

A stylized, abstract landscape illustration. The background is a deep blue with a grainy texture. In the foreground, there are rolling hills in various shades of green and blue, also with a grainy texture. A white, winding path or road curves through the hills. Two white wind turbines are positioned in the scene: one on the left, partially cut off by the edge, and one on the right. The overall style is modern and graphic.

WE LIGHT UP
THE WORLD IN GREEN

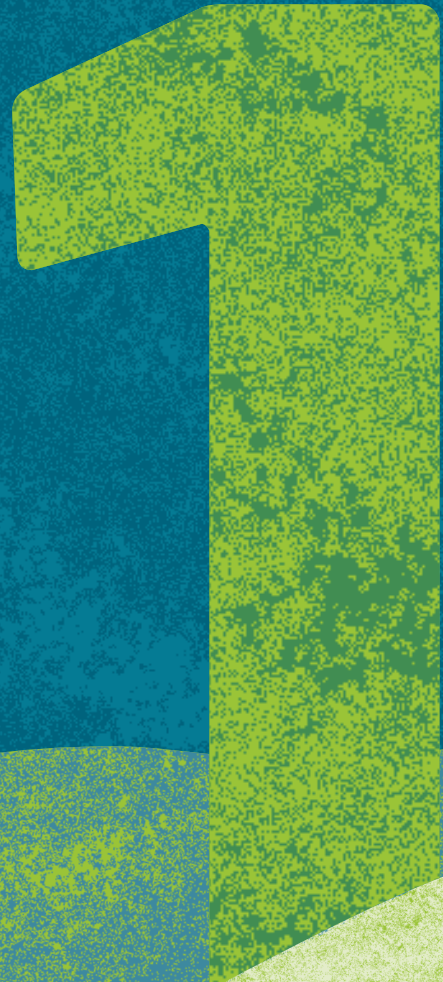
Sustainability Disclosure 2024

TOZZIgreen

Sustainability Statement 2024

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GENERAL INFORMATION



1.1

General Information

List of acronyms

ADMIN – Administration

AM – Asset Management

BIO – Biodiversity

CCNL – National Collective Labour Agreement

CEO – Chief Executive Officer

CFO – Chief Financial Officer

CSRD – Corporate Sustainability Reporting Directive

DNSH – Do No Significant Harm (EU Taxonomy Principle)

DNV – Det Norske Veritas

EFRAG – European Financial Reporting Advisory Group

EPC – Engineering, Procurement and Construction

ESG – Environmental, Social and Governance

ESRS – European Sustainability Reporting Standards

EU – European Union

FAO – Food and Agriculture Organisation

FG – Province of Foggia

FINNFUND – Finnish Fund for Industrial Cooperation

GES/GHG – Greenhouse Effect Gas

GIS – Geographic Information System

HR – Human Resources

HSE – Health, Safety and Environment

HVO – Hydrotreated Vegetable Oil

IFC – International Finance Corporation

IG – Implementation Guidance of EFRAG

ILO – International Labour Organisation

IPBES – Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services

IPP – Independent Power Producer

IRO – Impacts, Risks and Opportunities

ISAE - International Standard on Assurance Engagements
ISO - International Organisation for Standardisation
IUCN - International Union for Conservation of Nature
KPI - Key Performance Indicator
OECD - Organisation for Economic Co-operation and Development
ONG - Non-Governmental Organisation
UN - United Nations Organisation
O&M - Operations and Maintenance
NCP - National Contact Point
PRM - Project Risk Management
QHSE - Quality, Health, Safety and Environment
RLS - Workers' Safety Representative
RM - Risk Management
SCADA - Supervisory Control and Data Acquisition
EEA - European Economic Area
TG - Tozzi Green
TGHM - Tozzi Green Holding Madagascar
TGM - Tozzi Green Madagascar
TRE - Tozzi Renewable Energy
TSS - Tozzi Shared Services

1.2

Drafting criteria

BP1 / General criteria for drafting up sustainability statements

BP2 / Information in connection with specific circumstances

Tozzi Green's Sustainability Statement has been prepared on a consolidated basis, excluding certain Group companies controlled by Tozzi Holding Srl, including TRE Peru, Ergon, S. Giovanni Biogas and GEAS, as they are to be sold between October 2024 and March 2025. The annual consolidated financial statements include Tozzi Green and all companies over which it exercises effective control and relate to 2024 financial year (January-December). The reporting process considered the entire value chain of the Group, both upstream and downstream, in relation to business activities. Tozzi Green's value chain was mapped during the initial stages, with particular reference to the double materiality assessment, and then formed the basis of the entire reporting process.

Tozzi Green ensured transparency of information, without omitting any relevant data or elements relating to intellectual property, know-how, innovation and issues currently under discussion.

In accordance with ESRS 1 (section 6.4), Tozzi Green has defined and adopted specific time horizons for analysing and reporting on sustainability issues. The time horizons are configured as follows:

- Short term: corresponds to the duration of the reporting period (one year);
- Medium-term: covers a time horizon that extends from over one year to five years;
- Long-term: refers to a period exceeding five years.

1.3

Governance

GOV-1 / Role of Administrative, Management and Supervisory Bodies

Within the Tozzi Green Group, sustainability governance is based on an integrated model that combines strategic oversight by the Board of Directors with operational management by a Sustainability Management Committee. During 2018, it operated as a working group and evolved into a Committee by 2020. Although it has changed its composition over the years, the Committee represents a cross-functional body that brings together senior figures from the Group's main business areas, with the aim of ensuring a transversal and consistent oversight of ESG issues.

Its members include:

- Andrea Tozzi, Group CEO;
- Melania Fabbri, General Manager and Committee Coordinator (since 2024);
- Representatives of the QHSE, AM, ADMIN, HR & Communication divisions.

The Committee meets regularly to share methodologies, validate reporting content and monitor material issues, thus providing substantial support to top management decision-making. Although the Committee is not formally established by statutory regulations, it operates on the basis of a shared mandate, consolidated in corporate practice. Its main duties include:

- the coordination of ESG data collection and validation activities;
- the evaluation of material issues;
- the definition of reporting indicators and priorities.

