.

In 2024, the use of overtime amounted to a total of **117,338.25 hours**, showing a differentiated distribution among the various companies of the Group. The data highlights the following trends:

Indicator	TOSTO	WT	WTB	BEL	WTS GAS	SEASTOCK	Total Group
<b>Annual worked hours</b>	48,827.50	849,683.99	438,622.50	514,525.50	83,580.00	27,744.12	1,962,983.6
<b>Overtime hours</b>	1,691.50	28,801.75	58,938.50	27,561.00	1,359.00	678.00	117,338.25
<b>% overtime hours on total hours</b>	3.5%	3.4%	13.4%	5.4%	1.6%	2.4%	6.0%
<b>Average overtime hours per employee</b>	63	58	252	89	28	39	103

The Group is committed to managing work peaks primarily through efficient planning and, when necessary, through new hires. The strategic goal remains to minimize the use of overtime to ensure a healthy balance between employees' professional and personal lives.

The Tosto Group recognizes the importance of overtime work and compensates it fairly, taking into account the different regulations in the countries where it operates. In Italy, overtime hours are paid with increases ranging from 25% to 50%, depending on the day and time slot in which they are performed, as provided for by the National Collective Labor Agreement for the Metalworking Industry. Regarding operations in Romania, despite a different regulatory context, the Group maintains the same principle of fairness, compensating overtime hours with an increase over standard rates, aligning with international *best practices*.

This approach to overtime compensation not only complies with local regulations but also reflects the Group's values in promoting a balance between work and personal life, adequately compensating the additional time dedicated by employees.

*'Social sustainability is part of our industrial DNA. The 2024 results demonstrate that growth and respect for rights can coexist.'* **Marzia Mazzoni, Sustainability Manager**

## Collective Bargaining and Industrial Relations

The Tosto Group guarantees **collective contractual coverage for all its employees**, respecting the **national regulations in the countries where it operates**.

In Italy, the companies of the Group apply **various National Collective Labor Agreements (CCNL)**, adapting to the specific needs of the various sectors in which they operate:

### Tosto S.r.l.:

- **CCNL Metalworking Industry**
- **CCNL Executives Industry** for managerial staff
- **CCNL Construction**

### Walter Tosto S.p.A. and Belleli Energy CPE S.r.l.:

- **CCNL Metalworking Industry** and installation of systems for the majority of employees
- **CCNL Executives Industry** for managerial staff

### Specifically for Walter Tosto S.p.A.:

- **CCNL Tourism Confcommercio** for the staff of the company cafeteria
- **CCNL Private Schools Federterziario** for the staff of the company nursery

### WTS Gas S.p.A.:

- **CCNL Commerce Tertiary** applied to the entire company population

### Seastock S.r.l.:

- **CCNL Energy and Oil** applied to the entire company population

All the Italian companies of the Group **scrupulously comply with legal indications** and collective bargaining in case of **significant organizational changes**.

The Tosto Group recognizes the **importance of social dialogue and industrial relations**. In this context, Belleli Energy CPE has developed a **particularly structured interaction model** with trade union representatives. During 2024, the company held **3 meetings with internal Trade Union Organizations (RSU)**, addressing crucial issues such as **workloads, welfare, Welding Course, Zero Accidents Project**, and other company aspects. This **proactive approach to communication** and collaboration with social partners reflects the Group's commitment to **constructive and transparent industrial relations**.

In the other companies of the Group, despite the absence of formal trade union representatives, an **open and constant dialogue with employees** is maintained through various internal communication channels, ensuring that their requests and proposals are always taken into account in company management.

In Romania, Walter Tosto WTB S.r.l. operates under the "**Codul Muncii**" (**Law no. 53 of 24.01.2003**), adopting the **Individual Labor Contract (CIM)** in accordance with the provisions of national and sectoral collective bargaining. Despite the greater flexibility of individual bargaining in Romania, the company is committed to **constantly improving the conditions of its employees**.

A concrete example of this commitment is the **extension of the thirteenth month salary** to all white-collar employees in 2022, despite the absence of a legal obligation in Romania. Furthermore, the company has implemented various **innovations in contractual and corporate welfare**.

The Tosto Group, through these practices in its various operating companies, demonstrates a **consistent commitment to ensuring fair and favorable working conditions** in all the countries where it operates, adapting to local regulations and often **exceeding the minimum required standards**. This **uniform approach** underscores the Group's willingness to maintain **high standards of employee treatment** and industrial relations across all its entities, regardless of the specific sector or geographical location.

## Diversity and inclusion

GRI 405-1

GRI 405-2

GRI 406-1

### Alignment with the principles of the **Global Compact** of the United Nations and the **SDGs**

The Tosto Group continues to consider diversity a fundamental strategic lever for business competitiveness and the progress of its team, in line with the principles of the *UN Global Compact* (Principles 1, 2, 6) and the *Sustainable Development Goals* (SDG 5: Gender equality; SDG 8: Decent work). The Group rejects all forms of discrimination based on gender, age, ethnicity, nationality, skin color, health condition, physical or mental abilities, marital status, sexual orientation, religious beliefs, political opinions, or social class. The commitment to an inclusive, safe, and violence- and harassment-free work environment remains central, promoting a climate that values individual differences as a resource for innovation and growth.

### Performance 2024

SDGs	KPI	Performance 2024	Notes
SDG 5	Percentage of women among total employees (excluding blue collar)	36%	Increase of 4% compared to 2023
SDG 8	Percentage of women in executive and middle management positions	1.2%	Confirmed
SDG 8	Ratio of average salary women/men (Italy)	94%	Increase of 2.44% compared to 2023
SDG 8	Ratio of average salary women/men (Romania)	125%	Increase of 1.31% compared to 2023
SDG 8	Ratio of highest annual salary to median value (Italy)	3.6%	Confirmed
SDG 8	Ratio of highest annual salary to median value (Romania)	3.6%	Increase compared to 2023
SDG 5, 10	Number of discrimination reports received/resolved	0	No cases recorded
SDG 8, 10	Percentage of employees belonging to protected categories	4%	Stable compared to 2023



## Gender Diversity 2024

The female presence in the Tosto Group remains influenced by the scarcity of job offers for women in operational roles (*blue collar*), typical of the industrial sector. For this reason, the analysis of gender diversity focuses on non-operational roles (*white collar* and *middle management*). In 2024, the female staff in the offices is estimated at 89 women (compared to 77 in 2023), while the number of men is 244 (compared to 242). This suggests a slight recovery in female employment (+16%) compared to male stability (+0.8%). The concentration of women remains predominantly in Italy (74% of the total, slightly down from 75% in 2024), with 39% of active part-time contracts assigned to women.

Staff by gender (excluding blue collar)	2022	2023	2024
Women	80	77	89
Men	241	242	244

Female presence by geographical area - 2024	Percentage
Italy	74%
Romania	26%

## Income and Exits by Gender Female - 2024

In 2024, women in the age group 30-50 continue to show the greatest dynamism, with 9 new entries and 10 exits, reflecting a turnover related to career or personal needs. Compared to 2023, there is a slight improvement in female employment stability.

Age group	Entries 2024	Exits 2024
< 30 years	2	1
30-50 years	9	10
> 50 years	1	2

## Parental leave / maternity

The Tosto Group is committed to strictly adhering to national regulations regarding parental leave in all its operational locations. In Italy, this translates into extended periods of leave for parents of children up to 12 years old, whether they are biological, adoptive, or foster parents. The company's philosophy actively promotes gender equality and work-life balance. Therefore, the company not only ensures the absence of discrimination against those who take maternity or paternity leave but also actively encourages the use of these benefits. A concrete example of the Group's commitment is the nursery

Type	Men	Women	Total	Hours Men	Hours Women	Total Hours
Mandatory Paternity Leave	18		<b>18</b>	1.264		<b>1.264</b>
Optional Paternity Leave						
Mandatory Maternity Leave		2	<b>2</b>		1.922	<b>1.922</b>
Optional Maternity Leave	5	7	<b>12</b>	2.285	1.178	<b>3.462</b>
Breastfeeding	7	2	<b>9</b>	1.009	18	<b>1.026,5</b>
For child illness < 3 years		2	<b>2</b>		13	<b>13</b>
For child illness > 3 years						

## Women in STEM 2024

The **Tosto Group** is intensifying its efforts to attract **female talent** in **STEM disciplines**, with an increase in the number of **women with STEM degrees** to **33 in 2024** (compared to about 27 in 2023). Initiatives such as **partnerships with schools** and **targeted training programs** have contributed to this progress.

Category	2022	2023	2024
Women	80	77	89
Women Graduates	47	46	54
Women STEM Graduates	26	27	33

*'Diversity is a value that guides our journey toward a sustainable future. In 2024, we made progress in promoting inclusion and reducing the **Gender Pay Gap**, but we know the road ahead is still long. We will continue to invest in policies that value every individual.'* **Marzia Mazzoni, Sustainability Manager**

Data compliant with GRI 405-1, 405-2 and UNGC Principles 1, 2, 6.



## Disability diversity

The Tosto Group demonstrates a concrete commitment to labor inclusion, actively promoting the hiring of people with disabilities in all its companies, in accordance with the specific operational needs of each activity.

Qualification	Gender	Contract type	% of total	Category
Employee	Female	Permanent	<b>13.0%</b>	Disabled / protected categories
Employee	Female	Temporary	<b>2.2%</b>	Disabled / protected categories
Employee	Male	Permanent	<b>21.7%</b>	Disabled / protected categories
Manager	Male	Permanent	<b>6.5%</b>	Disabled / protected categories
Worker	Male	Permanent	<b>50.0%</b>	Disabled / protected categories
Worker	Male	Temporary	<b>4.3%</b>	Disabled / protected categories
Worker	Female	Permanent	<b>2.2%</b>	Disabled / protected categories

Currently, the Tosto Group has **46 workers belonging to protected categories or with disabilities**, employed in various professional qualifications.

The **female staff** consists of **6 permanent female employees**, **1 temporary female employee**, and **1 permanent female worker**, for a total of **8 women**.

The **male staff** includes **10 employees**, **3 managers**, and **25 workers** (of which **23 are permanent** and **2 are temporary**), for a total of **38 men**.

This composition reflects the Tosto Group's commitment to labor inclusion and the enhancement of people belonging to protected categories, promoting a diverse presence in various corporate roles.

## Age diversity

The Tosto Group demonstrates a dynamic and diversity-oriented personnel management strategy, as highlighted by the analyzed data and its international presence. The company operates on a global scale, with a workforce distributed between Italy and Romania, characterized by significant age and geographical origin differentiation.

Age group	No. of employees	Percentage
0–30 years	225	18.99%
30–50 years	611	51.60%
Over 50 years	348	29.41%
<b>Total</b>	<b>1,184</b>	<b>100%</b>

The Tosto Group presents a balanced demographic composition: the **30–50 years** age group represents the predominant share of the workforce, with **51.6%**, highlighting a stable corporate base in the full maturity of professional experience.

Workers **over 50** make up about **29.4%**, confirming the presence of consolidated skills and many years of experience.

At the same time, about **19% of employees are under 30 years old**, demonstrating the Group's commitment to generational change and investment in young talent. Overall, the age distribution highlights an effective balance between experience and renewal.

## Cultural diversity

The Tosto Group operates in an international context, boasting a team of collaborators that reflects its global presence. The company workforce is not limited to employees from the countries where the operational entities are present, but welcomes professionals of different nationalities, creating a mosaic of religions, languages, and cultures. This diversity represents both a stimulating challenge and an invaluable resource. The Tosto Group recognizes the importance of consciously managing this cultural wealth, transforming it into a dual advantage: A competitive asset that enriches the company with diverse and innovative perspectives. A heritage of shared human values that strengthens the social fabric of the organization. The multiculturalism of the Group is highlighted by data regarding the nationalities of the employees.

This inclusive approach has received significant international recognition: in 2024, the Tosto Group was awarded the **“Welcome. Working for Refugee Integration”** prize conferred by the **UNHCR – United Nations High Commissioner for Refugees**, as a testament to its concrete commitment to the employment integration of refugees and the promotion of inclusive work environments.

<b>Europe (tot. 964)</b>	<b>%</b>
Italy	83.1 %
Romania	15.4 %
Moldova	0.5 %
Ukraine	0.2 %
Russia	0.2 %
Albania	0.4 %
Serbia	0.1 %
<b>Africa (tot. 30)</b>	<b>%</b>
Nigeria	33.3 %
The Gambia	20.0 %
Morocco	13.3 %



Ghana	13.3 %
Mali	6.7 %
Senegal	3.3 %
Guinea	3.3 %
Guinea-Bissau	3.3 %
Côte d'Ivoire	3.3 %
<b>Asia (tot. 183)</b>	<b>%</b>
India	76.0 %
Uzbekistan	10.4 %
Sri Lanka	6.6 %
Vietnam	2.7 %
Syria	1.6 %
Philippines	1.6 %
Bangladesh	0.5 %
Iraq	0.5 %
<b>Americas (tot. 6)</b>	<b>%</b>
Brazil	66.7 %
Cuba	16.7 %
Dominican Republic	16.7 %

The Tosto Group stands out for its **deeply multicultural** composition, with **over 370 employees of non-Italian nationality**, coming from **more than 25 different countries**. The most significant foreign component comes from **Romania (151)** and **India (139)**, followed by Uzbekistan, Sri Lanka, Nigeria, and Vietnam. All major continents are represented, with a significant presence from both Eastern European countries and Asian and African countries. This cultural and linguistic richness reflects the internationalization of the Group, its openness to inclusion, and



the enhancement of the contribution of workers from different backgrounds, promoting a corporate culture that is **global, inclusive, and integrated.**



## Gender Pay Gap 2024

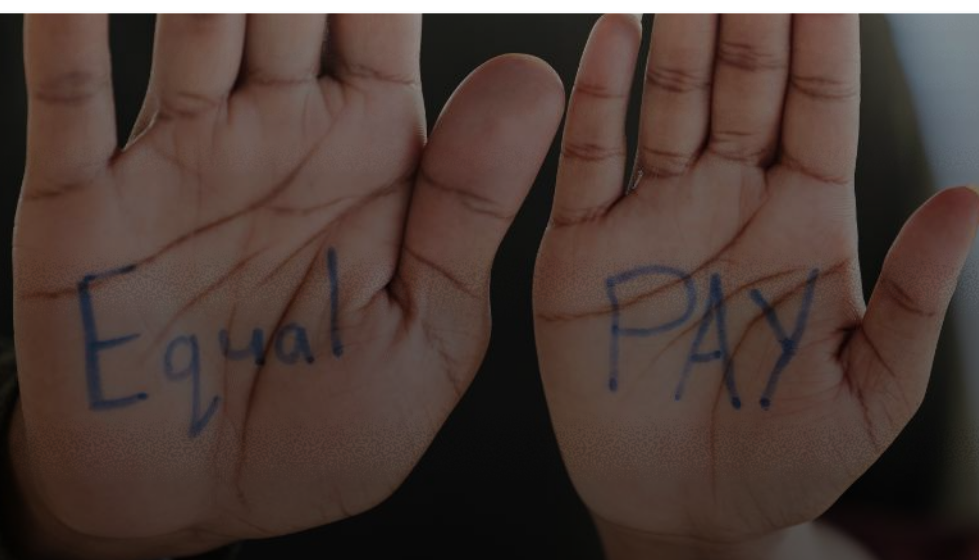
The Tosto Group has continued to monitor the *Gender Pay Gap*, with progress towards greater pay equity. In Italy, the female/male salary ratio for *white collar* workers has improved to 81.50% (up from 79.06% in 2023), thanks to harmonization policies and fairer bonuses. For *middle managers*, the ratio remains favorable to women (104% for base salaries, 97.50% for total compensation), but representation is still limited. For *blue collar* workers, the gap has slightly decreased (66% for base salaries, 60% for total compensation), although contractual differences remain.

In Romania, the *Gender Pay Gap* shows improvement: for *white collar* workers, the ratio is at 82% (up from 80.69%), while for *blue collar* workers, women maintain an advantage (132% for base salaries, 97% for total compensation).

Gender Pay Gap Italy - 2024	Base Salaries	Total Compensation
White Collar	66.50%	81.50%
Middle Manager	104.00%	97.50%
Blue Collar	66.00%	60.00%

Gender Pay Gap Romania - 2024	Base Salaries	Total Compensation
White Collar	95.00%	82.00%
Blue Collar	132.00%	97.00%



## Compensation policy

During the hiring phase, the companies of the Tosto Group adopt a **compensation policy based on equity** and the enhancement of the skills and experiences of new employees. The definition of the **Gross Annual Salary (RAL)** and the employment level is carried out through a careful evaluation of the qualifications, specific knowledge, and previous experiences of the candidates. This process aims to ensure a **fair compensation in line with the value** that each employee brings to the company and to create a work environment where people feel motivated and recognized for their contribution.

Throughout the career path, the **performance evaluation of employees** becomes a fundamental element. Through **carefully structured annual evaluations**, the managers of each department assess the performance and progress of each collaborator. These evaluations allow for the identification of strengths, development opportunities, and areas where the employee could benefit from further training or experiences. Based on these evaluations, management can make decisions regarding **career advancements, promotions, or salary adjustments** that reward the merit and commitment of collaborators.

The Tosto Group, in line with **best practices of transparency and equitable compensation**, has conducted a detailed analysis of the **compensation ratios** for each of its companies. For 2024, **two key indicators** have been calculated for each company in the Group:

- The **ratio of the total annual compensation** of the highest-paid person to the average total annual compensation of employees. The result is a number that represents how many times the maximum salary exceeds the average salary of other employees.
- The **ratio of the percentage increase in total annual compensation** for the highest-paid person to the average percentage increase in total annual compensation for all employees. The result is a number that indicates how much the percentage increase in the maximum salary deviates from the average percentage increase.

Below are the data for each company in the Group, to provide a clear and comparative view of the compensation structures within the organization.

Company	Compensation Ratio
Tosto	<b>4.32</b>
Walter Tosto	<b>6.36</b>
Belleli Energy CPE	<b>3.69</b>
WTS Gas	<b>2.28</b>
Seastock	<b>1.71</b>
Walter Tosto WTB	<b>3.60</b>

This diversity among the companies reflects the **different organizational structures, sizes, and sectors of activity** of the companies in the Group. It is important to note that these ratios should be interpreted in the **specific context of each company**, considering factors such as the complexity of operations, the scale of the business, and market practices in the relevant sector.

<b>Company</b>	<b>Change (points)</b>
Tosto	<b>+0.05</b>
Walter Tosto	<b>+0.10</b>
Belleli Energy CPE	<b>+1.89</b>
WTS Gas	<b>-36.91</b>
Seastock	<b>+0.61</b>
Walter Tosto WTB	<b>+0.60</b>

## Health and safety at work

GRI 2-23

GRI 2-24

GRI 2-25

GRI 2-27

GRI 403-1

### Together in Safety

The Tosto Group considers the culture of safety as the foundation of its organization, significantly investing in health protection and improving safety in the workplace. This commitment extends to all companies in the Group.

### Performance 2024

SDGs	Metric	Value	Notes
SDG 3, 8	Total hours worked	1,962,983.61	Continuous monitoring
SDG 3, 8	Hours worked per employee	1,659.33	Annual average
SDG 3, 8	Deaths from accidents	0	Zero fatal incidents
SDG 3, 8	Recordable injuries	21	9% reduction vs 2023
SDG 3, 8	Severe injuries	0	No cases with permanent consequences

### Integrated HSE System

The Group has implemented a **robust HSE management system** based on the **PDCA (Plan-Do-Check-Act)** cycle, which includes:

- **Analysis** of events with AI systems
- **identification and Risk Assessment**
- **Internal audits**
- **Continuous technical improvements** on machinery and environments
- **Advanced training**, training and continuous control



## Performance and Trend

Indicator	2022	2023	2024	Variation
Total injuries	26	23	21	11%
Frequency rate*	13.8	12.7	11.0	14%
Severity index**	0.3	0.3	0.2	29%
Training hours	9,187	19,204	19,383	1%

\*Calculated as  $(n. \text{ injuries} \times 1,000,000) / \text{hours worked}$  \*\*Calculated as  $(\text{days lost} \times 1,000) / \text{hours worked}$

Walter Tosto S.p.A. and Belleli Energy CPE S.r.l. have obtained the **ISO 45001** certification, extending best practices to the entire Group. This standard improves communication and increases stakeholder trust in health and safety performance.

## Risk Management

The process of identifying hazards and assessing risks considers:

- UNI Standards
- Italian and Romanian legal requirements
- Twenty years of corporate experience
- Involvement of senior figures and HSE function

Adopted preventive measures

- PPE for residual risks
- Collective protection measures
- Replacement of hazardous elements

The Group has implemented **procedures for investigating incidents, injuries, and near misses**, ensuring continuous improvement.

### Organizational Model and Control

Walter Tosto has adopted a **Management and Control Organizational Model (MOG)** pursuant to Legislative Decree 231/01, which provides for **quarterly reviews of safety indicators** and **continuous monitoring of HSE activities**.

### Performance and Continuous Improvement

In the three-year period 2022-2024, the company has observed a **significant evolution in its workplace safety profile**.