The Board of Directors gave the CEO, Andrea Tozzi, responsibility for the supervision and approval of the Sustainability Report.

The operational management of ESG impacts, risks and opportunities is organised as follows: supervision is provided by the CEO, while operational coordination is carried out by the General Manager. The members of the Committee act in liaison with their respective divisions and top management.

The integration of ESG activities into internal audit processes takes place through a coordinated set of tools and practices, including:

- the structured collection of data, in cooperation with division managers;
- internal audits coordinated by the Committee;
- technical support of the external consultant for compliance with CSRD obligations;
- independent audit by an Auditor, according to the ISAE 3000 (Revised) international standard.

For the financial year 2024, the Committee guided the voluntary drafting of the new sustainability disclosure in accordance with the CSRD Directive, where possible. The process included the following steps:

- definition of the double materiality matrix;
- gap assessment activities;
- organisational and strategic alignment;
- definition of indicators and improvement targets for priority areas (environment, people, governance, territory);
- Independent Assurance;
- presentation of the reported contents to the Board of Directors.

The integration of ESG goals into decision-making processes is currently underway, with the aim of further strengthening the alignment between corporate strategy and sustainability.

As far as the Board of Directors is concerned, it consists of members with a solid technical, managerial and financial background, and consolidated experience in the fields of renewable energy, industrial infrastructure and corporate finance. Members include:

- Franco Tozzi, founder and historical chairman of the Group, with over fifty years of experience in the renewable energy sector;
- Andrea Tozzi, CEO, with expertise covering the entire lifecycle of plants and industrial activities related to the energy transition;
- Roberto Fagnocchi, CFO, specialist in project financing and M&A transactions in the green sector;
- Stefano Meloni, Vice Chairman, with extensive experience in extraordinary finance, governance and private equity, and a keen awareness of ESG matters.

COMPOSITION AND DIVERSITY OF ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES

No. of members in executive positions	3
No. of non-executive members	1

PERCENTAGES BROKEN DOWN BY GENDER AND OTHER ASPECTS (*) OF DIVERSITY

Total number of members of the Board of Directors	4
No. of men on the Board of Directors	4
No. of women on the Board of Directors	0
% of gender diversity	100% of members are men
Average ratio of male to female board members	0% of members are women

PERCENTAGE OF INDEPENDENT BOARD MEMBERS

Total number of Board members	4
No. of independent Board members	1
% of independent members	25%

As mentioned above, the Board of Directors can rely on the support of the Sustainability Committee and external environmental, regulatory and strategic experts. In addition, it promotes targeted training initiatives to ensure constant updates regarding developments in ESG regulations and markets, thereby strengthening the governing body's ability to effectively integrate sustainability criteria into decision-making processes.

The expertise within the Board of Directors is closely related to the main material impacts and ESG risks of the company. This makes it possible to:

- Assess the environmental, reputational and regulatory risks associated with the energy transition;
- Seize strategic opportunities, such as access to green funds and positioning in energy markets;
- Ensure sound economic and financial management in accordance with European standards (EU Taxonomy, CSRD).

This governance set-up allows Tozzi Green to combine economic performance and sustainable long-term value creation, ensuring consistency between strategy, operations and social and environmental accountability.

GOV-2 / Information provided to the administrative, management and supervisory bodies of the company and sustainability issues addressed by them

Tozzi Green has adopted a structured procedure for the identification, assessment and management of IROs, applicable both at corporate level and within individual job orders. This activity is governed by TGN-M-3-13 "Management of Risk and Opportunity" procedure, implementing the requirements of the CSRD and the ESRS IRO-1 principle. According to the procedure, the process consists of several steps, mainly coordinated by the QHSE division, with the direct involvement of division managers. More precisely:

- The QHSE division prepares Risk and Opportunity Management Reports (PRM/RM), with input from the corporate divisions, in regular meetings.
- The reports are then submitted for review and approval by the CEO or General Manager, depending on the company in question.
- Material ESG impacts, implemented policies and the effectiveness of control measures are monitored regularly, at:
 - PRM reviews for each job order.
 - RM reviews at the Corporate level.
 - Internal audits and Management Reviews, which provide evidence of system performance.

In 2024, DNV conducted an analysis of the sustainability governance system within the framework of enhancing information required by the CSRD.

Boards of directors and management take IROs into account at several key moments of corporate life, including:

- The definition and control of corporate strategy, in particular for the development of new projects in strategic geographical areas and sectors.
- The approval of extraordinary risk management measures, such as sureties, legal advice or insurance coverage, which require the express validation of the CEO.
- The control of the risk management process, through tools such as risk/probability matrices, classification systems and priority levels (acceptable, medium, high, unacceptable).
- The evaluation of trade-offs among social, environmental, economic and reputational impacts, according to the risk categories adopted: Health & Safety, Environment, Asset, Legal, Reputation, etc.

During the reporting period, the main impacts, risks and opportunities addressed by governance bodies, documented in Corporate PRMs and RM, concerned:

CATEGORY	EXAMPLES OF IROS ADDRESSED
Environment (E)	Risks from environmental release on site, local regulatory impacts (TGN-A-3-02 "Identification of EA and Impacts Procedure")
Safety (H)	Potential accidents and risks in O&M activities monitored through H&S matrix
Asset (A)	Asset risks and damages from extraordinary events, categorized by economic threshold
Legal (L)	Contractual non-compliance, risk of sanctions, loss of contracts
Reputation (T)	Reputational damage due to delays, failures, or operational disruptions
Opportunities (O)	Innovative technologies with reduced environmental impact, customer engagement, new markets

These elements are all formally reported and contribute to the monitoring, review, and continuous improvement cycle of the company's Integrated Management System (IMS).

GOV-3 / Integrating sustainability performance into incentive systems

Currently, there are no incentive remuneration schemes directly linked to the achievement of sustainability goals. The incentives applied are mainly based on financial and operational performance indicators. However, it is deemed strategic, in line with regulatory and market developments, to assess the gradual integration of ESG criteria into variable remuneration systems, in order to align individual and corporate goals with long-term sustainability.