The **total number of injuries** decreased from 26 in 2022 to 21 in the reference year, all of **temporary nature**.

Considering the nature of the mechanical engineering sector in which the company operates, with a workforce **predominantly male**, these data reflect the composition of the staff.

**No fatal incidents occurred** during the considered period.

The **Frequency Index** also showed a decrease, dropping from 12.7 in 2023 to 11 in **2024**, indicating the effectiveness of strengthening preventive measures.

The **Severity Index** confirms a **consistent decreasing trend**, falling from 0.3 to 0.2 in the same period.

The company remains , with the aim of **reducing both the frequency and severity of injuries** in the coming years.

## SurveillanceHealth

The Tosto Group implements a rigorous health surveillance program to ensure the health of employees, based on protocols developed by the competent doctor according to the specific risks of the metalworking sector. Key elements include:

- **Annual medical check-ups:** 100% of employees subjected to periodic checks.
- **Privacy and data management:** Health records kept in secure archives, accessible only to the competent doctor.
- **Collaboration and reporting:** Annual reports provided to the Prevention and Protection Service (SPP), the Workers' Safety Representatives (RLS), and the Functional Delegate, with analysis of health data to improve preventive measures.

In 2024, the number of medical visits increased to **834** (+11% compared to 2023), with **over 1,600 diagnostic tests**, reflecting a strengthening of prevention.

### Medical Visits 2022-2024 (n.)

Type	2022	2023	2024
Medical visits	761	754	834
Diagnostic tests	1,471	1,475	1,668

### Occupational Diseases

The monitoring of occupational diseases remains a priority. In 2024, the Group did not record **reports** of occupational diseases, confirming the positive trend of recent years.

### Incentive Program for Safety

At the **Mantova plant**, **Belleli Energy C.P.E.** has implemented an **innovative incentive program** aimed at strengthening the **safety culture** and **reducing the number of accidents**.



The program, **structured on a semi-annual basis**, sets a **maximum target of 5 accidents** for each six-month period. If the **target is met**, all production employees — **both direct and indirect** — receive an **individual bonus of 500 euros**. For each accident that occurs during the period, the **bonus is reduced by 100 euros**.

This **incentive system, unique within the Tosto Group**, applies to the two semesters of the calendar year:

- **January 1 – June 30**
- **July 1 – December 31**

The initiative has a dual purpose: **to concretely reduce the number of incidents** and **to promote greater awareness and collective responsibility** regarding **health and safety at work**.

#### **Incentive Program for Safety at Belleli Energy CPE**

At the **Mantova plant, Belleli Energy C.P.E.** has implemented an **innovative incentive program** aimed at strengthening the **safety culture** and **reducing the number of accidents**.

The program, **structured on a semi-annual basis**, sets a **maximum target of 5 accidents** for each six-month period. If the **target is met**, all production employees — **both direct and indirect** — receive an **individual bonus of 500 euros**. For each accident that occurs during the period, the **bonus is reduced by 100 euros**.

This **incentive system, unique within the Tosto Group**, applies to the two semesters of the calendar year:

- **January 1 – June 30**
- **July 1 – December 31**

The initiative has a dual purpose: **to concretely reduce the number of incidents** and **to promote greater awareness and collective responsibility** regarding **health and safety at work**.

#### **Participation and Consultation of Workers**

The Group promotes the active involvement of employees in the management of health and safety through:

- **Direct comparison:** Continuous dialogue at the workshops between **supervisors**, workers, and the **Prevention and Protection Service**, to identify and resolve critical issues in real time.
- **Representation:** Formal involvement of the **designated RLS** in all locations, through participation in official meetings and the meetings provided for by **art. 35 of Legislative Decree 81/08**.



- **Individual consultations:** The **competent doctor** acts as an interlocutor to collect any **personal requests from workers** during **health surveillance visits**.
- **Formalized procedures:** A **specific procedure** has been implemented for the structured management of the **consultation and participation process**, ensuring traceability and transparency.
- **Anonymous reports:** The possibility of **submitting reports anonymously** is active, to protect freedom of expression and to foster a climate of trust and collaboration.

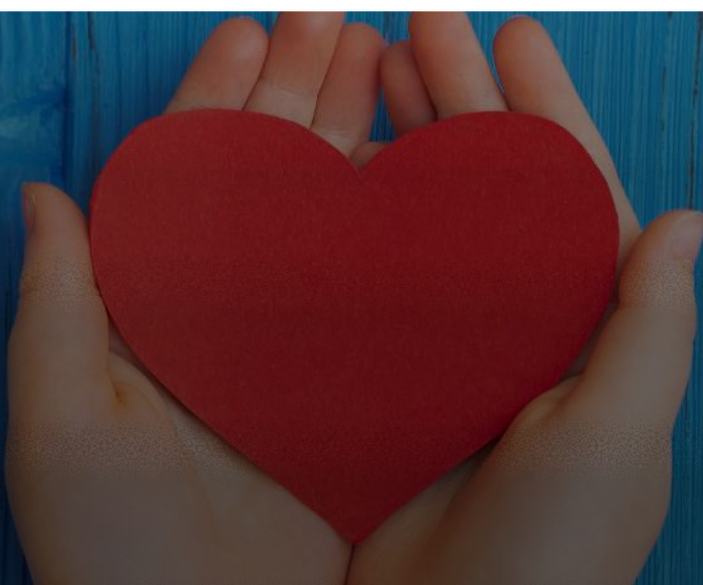
## Promotion of Health

The Tosto Group goes beyond mere regulatory compliance, actively promoting the well-being of employees. A concrete example is the presence of equipped fitness areas in the Chieti WT2 and Bucharest plants, accessible free of charge to all employees. This initiative underscores the Group's commitment to promoting a healthy lifestyle and a balance between work and personal well-being.

### Cardioprotection and First Aid

In 2024, Walter Tosto strengthened its commitment to health protection by installing **7 semi-automatic defibrillators (DAE)** of the latest generation at the **Chieti and Ortona** locations. This measure, adopted **voluntarily** by the company, aims to ensure a timely intervention in case of emergency and to **save lives**.

The **cardioprotection** project also includes **staff training** for effective use of the devices, making safety a concrete and shared value. The initiative integrates with the practices of **prevention, health promotion**, and healthy lifestyles already in place in the company, contributing to the achievement of the **Sustainable Development Goal 3 – Health and Well-being** and consolidating the safety culture as a **strategic priority**.



## Well-being of people

GRI 2-24

GRI 201-3

GRI 401-2

GRI 403-6

The Tosto Group considers the well-being, health, and quality of life of its employees as a strategic pillar for business success, with a direct impact on productivity, motivation, and business growth. Promoting the psycho-physical well-being of employees strengthens the sense of belonging, reduces stress, and fosters a collaborative work environment, facilitating the achievement of business objectives. Welfare policies improve the ability to attract and retain talent, reducing turnover and the costs associated with training new hires.

### Performance 2024

SDG	UNGC Principles	KPI	Performance 2024	Notes
SDG 3, 8	Principles 1, 2, 6	Promoted welfare initiatives	...	+...compared to 2023
SDG 3, 8	Principles 1, 2, 6	Employee absenteeism rate	3.8%	-0.5% compared to 2023
SDG 3, 8	Principles 1, 2, 6	Number of reports of occupational diseases	4	-3 compared to 2023
SDG 3, 8	Principles 1, 2, 6	Number of reportable occupational disease cases	0	Stable compared to 2023

### Welfare

The Group's welfare initiatives focus on:

- Work-life balance
- Mental and physical well-being
- Professional and personal development
- Flexible benefits

These initiatives strengthen the Tosto Group's reputation as an excellent employer, enhancing its competitiveness in the labor market and the industrial sector.

## Key Initiatives 2024

Initiative	Description	Impact
Company nursery	Hours 7:00- 18:30, at the Chieti location	Support for 90% of new parent employees
Company cafeteria	Customized menus, 3 shifts	70% of employees involved
Free housing	Near the facilities	Reduction of commuting time for 10% of employees
Flexible hours	Flexible hours and entries	Improvement of work-life balance for 90% of employees
Flexible benefits	Vouchers of €250, Metasalute, Cometa	Utilization by 75% of employees

Close to Families: **Company Nursery**

The initiative of **Walter Tosto S.p.A.** to establish a **company nursery** at its **Chieti** headquarters, operational since **2019**, represents a clear example of how the company can play an active role in **improving the quality of life for its employees and their families**. The service, **entirely managed by the company**, is not based on agreements with external facilities, but is entrusted to **professional educators directly hired by Walter Tosto S.p.A.**, ensuring **educational continuity, personalized attention**, and an environment consistent with the company's values.

Available during working hours for **the entire year**, the company nursery demonstrates a concrete commitment to the **well-being of workers**, providing them with **tangible support** to better reconcile work and family needs.

In providing this service, a **safe and stimulating environment for the little ones** is guaranteed, with **highly qualified staff** attentive to their needs. This allows employees to **focus on their work activities** with the peace of mind of knowing that their children are **cared for and supported in the best possible way**.

Starting from 2023, the company has further demonstrated its commitment to improving this service, **adapting it to the needs of employees**: a **new schedule** for the company nursery has indeed been implemented. The facility is now operational **from 7:00 to 18:30**, Monday to Friday. This change reflects the company's desire to offer **greater flexibility to working parents**, covering a **wider time slot** that better fits **different shifts and organizational needs**.



## Cafeteria Company: Well-being and Quality

The **Tosto Group** has activated a cafeteria service of **excellent quality** at the locations in **Chieti, Ortona, Mantova, Trieste, and Bucharest**, accessible to all employees. The service reflects the Group's commitment to ensuring the **nutritional well-being** of its collaborators, paying attention to **food quality, health, and personal satisfaction**.

The cafeteria offers a wide **variety of healthy, tasty, and balanced dishes**, designed to meet different dietary needs and preferences. Collaboration with **local suppliers** ensures the use of **fresh and high-quality ingredients**, benefiting health and productivity.

Particular care has also been dedicated to the **environment**, designed to be **warm and relaxing**, promoting **socialization** during breaks. **Inclusivity** is a guiding value in defining the menus, which also take into account **religious beliefs** and **specific dietary restrictions**.

The service is organized into **three shifts** (12:00, 13:00, and 14:00), ensuring that everyone has the opportunity to use it while respecting **different working hours** and facilitating smooth space management.

In Italy, over 52% of the company population and about 65% in Romania benefit from it.

The Group is committed to **continuous improvement**, valuing **employee feedback** to adapt the offering to the evolving needs of its working community.



## Accommodations for Employees in Free Use

The **Tosto Group** demonstrates a concrete commitment to the **well-being of its employees** through a particularly appreciated housing initiative: the provision of **accommodations in free use** for collaborators who live at a **considerable distance from the company locations**. This measure reflects the company's attention to the **practical needs and comfort** of its employees, going **beyond the simple employment relationship**.