In this regard, there are plans to initiate an in-depth analysis and interdepartmental discussion with the relevant divisions, in order to define possible actions to revise the incentive model to include sustainability metrics, in compliance with best practices and CSRD provisions.

GOV-5 / Risk Management and Internal Controls over Reporting

Tozzi Green has established a structured internal procedure to ensure a robust and consistent process in drafting and updating its Sustainability Statement. The aim is to clearly identify the parties involved and the operational mechanisms, ensuring efficient use of resources and effective risk management.

In order to strengthen the control and quality of the reported information, the company has implemented a structured system of data collection and validation, with several stages of verification and approval. Additionally, well-defined operational roles and responsibilities have been assigned, which are crucial for the success of the process. Collaboration between the different corporate divisions and transparency of the activities carried out are central elements in ensuring the reliability of information and promoting a sustainability-oriented corporate culture.

Sustainability-related risk control and assessment activities are governed by TGN-M-3-13 "Risk and Opportunity Management" procedure, which provides for regular reporting to top management. More precisely:

- Corporate Risk Management (RM) Reports are drafted by the QHSE department and submitted to the CEO or General Manager for review and approval, depending on the company concerned.
- Material ESG risks - environmental, social, reputational, legal and safety-related - are monitored through risk matrices, which associate them with specific control measures and well-defined operational responsibilities.
- Reports undergo periodic review, at least once a year or when critical events occur, with the results being discussed during the Management Review, which is a key moment for internal discussion with the governance bodies.
- The Sustainability Committee is constantly updated on emerging risks and strategic opportunities, actively contributing to the prioritisation process and assessing the effectiveness of actions taken.

This approach enables Tozzi Green to maintain a constant and conscious focus on ESG elements, enhancing the integration among corporate strategy, operational management and sustainability reporting.

The company has recently introduced the position of Sustainability Manager, who from next year will assume an even more central strategic role, integrating some tasks currently managed by other divisions of the company. This evolution reflects the organisation's dedication to an operating model that is more focused on environmental, social, and economic sustainability.

1.3

Strategy

SBM-1 / Strategy, business model and value chain

Tozzi Green S.p.A., with registered office in Via Brigata Ebraica, 50 - 48123 Mezzano (RA), is a company specialising in solutions, services and projects for the development of power generation plants from renewable energy sources. Innovative ideas and solutions that look to the future are the company's key features. Active in Italy and abroad, it stands apart for achieving complete horizontal integration of the entire chain:

DEVELOPMENT > EPC > O&M.

In Italy and with a European perspective, Tozzi Green participates in the substitution of fossil fuels for renewable energy sources, contributing to national energy autonomy. With the aim of sustainably cultivating uncultivated or under-utilised land, and of improving its fertility in the long term, Tozzi Green develops experimental agriculture in poor soils. Considering its long-standing experience with Solar Farm Società Agricola Srl, the Company is at the forefront of the agrivoltaic industry's development based on the specificity of agricultural activity and its compatibility with photovoltaic installations. Agrivoltaics bring together renewable energy sources, sustainable land use and protection of biodiversity with a positive approach in which the combination of energy activity and agricultural practices is instrumental in creating value that is shared with the area and local communities where the plants are installed. Tozzi Green's agrivoltaic projects ensure that agricultural activity is compatible with the current use of the land and its agricultural traditions, guaranteeing high standards of agronomic, environmental and natural sustainability, also enhancing the vegetation and wildlife of the area.

For example, the experience of the photovoltaic grazing meadow in Sant'Alberto di Ravenna inspired the idea for the Agri-Natural-Voltaic Park in San Giovanni in Fonte di Cerignola (FG).

The Group operates in the two distinct sectors of renewable energy production and diversified agricultural activity. These two sectors are interwoven with experiments in the agrivoltaic field.

In the energy sector, Tozzi Green covers the entire supply chain of production from renewable sources, divided into three main stages:

- **Development & Construction:** Tozzi Green develops renewable energy plants, managing all aspects of the process in an integrated manner, from the preliminary feasibility assessment to construction and commissioning. The relationship that Tozzi Green builds in the places where it operates is not limited to procedural compliance and formal relations with institutions, but involves the local communities by listening and finding practical solutions together. Tozzi Green's participatory approach, in line with its core values of sustainability, covers all project phases, from design to construction, for which local contractors are always preferred. Tozzi Green follows all the preliminary phases prior to the start-up of new plant construction projects by choosing the best location in terms of availability of natural resources and access infrastructures. It initiates and manages relations with the local communities involved, and organises the required authorisation and control procedures.
- **O&M:** The correct operation and maintenance of a plant ensures optimal operation, maximum efficiency and thus the expected productivity. Tozzi Green offers a complete O&M service for medium and large plants powered by renewable energies, consisting of routine and special maintenance (refurbishment and start up), remote monitoring and management, and full service maintenance.

- **Asset Management:** Tozzi Green offers a wide range of services for the management of all administrative, regulatory, fiscal and environmental obligations related to the operation of plants powered by renewable energy sources, the sale of energy produced and related incentives, ensuring high profitability of the plants, preserving the value of the investment over time, and ensuring compliance with current regulations.

Agricultural activities involve the cultivation of land owned in Romagna, where sheep breeding is also present, and land under government concession in the Ihorombe region of Madagascar, where diversified crops have been planted. In 2023, as a result of the worsening climatic conditions in the country, in particular the worsening drought, Tozzi Green, through its subsidiary JTF, decided to redirect its agricultural investments towards an ambitious reforestation project. After an initial test phase, the company started a systematic planting programme of perennial tree species in the most affected areas, with the direct involvement of local communities. The aim is twofold: to contribute to mitigating the effects of climate change and to generate lasting environmental benefits, such as improved soil quality, biodiversity protection and ecosystem regeneration.

In particular, in the Ihorombe region, reforestation is aimed at combating serious environmental problems, such as water shortage, erosion and poor soil fertility. The project also includes areas dedicated to agroforestry, where productive trees (fruit or timber) are cultivated along with food crops such as maize, cassava and sorghum. These areas are managed directly by local communities, which benefit economically and in terms of food. Alongside these activities, the cultivation of plants such as eucalyptus and geranium for the production and export of essential oils continues in Madagascar. In Italy, however, Tozzi Green has developed a quality agri-food chain, focusing on the production and marketing of cheese and agricultural products for the domestic market.

The experience gained in the agricultural sector, consolidated also through the photovoltaic grazing meadow project of Solar Farm in Sant'Alberto (RA), one of the first examples of agrivoltaics in Italy, is today a strategic asset for the development of new agrivoltaic projects, distinguished by a strong focus on innovation. The integration between agriculture and energy results in sustainable solutions that enhance the land and promote the efficient use of resources.

As an IPP, Tozzi Green stands out for the comprehensive and transversal management of its plants. Internationally, the company also plays a significant role in rural electrification, contributing to sustainable development in areas not connected to the electricity grid, particularly in developing countries, thanks to its experience in Peru (2015-2024).

With over thirty years of experience, Tozzi Green has built numerous plants on three continents, both for its own account and for third parties. The registered office is located in Mezzano di Ravenna, while international activities are mainly concentrated in Madagascar, with its headquarters in Antananarivo. Current portfolio assets include photovoltaic and wind power plants in Italy and hydroelectric plants in Madagascar.

Below are the figures related to the number of employees by geographical area in which the Group operates:

a. iii) NUMBER OF EMPLOYEES BY GEOGRAPHICAL AREA	
Total number of employees	
No. of employees in country A (ITALY)	112
No. of employees in country B (MADAGASCAR)	516
No. of employees in country C (IRAN)	3

In 2024, the Group confirmed its growth strategy focused on Italy by completing the sale of the South American assets. In particular, shareholdings were sold in the Peruvian subsidiaries (Ergon Peru and Tre Peru), responsible for the management of more than 220,000 photovoltaic kits in remote areas, and in the Argentine company Tinogasta, owner of an 11.83 MW photovoltaic plant. This operation released financial resources to be reinvested in the development of new plants in Italy and Europe.

The strategic goal is ambitious: to reach an installed capacity of 500 MW by 2030, about 40% of which is already covered by projects under construction or authorised. Tozzi Green has developed specific skills in project presentation and evaluation, with a flexible and innovation-oriented approach, ready to seize new opportunities in target markets.

The European energy crisis, triggered by the conflict in Ukraine, has highlighted the centrality of energy independence. This framework has validated Tozzi Green's strategy aimed at expanding its presence within EU member states.

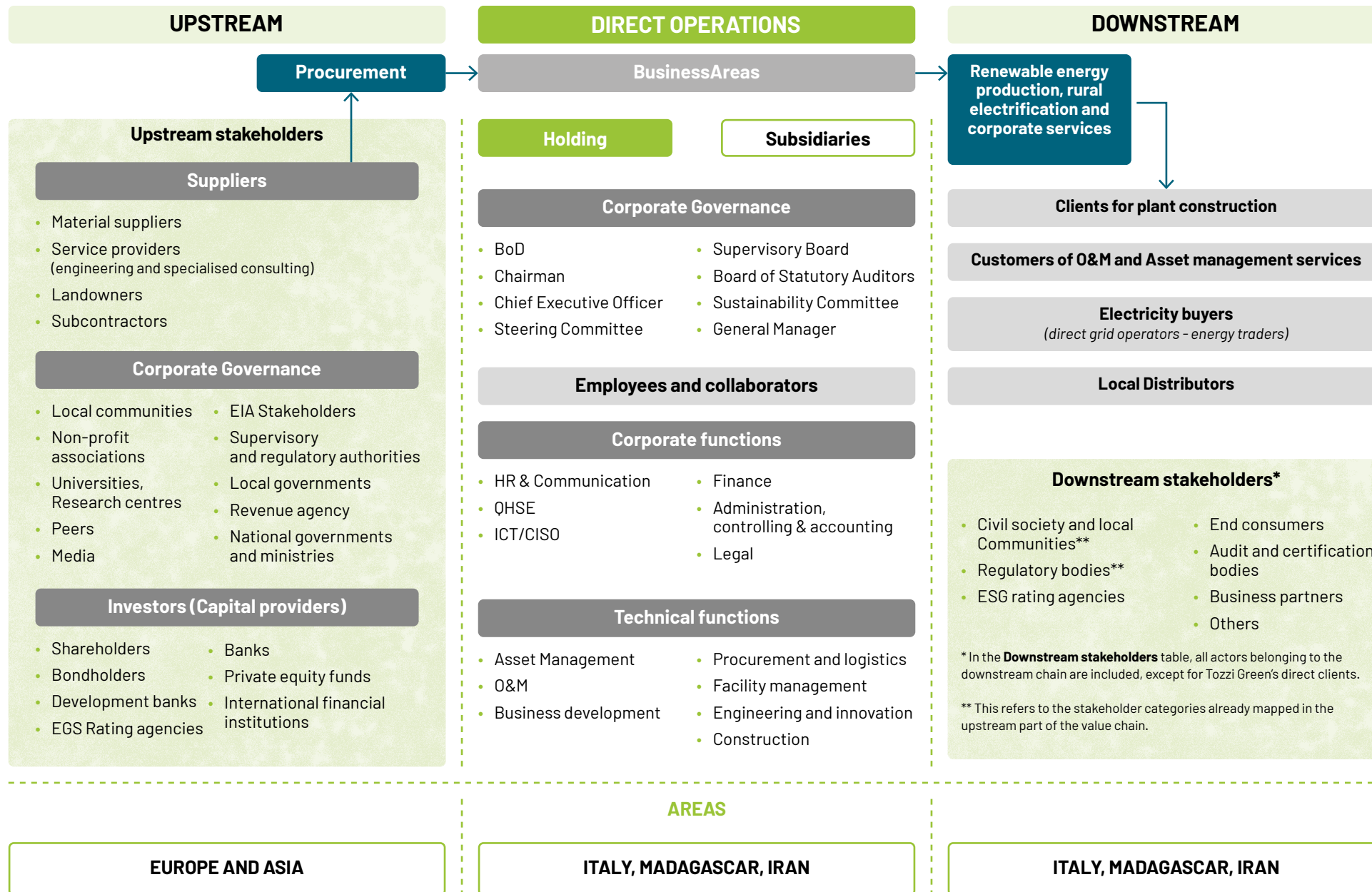
Finally, aware of the worsening global climate conditions, Tozzi Green believes that it is no longer enough to simply reduce environmental impacts, but that it is necessary to actively contribute to restoring the climate balance. For this reason, the company's strategy is committed to integrating decarbonisation goals with a long-term vision to turn environmental challenges into opportunities for sustainable growth. This approach is crucial in Madagascar, but also concerns energy production in Italy, where climate change affects the availability of natural resources such as water, wind and sun.