The **company lodgings**, made available in **Chieti, Mantova, Trieste, Bucharest, and Oltenița**, are **strategically located** near the production facilities, significantly reducing **commuting times** and improving **quality of life**. Each accommodation is designed to offer a **comfortable and functional** environment, complete with **furnishings, essential utilities, and basic services**. Proximity to the facilities ensures a high level of **security** and helps create a **sense of corporate community**.

The **assignment of accommodations** is done with **flexibility**, taking into account **individual needs** and the **expected duration of employment** at each location. This **personalized** approach emphasizes the Group's attention to the **various situations** of its collaborators.

This initiative also represents a **powerful incentive for attracting talent**, expanding the **geographical and professional pool** from which to draw, to the benefit of **company competitiveness and innovation**.

## Flexible Benefits

**Walter Tosto S.p.A.** and **Belleli Energy C.P.E. S.r.l.**, in line with the provisions of the **2023 National Collective Labor Agreement for the Metalworking Industry**, have continued to implement a **corporate welfare** initiative that reflects their commitment to the **well-being** and **satisfaction of their employees**. Collaborators have been offered the opportunity to **customize the use** of a **benefit worth €200.00**, choosing from various options based on their **personal needs**.

The available alternatives include:

- Fuel vouchers
- Shopping vouchers
- Allocation of the amount to the Cometa supplementary pension fund
- Contribution to the Metasalute supplementary health care plan

This initiative stands out for its **flexibility**, demonstrating a **full understanding of the different needs** that may characterize the lives of collaborators **by directing the benefit towards what they consider most relevant for their well-being**.

The inclusion of **Metasalute** among the options also highlights the **Tosto Group's care for the health** of its workers, offering the possibility to **strengthen supplementary health coverage**. This contributes not only to greater **peace of mind in case of medical needs**, but also promotes a corporate culture oriented towards **prevention** and overall **well-being**.

**Walter Tosto S.p.A.** and **Belleli Energy C.P.E. S.r.l.** recognize the importance of **long-term financial security** for employees, actively promoting **membership in supplementary pension funds**. In line with the **National Collective Labor Agreement (CCNL)**, the company **not only encourages participation**, but **directly contributes** to pension funds.

This measure reflects a **concrete commitment to supporting the economic well-being** of collaborators **beyond the horizon of active working life**.

## Fringe Benefits

Within the Tosto Group, fringe benefits related to the use of the company car are exclusively available in the company WTS Gas S.p.A. These benefits are reserved for certain figures in the commercial area, based on the mobility needs for sales activities and customer management.

## Economic Support

In response to the economic challenges of the macroeconomic context, the Group has implemented measures of direct support to employees, including the provision of fringe benefits for the reimbursement of household utilities and economic support for families with dependent children, applying the exemption threshold of €2,000 provided by current regulations for employees with dependent children. The banking agreements activated with qualified credit institutions have facilitated access to favorable conditions for first home mortgages and personalized financial services.

## Agreements for the benefit of employees

### 1) Tax assistance for employees: agreement with CAF Coldiretti of Mantova

As part of its **corporate welfare** program, **Belleli Energy C.P.E.** has entered into an agreement with **CAF Coldiretti of Mantova** to offer its employees a **professional tax assistance service**. This initiative allows collaborators to access **qualified support** for the **preparation and submission of tax returns**.

The service aims to **simplify tax obligations**, ensuring **accuracy and peace of mind** during the tax return period. By facilitating access to this type of support, the company demonstrates its **commitment to providing practical solutions to the daily needs** of collaborators.

### 2) Agreement with Credem Banca S.p.A.

The Group has entered into an **agreement with Credem Banca S.p.A.** that includes **benefits and favorable conditions** for the **benefit of its employees**. Through this collaboration with Credem Banca, all collaborators can access a range of personalized financial services, specifically designed to meet their needs and requirements. The agreement offers special conditions and benefits for opening current accounts, credit cards, loans, and other financial solutions.

## Absenteeism

After a peak in 2023 (10.0%), 2024 recorded the lowest absenteeism rate of the three-year period at 8.2%, highlighting a substantial improvement in the management of workers' health and well-being.

Hours worked increased to **over 1.96 million (+40%)**, while hours of absence grew to **160,000 hours (+14% compared to 2023)**. Despite the absolute increase in absences, the significant rise in hours worked resulted in a **clear improvement in the absenteeism rate**, reflecting the effectiveness of corporate wellness policies and the sustainable growth of the organization.

	2022	2023	2024
<b>Hours of absence</b>	145,740.74	140,490.03	160,067.83
<b>Hours worked</b>	1,592,153.41	1,399,756.46	1,962,983.61
<b>Absenteeism rate</b>	9.2%	10.0%	8.2%
<b>Absenteeism rate by company</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>
TOSTO SRL	4%	3%	4%
WT	10%	9%	8%
WTB	3%	4%	7%
BELLELI ENERGY CPE	12%	10%	11%
WTS GAS	4%	5%	6%
SEASTOCK	6%	4%	6%

## Training and development programs for employees

GRI 403-5

GRI 404-1

The Tosto Group considers investment in training and the development of human resources a strategic pillar for maintaining leadership in the mechanical engineering sector, promoting innovative skills and a resilient organization. Targeted training not only increases productivity and innovation but also strengthens adaptability to market challenges, such as the energy transition and digitalization. In 2024, the Group consolidated a meritocratic approach, with evaluation processes based on skills, performance, and potential, ensuring growth opportunities at all levels.

In 2024, **28,825 hours of training** were provided, with an average of **26 hours per employee**. Blue collar workers continue to benefit the most, with an average of 31 hours per employee, reflecting the commitment to developing specialized technical skills. Training programs cover workplace safety (67% of total hours), technical-professional skills (7%), soft skills (1%), and general training (25%). Safety training has contributed to reducing the **Frequency Index** of accidents to 11 (-14% compared to 2023) and the **Severity Index** to 0.2 (-29%).

### Performance<sup>2024</sup>

SDG	UNGC Principles	KPI	Performance 2024	Notes
SDG 4, 8	Principles 1, 2, 6	Average value of training hours per employee	26	-25% compared to 2023
SDG 4, 8	Principles 1, 2, 6	Total training hours provided	28,825	-31% compared to 2023
SDG 4, 8	Principles 1, 2, 6	Number of partnerships with educational institutions	4	confirmed
SDG 4, 8	Principles 1, 2, 6	Number of interns or trainees welcomed	126	+282% compared to 2023

### Training Hours by Professional Category - 2024 (%)

Category	Percentage
Blue collar	87%
White collar	11.5%
Middle manager	1%
Executive	0.5%

Training Hours by **Area of Intervention**- 2024 (%)

<b>Area</b>	<b>Percentage</b>
Technical-professional training	6.7%
Health and safety training	67.2%
Soft skills	1.1%
General training	25%

Training Hours by **Gender**- 2024 (%)

<b>Gender</b>	<b>Percentage</b>
Men	96%
Women	4%

## Evaluation and Development of Personnel 2024

The Tosto Group places **meritocracy** at the center of human resource management, considering it a fundamental pillar for professional development and career opportunities. This approach is reflected in a dynamic compensation system, updated annually to reward quantitative and qualitative results, valuing the professional contribution and growth potential of employees. In 2024, the evaluation process involved **422 employees** (36% of the total, +37% compared to 2023), covering all professional categories: from managers to workers. The commitment to meritocracy translates into personalized development plans, with career paths based on skills and performance.

	2022	2023	2024
Men	360	281	390
Women	35	28	32
<b>Total</b>	<b>395</b>	<b>309</b>	<b>422</b>
Managers	7	1	2
Executives	2	3	2
Employees	119	107	100
Workers	267	198	318
<b>Total</b>	<b>395</b>	<b>309</b>	<b>422</b>



## Value proposition

GRI 413-1

### Contribution to **Progress** Economic and Social

The Tosto Group strengthens its commitment to social sustainability, placing youth training and support for local communities at the center of its strategy. Through partnerships with schools, universities, and technical institutes, the company creates opportunities for young people, promoting the acquisition of specialized skills and job placement in the metalworking sector. This approach not only enriches human capital but also consolidates the symbiotic bond with the territory, generating value for students, families, and local communities.

In 2024, the Group trained **126 students** (+282% compared to 2023) through *Paths for Transversal Skills and Orientation* (PCTO) programs and curricular internships, and about 60% were initiated into professional paths within the company.

Since 2006, the annual courses for welders (220 hours each) have involved over **450 young people**, with 80% qualified and 50% employed.

### Performance 2024

SDG	UNGC Principles	KPI	Performance 2024	Notes
SDG 4, 8, 11	Principles 1, 2, 6	Students trained through PCTO and curricular internships	54	+184% compared to 2023
SDG 4, 8, 11	Principles 1, 2, 6	Students employed	60% (210)	Stable compared to 2024
SDG 4, 8, 11	Principles 1, 2, 6	Number of educational partnerships	10	confirmed
SDG 4, 8, 11	Principles 1, 2, 6	Students welcomed for extracurricular internships	72	+44% compared to 2023

It is essential to emphasize the Tosto Group's commitment to social sustainability, particularly in youth training. In addition to continuous learning programs for employees, Walter Tosto offers young people interested in pursuing a **professional path** within the company the opportunity to acquire all necessary skills. The commitment is also realized through financial support, in the form of donations to vocational schools in Pescara and Mantova. The goal of these projects is to support the **Paths for Transversal Skills and Orientation**, specifically created to bring young students closer to and train them for the world of industry.

Such initiatives not only allow students to gain practical on-the-job experience but also create a direct bridge between education and employment opportunities in the industry, ensuring that the school path is functional and oriented towards concrete job placement. Close to young people, the Tosto Group deeply believes in the importance of **collaboration between businesses, technical vocational institutes, and universities** to foster the development of young talents and to train professionals who can inherit an important heritage of skills. Aware that a significant part of the value generated by the company comes from people, and inspired by a strong sense of social responsibility, Walter Tosto has always placed a strong emphasis on training future workers by investing time and resources in the professional and human growth of the community in which it operates. The symbiotic bond between Walter Tosto S.p.A. and the local fabric has made possible a fruitful interaction with the technical institutes of Chieti and Pescara, giving rise to fruitful collaborations. These efforts have brought tangible benefits to students and their families, increased the prestige of the involved institutes, stimulated the growth of the company, and enriched the entire local community.