Tozzi Green creates value through an integrated model that includes the development, construction, operation and maintenance of plants for the production of renewable energy, powered by wind, photovoltaic and hydroelectric sources. This approach allows the company to oversee the entire supply chain, ensuring quality, efficiency and sustainability at every stage of the process.

During the plant construction phase, Tozzi Green relies on world-class suppliers, selected for their reliability and quality of materials. By diversifying its supply base and leveraging solid relationships developed over time, the company can reduce risks and ensure continuous operations.

Interaction with stakeholders is central to the project development phase. Tozzi Green actively dialogues with local communities and associations in the areas concerned, gathering opinions, needs and concerns. At the same time, it works with regulatory bodies and local authorities to obtain the necessary authorisations and define appropriate compensation measures, in compliance with regulations and social expectations.

Operations & Maintenance (O&M) activities are entrusted to highly qualified personnel, who work with advanced technologies for continuous plant monitoring. The aim is to minimise power losses and ensure maximum energy efficiency over time.



SBM-2 / Stakeholder's interests and opinions

Tozzi Green operates in highly diverse geographical, environmental and social contexts. The Group operates in two continents, across different sectors, and engages with public and private stakeholders in countries characterised by uneven levels of development and very different climatic conditions. Its operating context ranges from the arid and sparsely populated areas of southern Madagascar to the densely inhabited Po Valley, from the mountains of Sicily and the plains of Apulia. The development of wind energy, which requires specific environmental conditions, further contributes to an even more varied and challenging operating environment.

This heterogeneity requires constant and careful dialogue with a plurality of stakeholders, characterised by different languages, local regulations, interests and sensitivities. To address this complexity, Tozzi Green's management maintains continuous and systematic relationships with the main stakeholder categories, thanks also to the presence of local resources, both through institutional and informal channels, always guided by transparency, traceability and good faith.

Communication methods are adapted to the different operating contexts and are based on an in-depth knowledge of the territories and stakeholders, in order to ensure effective and coherent responses to local needs. Stakeholder engagement is an integral part of all project phases and aims to ensure that opinions, concerns and suggestions are taken into account, discussed and, where possible, integrated into project management, with a view to continuous improvement.

As part of its first double materiality assessment, Tozzi Green launched a structured stakeholder engagement process, aimed at gathering assessments and perceptions on the impacts related to its business. Both internal and external stakeholders were involved:

- Internally, employees and management were involved, with a particular focus on certain technical functions.
- Externally, different categories of stakeholders were consulted, including local communities, associations, regulatory bodies and strategic partners.

The engagement process relied mainly on structured questionnaires, designed to gather stakeholder views and priorities in a consistent manner. The findings were consolidated and submitted to the Sustainability Committee for approval.

1.4

Managing impacts, risks and opportunities

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

SBM-3 / Material impacts, risks and opportunities and their interaction with strategy and business model

IRO-2 / ESRS disclosure requirements subject to the company's sustainability statement

Tozzi Green first conducted a double materiality assessment, mainly following the guidelines published in May 2024 by EFRAG, titled "EFRAG IG 1: Materiality Assessment Implementation Guidance". The process integrated these indications with the Group's existing risk assessment systems, applying a step-by-step approach to aggregate and prioritise material topics.

Preliminary phase

The assessment started with an initial selection of sustainability topics included in the topical ESRS. Each topic was analysed in depth, taking into account the Group's business model, geographical location and value chain, as well as the previous materiality assessment reported in the Sustainability Report 2022-2023. Relevant internal documents, external sources and industry benchmarks on peer companies were also reviewed. This work identified the most material sustainability topics for Tozzi Green, which were subsequently associated with specific IROs, the subject of the assessment.

This allowed for the mapping of both positive and negative impacts (actual or potential) generated or potentially generated by the Group, along with the risks and opportunities to which it is exposed. A framework was therefore developed that considers the entire value chain, analysing the implications from both the inside-out perspective (impact of the company on the environment and society) and the outside-in perspective (influence of external factors on the company).

Impact materiality assessment

A matter is material in terms of impact if it entails significant effects (actual or potential, positive or negative) on people or the environment in the short, medium or long term. Impacts may arise from both the direct activities of the company and its value chain, including products, services and business relationships.

To assess the materiality of impacts, Tozzi Green involved potentially affected stakeholders through a customised questionnaire. As required by the ESRS, impacts were assessed based on their "severity", using three criteria:

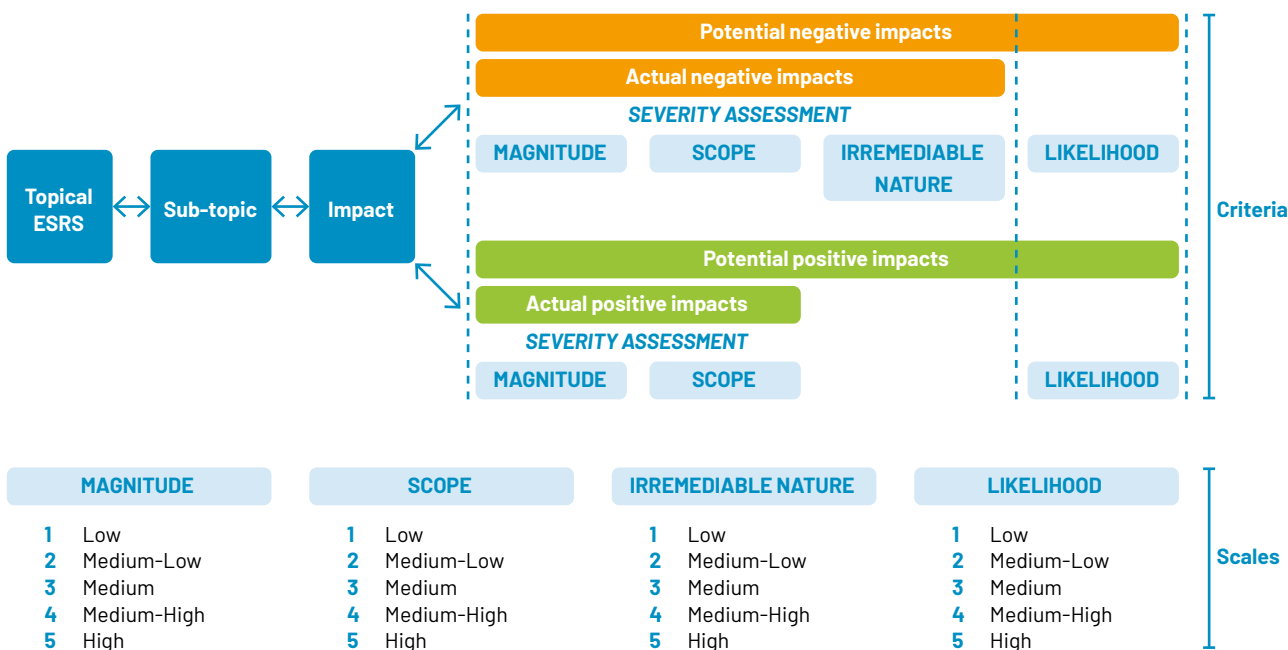
- Magnitude: intensity of impact, positive or negative.
- Scope: extent of impact, in terms of geographical area and number of stakeholders involved.
- Irremediable nature: applicable only to negative impacts, this refers to the difficulty in remedying the impact, considering cost and time.

For potential impacts, an additional assessment parameter is added: the likelihood of occurrence.

In accordance with the CSRD Directive, when assessing potential negative impacts on human rights, priority was given to the magnitude of the impact over its likelihood of occurrence; accordingly, greater weight was assigned to the assessment of severity rather than likelihood of occurrence.

Each impact was assessed on a 5-level scale according to the following criteria:

- Actual negative impacts: magnitude, scope, irremediable nature.
- Potential negative impacts: magnitude, scope, irremediable nature, likelihood.
- Actual positive impacts: magnitude, scope.
- Potential positive impacts: magnitude, scope, likelihood.



Materiality thresholds were subsequently defined, above which an impact was classified as 'material' for reporting purposes.

Financial materiality assessment

A topic is considered financially material if it results in, or can reasonably be expected to result in, significant economic effects for the company. These effects may arise in the form of risks or opportunities that influence the company's development, financial position, economic performance, cash flows, access to credit, or cost of capital, over the short, medium, or long term.

In Tozzi Green's financial analysis, risks and opportunities were assessed according to two factors: potential magnitude and likelihood of occurrence. Economic, legal and reputational thresholds were established for potential magnitude, and percentages for likelihood. Each element was assessed on a five-level scale, based on specific assumptions. In particular, Tozzi Green's assessment considered the organisation's historical data, with an empirically based assessment of the percentage and economic impact.

Final results

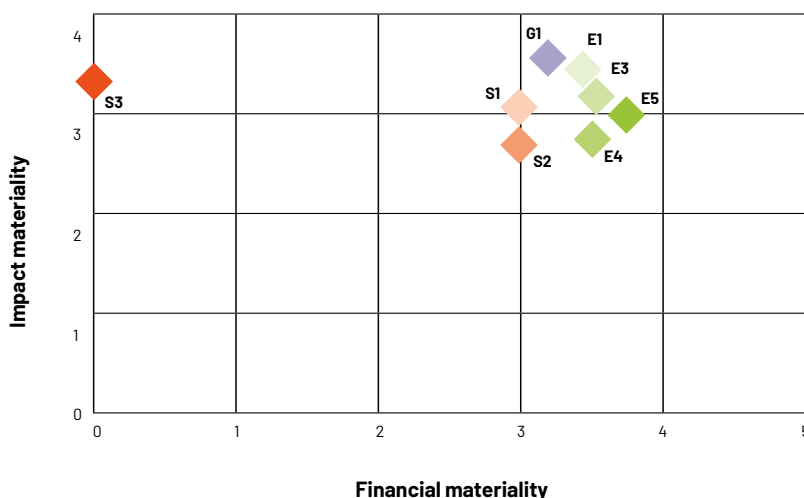
The double materiality assessment started by examining 50 impacts, 60 risks and 16 opportunities related to ESRS topics. Of these, the following were identified as material:

- 11 negative impacts
- 24 positive impacts
- 17 risks
- 6 opportunities

The results of both assessments, impact and financial, were integrated into a unified representation that highlights the most material ESRS topics for Tozzi Green and their materiality from each perspective.

The resulting framework is consistent with the Group's business model and operating strategies. The overall objective of the process was to identify environmental, social and governance impacts, as well as sustainability-related risks and opportunities. The results were organised according to ESRS categories, highlighting the topics most material to Tozzi Green: E1 (Climate change), E3 (Water and marine resources), E4 (Biodiversity and ecosystems), E5 (Circular economy), S1 (Own workforce), S2 (Workers in the value chain), S3 (Affected communities) and G1 (Business conduct).

Topical ESRS
E1 / Climate Change
E3 / Water and marine resources
E4 / Biodiversity and ecosystems
E5 / Circular economy
S1 / Own workforce
S2 / Workers in the value chain
S3 / Affected communities
G1 / Business Conduct



Tozzi Green's strategy is based on a growth model that integrates renewable energy development with a strong commitment to environmental and social sustainability. In this context, environmental risks and impacts are not seen as ancillary elements, but as central components of the company's roadmap.