Since **2006**, Walter Tosto has started conducting annual **vocational training courses for welders**. These courses, lasting **220 hours**, have seen the participation of over **400 young people** over approximately eighteen years, of which 80% obtained the welder qualification, and 50% of them were subsequently integrated into the company's production workforce. In the academic year 2009-2010, Walter Tosto S.p.A. inaugurated the **first edition of the Master in Pressure Process Equipment: Design and Manufacturing**, resulting from a collaboration with the University of L'Aquila and the Italian Welding Institute, seeing the participation of **20 students**. The success of this initiative led to the realization of the second edition in the academic year **2011-2012**, once again confirming the interest and enthusiasm of another **20 young talents**, of whom 12 subsequently found employment in the company. Additionally, scholarships were made available for participants in the Master. In **2014**, the company organized a professional course for 20 final-year students of the Chemical Engineering degree at the University of L'Aquila, focused on **mechanical design of pressure equipment**. In the same year, Walter Tosto launched the Junior Sales Area Manager master to train future Sales Managers.

In July **2017**, the company organized a six-week training course for **Robot Welding Operators** in collaboration with the Italian Welding Institute, for **14 selected young people** to participate, of which 9 started a professional path within the company. Among the most significant training collaborations is the partnership established in the school year **2017-2018 with the "L. Di Savoia" Institute in Chieti**, which actively involves students in the third, fourth, and fifth years of the Mechanical, Mechatronics, and Energy program. The students participating in the program follow a study plan (Boiler Characterization) developed jointly by the institute's teachers, engineers, and technicians from Walter Tosto, followed by internship activities over the three years at the company locations. In 2017, the company contributed to creating the **Professional Qualification in Boiler Operator** in collaboration with the I.I.S. Umberto Pomilio in Chieti. Recognized by the Abruzzo Region, this qualification is obtained in the third year of the vocational institute, and at the end, a PCTO is activated for the students at the company.

Between **2018 and 2020**, Walter Tosto collaborated with the **Higher Technical Institute for Energy Efficiency (ITSEE) of L'Aquila** to create a Course for Higher Technician Industry 4.0: design and manufacturing of critical systems for the Energy sector, aimed at young graduates and diploma holders. The course, recognized by the Abruzzo Region and the MIUR, allowed **23 students** to participate for free, with the possibility of receiving reimbursements for expenses incurred and scholarships. The program included **1,800 hours of theoretical, laboratory, and company internship training, culminating in the issuance of a Level V EQF Diploma**. Of the 23 participating students, 15 were hired by Walter Tosto S.p.A. In **2021**, Walter Tosto further demonstrated its commitment to the growth and development of specialized skills by hiring 4 young engineers who completed the specialized course titled "**Critical Process Equipment Expert**". This course, organized by the sister company Belleli Energy CPE, was carried out in collaboration with the University of Modena and Reggio Emilia and the UniverMantova Foundation.

An important signal of attention to applied research was the launch of a **three-year industrial doctorate in "Engineering for Energy and Environment"** at the University of Tuscia, co-financed by Walter Tosto S.p.A. as part of the **PNRR - Mission 4, Component 2 "From Research to Business", Investment 3.3**. The research project is dedicated to **mechanics for fusion energy plants, with particular attention to welding technologies**, and develops through an integrated path between business, university, and periods abroad.

In addition, in 2024, the launch of a second **three-year industrial doctorate in "Applied Sciences for Business Innovation"** at the "G. d'Annunzio" University of Chieti-Pescara was initiated, carried out by the Group's Sustainability Manager. This three-year path, which combines academic research with a strong link to corporate strategic projects, aims to consolidate the integration between sustainability, organizational innovation, and accountability.



## An interaction model **school - business**

Walter Tosto has formed a successful partnership with the **"Di Marzio – Michetti" Professional Institute in Pescara**, creating a virtuous model of specific training. Starting from the school year **2015-2016**, projects for school-work alternation were launched for the three-year specialization of the study program "Industry and Craftsmanship for Made in Italy" - Mechanical Operator, now PCTO, in a climate of complete synergy and integration between business and school.

Following a significant investment by the company within the school in **2022**, through the establishment of a cutting-edge **20 welding stations** laboratory equipped with all safety measures and protections for the students, the students of the three-year specialization of the "Industry and Craftsmanship for Made in Italy" - Mechanical Operator program were able to benefit from a high-level theoretical-practical education, also thanks to the presence of specialized instructors provided by Walter Tosto during welding lessons three mornings a week. Concurrently with this relaunch of the laboratory, the school has activated the necessary accreditation for issuing the three-year professional qualification certificate of **Welding Operator** for third-year students. This professional figure is increasingly in demand by local businesses, along with that of **Machine Tool Operator**, which is already the subject of professional training within the school.

The IPSIAS Di Marzio-Michetti in Pescara and Walter Tosto S.p.A. have developed a unique collaboration that allows students to continue their **work training** even during the summer. In fact, at the end of each school year, Walter Tosto offers students from Di Marzio-Michetti, who have completed the PCTO in the company, the opportunity to voluntarily continue their path during the summer months with a **paid training-contract**.

It is worth mentioning the **V edition of "Stories of Alternation"**, in which Walter Tosto and Di Marzio - Michetti won the **First Prize for the Best PCTO Experience with the project "The Forge of Dreams"**. This project tells the story of a student originally from Nigeria, who thanks to this path was able to integrate into society and the world of work. In **2023 and 2024**, the collaboration between Walter Tosto S.p.A. and IPSIAS Di Marzio-Michetti allowed 14 students from the third, fourth, and fifth years, coming from the "Made in Italy - Mechanical Productions and Maintenance" and "Technical Assistance for Vehicles" programs, to undertake an **internship abroad at Walter Tosto WTB in Bucharest**, allowing them to expand their knowledge and skills in an international context.

## **Excellence** in training: from Abruzzo to Mantova

In **2023**, an investment was made for a **new welding laboratory in Mantova at the Bonomi Mazzolari Institute**. This initiative by Belleli Energy CPE represents an extension of the best practices already established in Abruzzo by the Tosto Group. It is an innovative project for the area, which includes a five-year course to train boiler operators with international skills.

The synergy between industry and education, already successfully tested by Walter Tosto, is now being replicated and adapted to the Mantova context, demonstrating the scalability and effectiveness of this training model in different territorial realities. Furthermore, as further proof of the commitment to creating a network of excellence in training, the Bonomi Mazzolari Institute in Mantova has partnered with IPSIAS Di Marzio Michetti in Pescara. This partnership between schools from different regions offers students a unique opportunity for the exchange of experiences and knowledge, further enriching their educational path and broadening their professional prospects.

## Visits and orientation days **orientation**

The opening of Walter Tosto towards the educational world also extends to initiatives such as visits and orientation days in schools and at the company laboratories. These are occasions in which Walter Tosto is committed to providing students with the skills and knowledge necessary to face the world of work with greater awareness and preparation. The company constantly welcomes final-year students from compulsory schools and Technical Institutes in Chieti and Pescara, offering them a direct experience of the work environments and production processes, guided by experienced technicians and engineers.

## **Itinerant Laboratory**

From the synergy between IPSIAS Di Marzio-Michetti and Walter Tosto, a project is born that projects students directly into the future. Through the "Itinerant Laboratory," in fact, the world of professions moves from the school benches to the heart of the production facilities of Walter Tosto. All this within a morning full of experiences, knowledge, and emotions. The program involves students from the first-grade secondary schools in the province of Pescara - called to make an important choice for their study and life path - and aims to show the itinerary that, from school, opens the doors to the corporate universe.

## **Awards**

During the 2017-2018 school year, the commitment of Walter Tosto S.p.A. in the "School Work and Safety" project was recognized with a special honor: the delegates of the Provincial Consulate of Pescara of the Federation of Masters of Labor of Italy presented a plaque to CEO Luca Tosto. This award highlights the importance of collaboration between the company and educational institutions, which has allowed numerous students from technical and vocational institutes in the area to visit the production facilities of Walter Tosto. Guided by the company's technicians and engineers, students had the opportunity to closely learn about the world of work and safety practices.

## **Curricular internships for theses**

Walter Tosto S.p.A. has established a constant practice of offering internships and support to students for the drafting of their theses. This commitment aims to promote the osmosis between corporate know-how and university knowledge, creating a bridge between the academic world and the industrial sector. Through the signing and renewal of agreements with target universities, the company provides a practical context in which students can apply the knowledge acquired during their studies.

## **Academic partnerships to promote nuclear fusion technology**

Walter Tosto has long embarked on a path of active support for research and innovation in the field of nuclear fusion, consolidating partnerships with academic institutions and directly supporting students and researchers. Among the main initiatives, the company awards scholarships to graduates who have completed their thesis at Walter Tosto, as well as to researchers from the University of Tuscia (UNITUS), as in the case of a project in Germany that led to the creation of "tungsten foams," a promising material for applications in nuclear fusion.

Walter Tosto is also committed to organizing educational visits, welcoming annually students and professors from prestigious universities such as Tor Vergata, Tuscia, Padua, and Naples Federico II.

On these occasions, lectures are held to illustrate the challenges and peculiarities in the manufacturing of components for nuclear fusion.

In the near future, Walter Tosto will carry out a particularly stimulating project: after having already completed the design phase, it will move on to the realization of a small TOKAMAK that will be assembled at the University of Tuscia. This will allow students to experiment and study closely the dynamics of TOKAMAKs, essential devices in the study of nuclear fusion.

Finally, Walter Tosto contributes to the international educational landscape through online lessons organized by FuseNET, the European association that brings together students involved in master's programs on nuclear fusion.

#### Training and Innovation in the Hydrogen Sector

Walter Tosto collaborates with the University of L'Aquila and funds mechanical design activities with specific applications in the hydrogen sector, contributing to the growth of students.

The company is involved in national and European projects, partially funded, for the production and use of zero or low carbon emission hydrogen. This commitment facilitates cooperation with

industry, academia, and research institutes, promoting the acquisition of know-how and skills for employees.

#### Scholarships for study

The Tosto Group demonstrates its commitment to sustainable development and investment in human capital through an innovative advanced training initiative. In 2023, the company established a scholarship program for its employees, offering seven of them the opportunity to enroll for free in the Degree Course in Environmental and Energy Law established starting from the academic year 2023-2024 at the University of Teramo.