The expansion of the company, aimed at actively contributing to climate stabilisation, inevitably entails significant effects on the environment and communities. The assessment carried out enabled the precise identification of critical areas and emerging opportunities, providing a clear roadmap of priorities to guide strategic efforts.

The final synthesis of the IROs serves as a strategic compass for the Group: it confirms the consistency of the choices made and strengthens the commitment to preventing negative consequences, while promoting solutions that create shared value. In doing so, Tozzi Green consolidates its vision of a sustainable energy future, where economic growth goes hand in hand with environmental and social responsibility.

Tozzi Green adopts a strategic and conscious approach to integrating sustainability into every dimension of its operations, addressing environmental and social challenges with an innovative spirit and a forward-looking vision. This orientation not only strengthens the solidity of the company, but also generates lasting value for all stakeholders involved.

Although a structured resilience assessment of its business model has not yet been formalised, the company leverages its consolidated expertise to ensure continuity and adaptability of its activities. The integration of renewable energy and agricultural assets is a key pillar for building a resilient and competitive future.

In an ever-changing environment, where stakeholder expectations grow and challenges multiply, sustainability becomes a key driver of competitive advantage. By working specifically on the IROs identified through the assessment, Tozzi Green is preparing to seize new opportunities for growth by developing strategic relationships with clients, partners and innovative projects.

All identified IROs are fully aligned with the reporting requirements of the ESRS. For a comprehensive overview of the disclosure requirements addressed in this sustainability statement, please refer to the Appendix, which provides a detailed summary of the materiality assessment results described in the previous section.

List of material impacts, risks and opportunities

Below is a list, organised by topical ESRS, of the impacts (positive and negative, actual and potential), risks and opportunities identified as material through the double materiality assessment. The time horizons associated with the current/expected financial impacts and effects of risks and opportunities are also reported.

Material impacts:

E1 / CLIMATE CHANGE					
Positive (+) Negative (-)	Actual (A) Potential (P)	Sub-topic	Description	Time horizon	Related to
-	A	Climate change mitigation	Generation of greenhouse gas emissions resulting from the extraction of mineral-based raw materials (lithium, cadmium, silicon, etc.) and the transportation of all raw materials	Long Term	Upstream in the value chain
+	A	Climate change mitigation	Improved soil quality, made more resilient to climate change through experimentation with new drought-resistant plant species	Long Term	Own operations
+	A	Climate change mitigation	Contribution to climate change mitigation through reforestation activities	Long Term	Own operations
+	A	Climate change mitigation	Contribution to climate change mitigation through the company's core business, i.e. renewable energy production	Long Term	Own operations
+	A	Energy	Contribution to the supply of clean energy to consumers, through renewable energy generation	Long Term	Own operations

E3 / WATER AND MARINE RESOURCES

Positive (+) Negative (-)	Actual (A) Potential (P)	Sub-topic	Description	Time horizon	Related to
+	A	Water	Improvement of local water quality through water purification and treatment services in Madagascar	Short Term	Own operations
+	P	Water	Improving of soil water retention capacity through agricultural activities and reforestation	Long Term	Own operations

E4 / BIODIVERSITY AND ECOSYSTEMS

Positive (+) Negative (-)	Actual (A) Potential (P)	Sub-topic	Description	Time horizon	Related to
-	A	Impacts on the extent and condition of ecosystems Factors of direct impact on biodiversity loss Impacts on species status	Environmental damage and/or displacement or loss of species and biodiversity due to inadequate protection of ecosystems and natural capital during the course of operations (e.g. land occupation, transformation of natural habitat, interaction with protected species and/or areas during asset construction, operation or decommissioning)	Medium Term	Own operations
+	A	Direct impact drivers of biodiversity loss	Creation of areas of significant biodiversity value through reforestation activities	Long Term	Own operations

E5 / CIRCULAR ECONOMY

Positive (+) Negative (-)	Actual (A) Potential (P)	Sub-topic	Description	Time horizon	Related to
-	A	Direct impact drivers of biodiversity loss	Reduction in the use of limited natural resources through the extraction, processing, transportation and use of virgin materials (lithium, cadmium, silicon, etc.)	Long Term	Upstream in the value chain

S1 / OWN WORKFORCE

Positive (+) Negative (-)	Actual (A) Potential (P)	Sub-topic	Description	Time horizon	Related to
-	P	Working conditions	Stress and burnout resulting from extended working hours, inadequate remuneration or insufficient resources to manage workload , resulting in reduced employee well-being and productivity	Short Term	Own operations
-	P	Working conditions	Job losses caused by the closure of plants or sites and/or temporary insourcing of activities that are typically outsourced	Short Term	Own operations
-	P	Working conditions	Health and safety incidents affecting personnel , caused by insufficient protective measures and/or unsafe worker behaviour	Short Term	Own operations
-	P	Equal treatment and opportunities for all	Human rights violations and/or cultural conflicts within a diverse workforce (e.g. cases of discrimination or non inclusion of religious groups, minorities and/or women) due to lack of policy implementation and/or inappropriate individual behaviour	Short Term	Own operations
+	A	Working conditions	Support for work-life balance initiatives to promote employee well-being , including flexible working hours	Long Term	Own operations
+	A	Working conditions	Provision and assurance of safe and healthy working conditions to prevent occupational injuries and diseases; promotion of a workplace culture based on health and safety	Long Term	Own operations
+	A	Equal treatment and opportunities for all	Development and creation of a work environment that upholds gender equality and equal treatment principles (through practices such as equal access to employment, income equity, equal career and training opportunities, implementation and information on paternity leave policies)	Long Term	Own operations
+	A	Equal treatment and opportunities for all	Creation of an inclusive and diverse working environment focused on listening and collective growth	Long Term	Own operations
+	A	Equal treatment and opportunities for all	Employee skill development and increased career advancement through continuous training	Long Term	Own operations