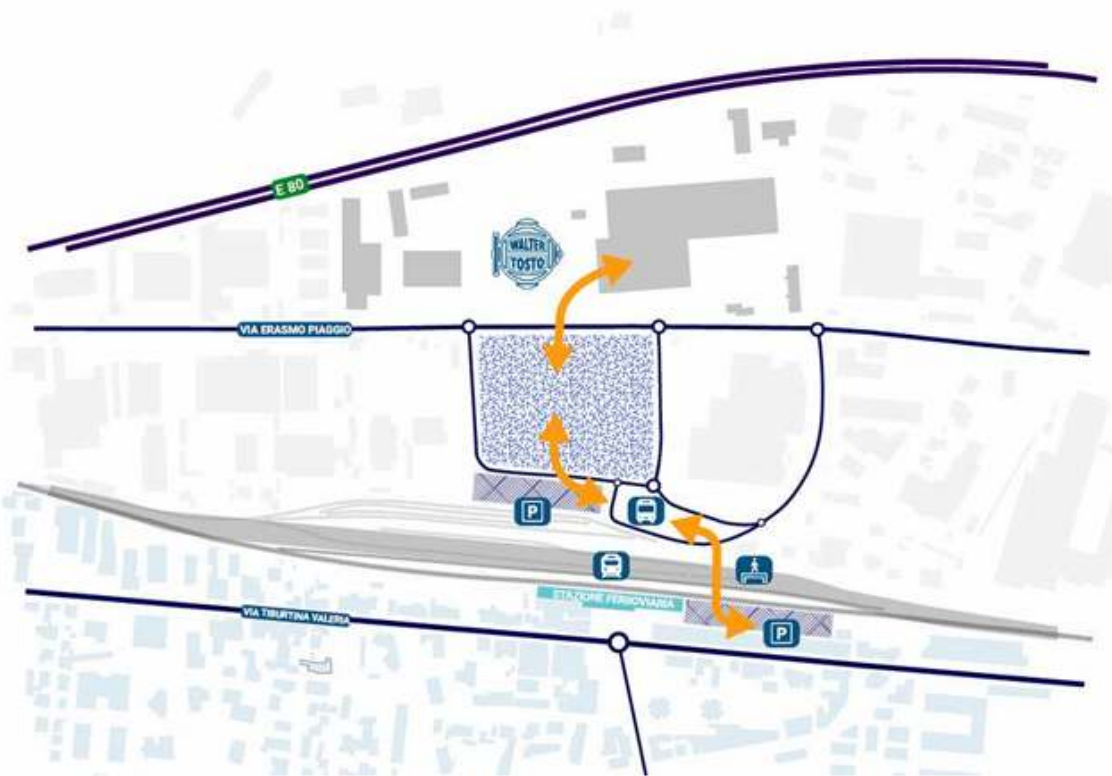
This course, designed to reconcile work and study through a significant component of online lessons, reflects the Group's attention to crucial issues such as environmental sustainability and renewable energies. The initiative not only enriches employees' skills in a strategic sector but also strengthens the company's ability to face future challenges related to energy transition and environmental management.

## Our Development plans

**Walter Tosto** has acquired a piece of land in **Chieti** that it plans to donate to the public administration for the construction of a **training center**, aimed at bridging the gap between the **technical skills** required by industry and those taught in schools. In full alignment with the **School Plan 4.0**, the architectural project, already commissioned by **Mr. Luca Tosto**, includes a school building designed for lessons, complemented by **specialized vocational laboratories**.

Furthermore, the proximity to **Walter Tosto S.p.A.'s production facilities** will enable continuous interaction with the industrial environment, where young people will later be integrated. This will be an essential element for their **professional growth** and provide a more **comprehensive and practical education**.

The ambition of this project is to become a **hub for learning, study, and specialization** for the new generations, while also contributing to the revitalization of an important industrial district in the heart of the **Pescara-Chieti metropolitan area**, known as **Val Pescara**.



# Appendix

## Data and performance indicators

### MAIN DATA AND INDICATORS - EMPLOYEES

Indicator	unit	2022	2023	2024
<b>Total employees</b>	n.	1,042	1,136	1,184
of which women	n.	80	77	89
<b>Average workforce</b>	n.	1,114.20	1,090.80	1,134.00
Employees per company				
<b>Tosto S.r.l.</b>	n.	32	29	27
<b>Walter Tosto S.p.A.</b>	n.	480	496	528
<b>Walter Tosto WTB S.r.l.</b>	n.	197	243	246
<b>Belleli Energy CPE S.r.l.</b>	n.	266	306	316
<b>WTS GAS S.p.A.</b>	n.	49	46	50
<b>Seastock S.r.l.</b>	n.	18	16	17
<b>Tosto Immobiliare S.r.l.</b>	n.	0	0	0
<b>Your Way on Leisure Flyght</b>	n.	0	0	0
Managers	n.	10	10	12
Executives	n.	30	19	29
Employees	n.	284	273	289
Workers	n.	718	834	854
<b>Permanent contract</b>	n.	986	935	1,020
of which women	n.	73	71	76
<b>Fixed-term contract</b>	n.	56	201	164
of which women	n.	7	6	13
<b>Full-time contract</b>	n.	1,024	1,114	1,161
of which women	n.	71	69	80
<b>Part-time contract</b>	n.	18	22	23

of which women	n.	8	8	9
<b>Indicator</b>	<b>unit</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>
<b>Employees by geographical area</b>				
Italy	n.	845	893	938
Romania	n.	197	243	246
<b>Employees by gender</b>				
Men	n.	962	1,059	1,095
Women	n.	80	77	89
<b>Income and Expenses</b>				
Total income	n.	133	283	170
of which women	n.	9	16	17
Hiring rate	%	12	27	19.1
men	%	11	25	18.6
women	%	1	2	19.1
Total exits	n.	152	171	145
Exit rate	%	14	16	23.2
men	%	13	14	22.3
women	%	1	2	16.9
voluntary exit	%	10	13	12.1
<b>Total turnover</b>	%	27	40	26

## MAIN DATA AND INDICATORS - EMPLOYEES

Indicator	u.m.	2022	2023	2024
<b>Employee Evaluation</b>				
<b>Total evaluated employees</b>	n.	395	309	422
of which women		35	28	32
Managers	n.	7	1	2
Executives	n.	2	3	2
Employees	n.	119	107	100
Workers	n.	267	198	318
<b>Training</b>				
<b>Training hours</b>	n.	18,193	41,911	28,825
Managers	n.	72	128	108
Executives	n.	206	291	328
Employees	n.	3,918	6,334	3,331
Workers	n.	13,997	35,158	25,058
<b>Average training hours per employee</b>	n.	16	38	26
<b>Non-employee workers</b>				
Temporary workers	n.	44	39	47
Co.co.co.	n.	10	10	11

**MAIN DATA AND INDICATORS - HEALTH AND SAFETY**

Indicator	u.m.	2022	2023	2024
<b>Health and Safety</b>				
Employee accidents	n.	26	23	21
of which fatal	n.	0	0	0
of which with serious consequences	n.	0	0	0
Frequency index of employee accidents	–	13.8	12.7	11.0
Severity index of employee accidents	–	0.3	0.3	0.2
Frequency index for serious work accidents (excluding fatalities)	–	0	0	0
Frequency index for fatalities from employee work accidents	–	0	0	0
<b>Health and Safety Management</b>				
Medical visits	n.	761	754	834
Diagnostic tests	n.	1,471	1,475	1,668

## MAIN DATA AND INDICATORS - ENVIRONMENT

### Energy Consumption

Indicator	u.m.	2022	2023	2024
<b>Total Energy Consumption</b>	GJ	227,191.79	209,492.42	257,826.81
of which Aviation Fuel	GJ	0.00	0.00	5,179.89
of which Biodiesel (OVI)	GJ	0.00	206.18	0.00
of which Heating Oil	GJ	24,728.74	32,481.61	34,541.40
of which CNG (Compressed Natural Gas)	GJ	11.66	0.00	5.64
of which Diesel - 100% Mineral Diesel	GJ	0.00	0.00	25.19
of which Diesel - Medium Blend of Biofuels	GJ	20,491.95	17,364.47	19,215.29
of which Electricity	GJ	83,592.86	71,806.50	79,349.72
of which Diesel Fuel	GJ	2,226.11	2,118.40	1,723.44
of which LPG (Liquefied Petroleum Gas)	GJ	1,381.85	1,476.15	1,854.16
of which Lubricants	GJ	1,016.81	704.11	1,000.93
of which Natural Gas	GJ	79,635.78	75,584.04	100,385.72

### Waste Production

Indicator	u.m.	2022	2023	2024
<b>Total Waste Production</b>	t	6,415.72	5,882.96	4,802.32
- of which non-hazardous	t	4,647.93	4,909.82	3,963.90
- of which non-hazardous (%)	%	67.6%	81.9%	82.54%
- of which hazardous	t	1,767.78	973.13	838.42
- of which hazardous (%)	%	32.4%	18.1%	17.46%

### Water Withdrawals (of which wells and aqueduct)

<b>Indicator</b>	<b>u.m.</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>
Water Withdrawals	m <sup>3</sup>	148,544.05	174,718.79	247,627.58

## MAIN DATA AND INDICATORS - ENVIRONMENT

### Scope 1 – Direct Emissions

Source	2022 tCO <sub>2</sub> e	2023 tCO <sub>2</sub> e	2024 tCO <sub>2</sub> e
Aviation Fuel	0.00	0.00	374.63
Biodiesel (OVI)	0.00	0.21	0.00
Heating Oil	1,782.86	2,341.81	2,490.32
CNG (Compressed Natural Gas)	0.24	0.00	0.07
Diesel – 100% Mineral	0.00	0.00	1.86
Diesel – Medium Blend Biofuels	1,425.61	1,208.03	1,336.79
Gas Oil	170.84	162.57	132.26
LPG (Liquefied Petroleum Gas)	86.62	92.53	116.31
Lubricants	79.43	54.71	79.20
Natural Gas	4,832.92	4,587.03	6,092.18
Off-Road Biodiesel	0.00	0.07	0.03
Gasoline – 100% Mineral	0.00	0.00	7.86
Gasoline – Medium Blend Biofuels	35.46	26.00	32.50
Fuel Oils – Distillate Oil	0.00	0.00	0.03
Fuel Oils – Residual Oil	0.00	0.00	0.07
Propane	874.80	473.13	897.64
Refinery – Various	0.00	0.00	0.39
Used Oils	0.00	0.00	0.71
<b>Total Scope 1</b>	<b>9,288.78</b>	<b>8,946.10</b>	<b>11,562.83</b>

## MAIN DATA AND INDICATORS - ENVIRONMENT

### Scope 2 – Indirect Emissions from Purchased Energy

Source	2022 tCO <sub>2</sub> e	2023 tCO <sub>2</sub> e	2024 tCO <sub>2</sub> e
Electricity and District Heating	6,128.19	5,105.14	5,807.68
<b>Total Scope 2</b>	<b>6,128.19</b>	<b>5,105.14</b>	<b>5,807.68</b>

### Scope 3 – Indirect Emissions from the Supply Chain and Other Sources

Source	2022 tCO <sub>2</sub> e	2023 tCO <sub>2</sub> e	2024 tCO <sub>2</sub> e
Anaerobic Digestion	0.00	0.00	0.00
Aviation Fuel (WTT)	0.00	0.00	98.43
HVO Biodiesel (WTT)	0.00	1.68	0.00
Heating Oil (WTT)	372.24	488.95	519.95
Closed Loop	57.45	47.62	62.34
Closed Loop	0.79	1.38	0.95
CNG (WTT)	0.05	0.00	0.01
Combustion	22.44	7.31	7.22
Composting	0.05	0.01	0.00
Diesel – 100% Mineral (WTT)	0.00	0.00	0.44
Diesel – Medium Blend Biofuels (WTT)	346.75	293.83	325.15
Electricity (TD)	119.55	120.46	124.35
Electricity (WTT)	1,518.98	1,489.15	1,571.67
Gas Oil (WTT)	38.85	36.97	30.08
Landfill	747.84	748.31	543.45
LPG (WTT)	10.32	11.02	13.86
Lubricants (WTT)	15.70	7.39	27.77
Natural Gas (WTT)	798.13	757.52	1,006.09
Off-Road Biodiesel (WTT)	0.00	0.18	0.08
Open Loop	4.99	5.87	2.18

Gasoline – 100% Mineral (WTT)	0.00	0.00	2.03
Gasoline – Medium Blend Biofuels (WTT)	9.82	7.20	9.00
Distillate Oils (WTT)	0.00	0.00	0.01
Residual Oils (WTT)	0.00	0.00	0.02
Propane (WTT)	102.92	55.66	105.61
Refinery – Various (WTT)	0.00	0.00	0.05
Used Oils (WTT)	0.00	0.00	0.25
Water Supply	15.51	17.80	16.40
<b>Total Scope 3</b>	<b>4,252.67</b>	<b>4,124.96</b>	<b>4,512.92</b>

## Table of correspondence between SDGs and GRI Standard indicators

GOAL SDGs	Goal	Theme	GRI STANDARDS Indicators
<b>GOAL 1 – Zero Poverty</b>	End poverty in all its forms everywhere.	Economic performance Local communities	3-3; 2-01; 2-01-d;3-2; 401-1; 413-1
<b>GOAL 2 – Zero Hunger</b>	End hunger, achieve food security and improved nutrition, and promote sustainable agriculture.	Sourcing practices	3-3; 306-1; 306-2; 306-3; 306-4; 306-53-2; 204-1
<b>GOAL 3 – Good Health and Well-being</b>	Ensure healthy lives and promote well-being for all at all ages.	Health and safety at work Local communities Waste	3-3; 403-1; 403-2; 403-3; 403-4; 403-5;403-8; 403-9; 403-103-2; 306-1;3-3; 306-2; 306-3; 306-4; 306-5
<b>GOAL 4 – Quality Education</b>	Ensure inclusive and equitable quality education and promote life-long learning opportunities for all.	Training and Education Local communities	3-3; 403-5; 404-1; 413-1
<b>GOAL 5 – Gender Equality</b>	Achieve gender equality and empower all women and girls.	Training and Education Diversity and equal opportunities Non-discrimination Employment	3-3; 401-1; 404-1; 405-1;3-3; 405-2; 406-1;3-3; 401-3; 405-1-d; 405-2-d; 406-1;3-3; 2-01; 2-01-d; 401-1; 401-3; 405-1-d
<b>GOAL 6 – Clean Water and Sanitation</b>	Ensure availability and sustainable management of water and sanitation for all.	Waste	3-3; 306-1; 306-2; 306-3; 306-4; 306-5
<b>GOAL 7 – Affordable and Clean Energy</b>	Ensure access to affordable, reliable, sustainable, and modern energy for all.	Emissions Energy Sustainable innovation	3-3; 302-1; 305-1; 305-2; 305-43-2; 302-1; 302-4
<b>GOAL SDG</b>	<b>Goal</b>	<b>THEME</b>	<b>GRI STANDARD INDICATORS</b>



<b>GOAL 8 – Decent Work and Economic Growth</b>	Promote sustained, inclusive and sustainable economic growth, full and productive employment, and decent work for all.	Anti-corruption Employment Health and safety at work Sourcing practices Economic performance Local communities Diversity and equal opportunities Non-discrimination Training and Education	3-3; 2-05; 2-06; 2-08-13-3; 401-1; 403-5; 404-1; 404-3; 405-1; 406-1; 401-33-3; 403-1; 403-2; 403-3; 403-4; 403-5; 403-8; 403-9; 403-103-3; 204-13-3; 413-13-3; 405-1; 405-2; 406-13-3; 416-1
<b>GOAL 9 – Industry, Innovation and Infrastructure</b>	Build resilient infrastructure, promote inclusive and sustainable industrialization, and foster innovation.	Sustainable innovation Training and Education Customer privacy	3-3; 404-3; 404-1; 413-13-3; 418-13-3; 416-1
<b>GOAL 10 – Reduced Inequalities</b>	Reduce inequality within and among countries.	Anti-corruption Sourcing practices Economic performance Diversity and equal opportunities Non-discrimination Employment Local communities Training and Education	3-3; 2-05; 2-06; 2-08-13-3; 204-13-3; 2-01; 2-043-3; 401-1; 403-5; 404-1; 404-3; 405-1; 406-13-3; 413-13-3; 404-3; 404-1; 413-1
<b>GOAL 11 – Sustainable Cities and Communities</b>	Make cities and human settlements inclusive, safe, resilient, and sustainable.	Local communities Waste	3-3; 2-013-3; 306-1; 306-2; 306-3; 306-4; 306-5
<b>GOAL 12 – Responsible Consumption and Production</b>	Ensure sustainable consumption and production patterns.	Sourcing practices Waste	3-3; 204-13-3; 301-1; 301-2; 302-43-3; 306-1; 306-2; 306-3; 306-4; 306-53-3; 416-1
<b>GOAL SDG</b>	<b>Goal</b>	<b>THEME</b>	<b>GRI STANDARD INDICATORS</b>
<b>GOAL 13 – Climate Action</b>	Take urgent action to combat climate change and its impacts.	Emissions Energy Sustainable innovation Sourcing practices	3-3; 305-1; 305-2; 305-3; 305-43-3; 302-1; 302-3; 302-43-3; 204-1
<b>GOAL 14 – Life Below Water</b>	Conserve and sustainably use the oceans, seas and marine resources.	Emissions Waste	3-3; 305-1; 305-2; 305-3; 305-43-3; 306-1; 306-2; 306-3; 306-4; 306-5

<b>GOAL 15 – Life on Land</b>	Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, halt and reverse land degradation, and halt biodiversity loss.	Emissions Waste	3-3; 305-1; 305-2; 305-3; 305-43-3; 306-1; 306-2; 306-3; 306-4; 306-5
<b>GOAL 16 – Peace, Justice and Strong Institutions</b>	Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels.	Sourcing practices Anti-corruption Customer privacy Local communities	3-3; 2-05; 2-06; 2-07-1; 408-1; 409-13-3; 204-13-3; 418-13-3; 416-13-3; 201-1
<b>GOAL 17 – Partnerships for the Goals</b>	Strengthen the means of implementation and revitalize the global partnership for sustainable development.	Sustainable innovation Training and Education Economic performance Anti-corruption Customer privacy	3-3; 2-05; 2-06; 2-08-13-3; 404-3; 404-1; 413-13-3; 418-13-3; 201-1; 204-1

## UN Global Compact Connection Table

Scope	Global Compact Principles	Description of Principles	Group Tosto Commitments	Material Issues
<b>Human Rights</b>	1 and 2	Businesses must respect and promote internationally recognized human rights and ensure they are not complicit in human rights abuses.	Promotion of human dignity, relationships with employees, local communities, governments, suppliers, and partners. Actions inspired by the Universal Declaration of Human Rights and the 10 Principles of the Global Compact.	- Human Rights - Dignity and Equality - Value of Diversity
<b>Labor</b>	3, 4, 5, 6	Freedom of association, elimination of forced labor, child labor, and discrimination in the workplace.	Inclusivity and equal opportunities. Promotion of safety, well-being, and professional training. Countering all forms of violence or harassment. Right to union representation.	- Employment - Together in Safety - Skills for the Future
<b>Environment</b>	7, 8, 9	Preventive approach, promotion of environmental responsibilities, and dissemination of eco-friendly technologies.	Reduction of consumption and waste, use of renewable energy, containment of emissions, improvement of environmental quality, and awareness along the value chain.	- Environmental Management - Fight against climate change - Integrated approach to the circular economy - Water
<b>Anti-Corruption</b>	10	Fight against corruption in all its forms, including extortion and bribery.	Training on legality and anti-corruption. Dissemination of ethical principles among suppliers and third parties. No cases reported in 2023.	- Tax Compliance and Transparency - Risk Mitigation

# Methodological Note

## Methodological Note

GRI 2-1

GRI 2-3

GRI 2-4

GRI 2-5

GRI 2-14

GRI 2-25

GRI 2-26

GRI 2-27

### Premise

The 2024 Sustainability Report of the Tosto Group, prepared with the support of **Tree-Block One**, aims to transparently represent the **economic, environmental, and social impacts** generated by business activities, illustrating strategies, results, and commitments towards sustainable development.

### Scope and Frequency

The report covers the period **January 1 – December 31, 2024** and refers to the companies:

- Tosto S.r.l.
- Walter Tosto S.p.A.
- Walter Tosto WTB S.r.l.
- Belleli Energy CPE S.r.l.
- WTS GAS S.p.A.
- Seastock S.r.l.
- Tosto Immobiliare S.r.l.
- Your Way on Leisure Flight S.r.l.

The economic data does not coincide with the area of financial consolidation and is accompanied by comparisons with the years 2022–2024.

### Adopted Standards

The document is prepared in accordance with the **Global Reporting Initiative (GRI Standards)**, following the "with reference to" option. The most recent updates provided by **GRI Universal Standards 2021** have been considered, following the principles of accuracy, completeness, comparability, verifiability, balance, clarity, context, and timeliness.

### Materiality Analysis

The selection of the topics addressed was based on a participatory process that involved internal and external stakeholders through **interviews and surveys**, identifying the most relevant material topics.

### Data sources and verification

The information comes from:

- Company monitoring systems
- Questionnaires completed by operational units
- Policies and internal documents

The quantitative data, expressed in metric units, have been **internally verified** and validated by the main business functions to ensure consistency and reliability.

### Review and reliability

This document has not been verified by an independent third-party company.

### Frequency and responsibility

The Report is issued **annually**. The drafting is entrusted to the **Sustainability Office** and the document is **approved by the CEO Luca Tosto**.

### Contacts and publication

The document is available online on the websites of the Group companies:

- [www.waltertosto.it/sostenibilita/](http://www.waltertosto.it/sostenibilita/)
- [www.wtb.ro/sustainability/](http://www.wtb.ro/sustainability/)
- [www.belleli.it](http://www.belleli.it)
- [www.seastock.it/the-group/](http://www.seastock.it/the-group/)
- [www.wtsgas.it/visionmission/](http://www.wtsgas.it/visionmission/)

For information: [sustainability@walter-tosto.it](mailto:sustainability@walter-tosto.it)



## Indice analitico GRI

<b>Dichiarazione d'uso</b>	TOSTO S.R.L. ha riportato le informazioni citate in questo indice di contenuti GRI per il periodo 01/01/2024 to 31/12/2024 con riferimento agli Standard GRI.
<b>GRI 1 utilizzato</b>	GRI 1: Foundation 2021

Standard	Informativa	Pos.
<b>Informative generali</b>		
GRI 2 : Informativa Generale	2-1 Dettagli sull'organizzazione	<a href="#">Company profile</a>
GRI 2 : Informativa Generale	2-10 Nomina e selezione del massimo organo di governo	<a href="#">Corporate governance and corporate purpose</a>
GRI 2 : Informativa Generale	2-11 Presidente del massimo organo di governo	<a href="#">Corporate governance and corporate purpose</a>
GRI 2 : Informativa Generale	2-12 Ruolo del massimo organo di governo nella supervisione della gestione degli impatti	<a href="#">Corporate governance and corporate purpose</a>
GRI 2 : Informativa Generale	2-13 Delega di responsabilità per la gestione di impatti	<a href="#">Corporate governance and corporate purpose</a>
GRI 2 : Informativa Generale	2-14 Ruolo del massimo organo di governo nella rendicontazione di sostenibilità	<a href="#">Corporate governance and corporate purpose</a>
GRI 2 : Informativa Generale	2-15 Conflitti d'interesse	<a href="#">Corporate governance and corporate purpose</a>
GRI 2 : Informativa Generale	2-16 Comunicazione delle criticità	<a href="#">Corporate governance and corporate purpose</a>
GRI 2 : Informativa Generale	2-17 Competenze collettive del massimo organo di governo	<a href="#">Corporate governance and corporate purpose</a>
GRI 2 : Informativa Generale	2-18 Valutazione della performance del massimo organo di governo	<a href="#">Corporate governance and corporate purpose</a>
GRI 2 : Informativa Generale	2-19 Politiche retributive	<a href="#">Diversity and inclusion</a>
GRI 2 : Informativa Generale	2-2 Entità incluse nella rendicontazione di sostenibilità dell'organizzazione	<a href="#">Company profile</a>
GRI 2 : Informativa Generale	2-20 Processo di determinazione della retribuzione	<a href="#">Diversity and inclusion</a>
GRI 2 : Informativa Generale		<a href="#">Diversity and inclusion</a>

	2-21 Rapporto sulla retribuzione totale annuale	
GRI 2 : Informativa Generale	2-22 Dichiarazione sulla strategia di sviluppo sostenibile	<a href="#">The statement from the Chief Executive Officer</a>
GRI 2 : Informativa Generale	2-23 Impegni assunti tramite policy	<a href="#">Mission, vision, and values</a>
GRI 2 : Informativa Generale	2-24 Integrazione degli impegni in termini di policy	<a href="#">Mission, vision, and values</a>
GRI 2 : Informativa Generale	2-25 Processi volti a rimediare agli impatti negativi	<a href="#">Clients and Licensors</a>
GRI 2 : Informativa Generale	2-26 Meccanismi per richiedere chiari impegni e sollevare criticità	<a href="#">Clients and Licensors</a>
GRI 2 : Informativa Generale	2-27 Conformità a leggi e regolamenti	<a href="#">Risk mitigation strategy</a>
GRI 2 : Informativa Generale	2-28 Adesione ad associazioni	<a href="#">Synergies</a>
GRI 2 : Informativa Generale	2-29 Approccio al coinvolgimento degli stakeholder	<a href="#">Clients and Licensors</a>
GRI 2 : Informativa Generale	2-3 Periodo di rendicontazione, frequenza e punto di contatto	<a href="#">Methodological Note</a>
GRI 2 : Informativa Generale	2-30 Accordi di contrattazione collettiva	<a href="#">Employee statistics</a>
GRI 2 : Informativa Generale	2-4 Restatement delle informazioni	<a href="#">Methodological Note</a>
GRI 2 : Informativa Generale	2-5 Assurance esterna	<a href="#">Methodological Note</a>
GRI 2 : Informativa Generale	2-6 Attività, catena del valore e altri rapporti di business	<a href="#">Sustainability Highlights 2024</a>
GRI 2 : Informativa Generale	2-7 Dipendenti	<a href="#">Employee statistics</a>
GRI 2 : Informativa Generale	2-8 Lavoratori non dipendenti	<a href="#">Employee statistics</a>
GRI 2 : Informativa Generale	2-9 Struttura e composizione della governance	<a href="#">Corporate governance and corporate purpose</a>
<b>Temi materiali</b>		
GRI 3 : Temi materiali	3-1 Processo per determinare i temi materiali	<a href="#">Stakeholder</a>
GRI 3 : Temi materiali	3-2 Elenco di temi materiali	<a href="#">Materials</a>
GRI 201 : Performance economiche 2016	201-1 Valore economico direttamente generato e distribuito	<a href="#">Economic results and shared value</a>
		<a href="#">Risks and Opportunities</a>

GRI 201 : Performance economiche 2016	201-2 Implicazioni finanziarie e altri rischi e opportunità dovuti al cambiamento climatico	
GRI 201 : Performance economiche 2016	201-3 Piani pensionistici a benefici definiti e altri piani di pensionamento	<a href="#">Well-being of people</a>
GRI 201 : Performance economiche 2016	201-4 Assistenza finanziaria ricevuta dal governo	<a href="#">Economic results and shared value</a>
GRI 204 : Pratiche di approvvigionamento 2016	204-1 Proporzione di spesa verso fornitori locali	<a href="#">Business model and value chain</a>
GRI 205 : Anticorruzione	205-1 Operazioni valutate per i rischi legati alla corruzione	<a href="#">Risk mitigation strategy</a>
GRI 205 : Anticorruzione	205-3 Episodi di corruzione accertati e azioni intraprese	<a href="#">Risk mitigation strategy</a>
GRI 302 : Energia	302-1 Energia consumata all'interno dell'organizzazione	<a href="#">Energy consumption</a>
GRI 302 : Energia	302-3 Intensità energetica	<a href="#">Energy consumption</a>
GRI 303 : Acqua ed effluenti	303-5 Consumo di acqua	<a href="#">Water management as a resource</a>
GRI 305 : Emissioni	305-1 Emissioni dirette di GHG (Scope 1)	<a href="#">Carbon Footprint</a>
GRI 305 : Emissioni	305-2 Emissioni indirette di GHG da consumi energetici (Scope 2)	<a href="#">Carbon Footprint</a>
GRI 305 : Emissioni	305-3 Altre emissioni indirette di GHG (Scope 3)	<a href="#">Carbon Footprint</a>
GRI 305 : Emissioni	305-4 Intensità delle emissioni di GHG	<a href="#">Carbon Footprint</a>
GRI 305 : Emissioni	305-5 Riduzione delle emissioni di GHG	<a href="#">Carbon Footprint</a>
GRI 401 : Occupazione	401-1 Nuove assunzioni e turnover	<a href="#">Employee statistics</a>
GRI 401 : Occupazione	401-2 Benefit previsti per i dipendenti a tempo pieno, ma non per i dipendenti part-time o con contratto a tempo determinato	<a href="#">Well-being of people</a>
GRI 403 : Salute e sicurezza sul lavoro	403-1 Sistema di gestione della salute e sicurezza sul lavoro	<a href="#">Health and safety at work</a>
GRI 403 : Salute e sicurezza sul lavoro	403-10 Malattie professionali	<a href="#">Health and safety at work</a>
GRI 403 : Salute e sicurezza sul lavoro	403-2 Identificazione dei pericoli, valutazione dei rischi e indagini sugli incidenti	<a href="#">Health and safety at work</a>
GRI 403 : Salute e sicurezza sul lavoro	403-3 Servizi di medicina del lavoro	<a href="#">Health and safety at work</a>
GRI 403 : Salute e sicurezza sul lavoro		<a href="#">Health and safety at work</a>

403-4 Partecipazione e consultazione dei lavoratori e comunicazione in materia di salute e sicurezza sul lavoro

---

GRI 403 : Salute e sicurezza sul lavoro 403-5 Formazione dei lavoratori in materia di salute e sicurezza sul lavoro [Training and development programs for employees](#)

---

GRI 403 : Salute e sicurezza sul lavoro 403-6 Promozione della salute dei lavoratori [Health and safety at work](#)

---

GRI 403 : Salute e sicurezza sul lavoro 403-9 Infortuni sul lavoro [Health and safety at work](#)

---

GRI 404 : Formazione e istruzione 404-1 Ore medie di formazione annua per dipendente [Training and development programs for employees](#)

---

GRI 404 : Formazione e istruzione 404-3 Percentuale di dipendenti che ricevono una valutazione periodica delle performance e dello sviluppo professionale [Training and development programs for employees](#)

---

GRI 405 : Diversità e pari opportunità 405-1 Diversità negli organi di governo e tra i dipendenti [Corporate governance and corporate purpose](#)

---

GRI 405 : Diversità e pari opportunità 405-2 Rapporto dello stipendio base e retribuzione delle donne rispetto agli uomini [Diversity and inclusion](#)

---

GRI 406 : Non discriminazione 406-1 Episodi di discriminazione e misure correttive adottate [Diversity and inclusion](#)

---

GRI 408 : Lavoro minorile 408-1 Attività e fornitori a rischio significativo di episodi di lavoro minorile [Human Rights and Working Conditions](#)

---

GRI 413 : Comunità locali 413-1 Operazioni con il coinvolgimento della comunità locale, valutazioni degli impatti e programmi di sviluppo [Support for the community](#)

---

GRI 416 : Salute e sicurezza dei clienti 416-1 Valutazione degli impatti sulla salute e sulla sicurezza per categorie di prodotto e servizi [Certifications](#)

---

GRI 418 : Privacy dei clienti 418-1 Denunce comprovate riguardanti le violazioni della privacy dei clienti e perdita di dati dei clienti [Risk mitigation strategy](#)

---

**Contatti**

## Contatti

For any further information or requests, please do not hesitate to contact us using the following references:

- **Email:** [sustainability@walmartost.it](mailto:sustainability@walmartost.it)
- **Phone:** +39 0871 580.208
- **Address:** Via Erasmo Piaggio, 62

### **Availability hours**

We are available from Monday to Friday, from 8:30 AM to 6:00 PM.

We will be happy to assist you in the best possible way.