S2 / WORKERS IN THE VALUE CHAIN

Positive (+) Negative (-)	Actual (A) Potential (P)	Sub-topic	Description	Time horizon	Related to
-	P	Working conditions	Potential health effects on workers along the value chain (e.g. potential injuries and health and safety damage) as a consequence of long working hours and failure to manage adequate health and safety practices	Short Term	Upstream in the value chain
-	P	Working conditions	Lack of adequate wages as a consequence of unfair payment practices affecting workers along the supply chain (e.g. contractors, suppliers)	Short Term	Upstream in the value chain
-	P	Other work-related rights	Human rights violations affecting workers in the value chain	Short Term	Upstream in the value chain

S3 / AFFECTED COMMUNITIES

Positive (+) Negative (-)	Actual (A) Potential (P)	Sub-topic	Description	Time horizon	Related to
-	P	Civil and political rights of communities	Discontent and protests from local communities due to lack of consultation processes prior to the launch of new projects and/or implementation of existing projects	Medium Term	Own operations
+	A	Economic, social and cultural rights of communities	Creation of employment opportunities for communities located near renewable energy plants and agricultural activities	Long Term	Own operations
+	A	Economic, social and cultural rights of communities	Economic development for communities through payment of wages, payments, taxes and investments in local infrastructure	Long Term	Own operations
+	A	Economic, social and cultural rights of communities	Development of human capital through the implementation of social projects supporting local well-being, health and education as well as through donations and collaborations with local associations	Long Term	Downstream in the value chain
+	A	Economic, social and cultural rights of communities	Growth of economic activities in local communities (such as livestock farming, horticulture, spinning) enabled by reforestation and agroforestry initiatives in Madagascar	Long Term	Downstream in the value chain
+	A	Civil and political rights of communities	Building relationships with local communities based on trust and constructive dialogue, through open and transparent communication , ensuring access to necessary information and practising active listening	Long Term	Own operations
+	A	Economic, social and cultural rights of communities	Improvement of housing conditions , medical care and educational facilities through initiatives in Madagascar	Medium Term	Downstream in the value chain
+	A	Economic, social and cultural rights of communities	Greater availability of drinking water for local communities thanks to water purification and treatment services	Short Term	Downstream in the value chain
+	P	Economic, social and cultural rights of communities	Satisfaction of internal food needs through the development of agricultural activities	Medium Term	Own operations

G1 / BUSINESS CONDUCT

Positive (+) Negative (-)	Actual (A) Potential (P)	Sub-topic	Description	Time horizon	Related to
+	P	Management of relations with suppliers, including payment practices	Ensuring continuity and stability for suppliers through loyalty initiatives and fair payment practices	Medium Term	Upstream in the value chain
+	P	Management of relations with suppliers, including payment practices	Promoting sustainability practices along the supply chain through the implementation of a due diligence and monitoring system	Long Term	Upstream in the value chain
+	A	Corporate culture	Adopting a sound and ethical corporate culture grounded in fairness and honesty aimed at guiding the organisation towards shared objectives	Long Term	Own operations
+	A	Management of relations with suppliers, including payment practices	Selecting suppliers who prioritise environmental and social protection in their business practices (human rights, climate-altering emissions, energy consumption, employee health and safety, responsible use of resources, etc.) whenever technically and/or operationally feasible	Long Term	Upstream in the value chain

Material risks:

E1 / CLIMATE CHANGE

Sub-topic	Description	Time horizon	Related to
Climate change adaptation	Damage to energy production facilities and/or increased maintenance costs due to the increase in extreme weather events, which cannot be controlled or predicted (physical risk)	Medium Term	Own operations
Climate change adaptation	Reductions or disruptions in the operations of power generation plants caused by the increase in extreme weather events, which cannot be controlled or planned (physical risk)	Medium Term	Own operations
Climate change adaptation	Uncertainty in production forecasts due to the business' dependence on natural resources, such as wind or water (physical risk)	Medium Term	Own operations
Climate change adaptation	Potential denied access to funding due to the Group's failure to publish and/or meet climate change mitigation and greenhouse gas emission reduction targets (transition risk)	Medium Term	Own operations
Climate change mitigation	Reduction in investments related to business development projects due to insufficient political and regulatory support for the continued development of renewable energy to address climate change mitigation (transition risk)	Long Term	Own operations
Energy	Possible delays in obtaining authorisations for the construction of new wind, photovoltaic, hydroelectric and bioenergy plants caused by the opposition of some stakeholders locally (transition risk)	Short Term	Own operations
Energy	Decrease in electricity production caused by the lack of regular and extraordinary maintenance of plants (physical risk)	Short Term	Own operations

E3 / WATER AND MARINE RESOURCES

Sub-topic	Description	Time horizon	Related to
Waters	Decrease in electricity production from the Group's hydroelectric plants due to changes in water availability	Medium Term	Own operations

E4 / CLIMATE CHANGE

Sub-topic	Description	Time horizon	Related to
Direct impact factors of biodiversity loss	Increase in costs and/or delays in the start-up and/or missed business development opportunities caused by the introduction of more stringent regulations concerning energy production (e.g. obtaining permits, reduction in available land, etc.)	Long Term	Own operations
Direct impact factors of biodiversity loss	Increase in costs and/or delays in the start-up and/or missed business development opportunities caused by difficulties in finding scarce (e.g. copper) and/or highly sought-after materials (e.g. lithium, cadmium, silicon) required for plant components and electronics	Long Term	Upstream in the value chain
Direct impact factors of biodiversity loss	Potential high upfront costs and uncertainty regarding return on investment related to the implementation of agro-voltaic activities	Medium Term	Own operations

E5 / CIRCULAR ECONOMY

Sub-topic	Description	Time horizon	Related to
Resource inflows, including resource use	Increase in plant costs due to excessive price volatility or rising raw material costs	Long Term	Upstream in the value chain

S2 / WORKERS IN THE VALUE CHAIN

Sub-topic	Description	Time horizon	Related to
Working conditions	Sanctions and/or reputational damage due to non-compliance with workers' rights within the organisation's supply chain	Medium Term	Upstream in the value chain

G1 / BUSINESS CONDUCT

Sub-topic	Description	Time horizon	Related to
Corporate culture	Economic losses due to theft of material information or fraudulent payments, along with damage to the IT infrastructure (desktops, laptops and/or servers) due to an external cyber attack deceiving users	Short Term	Own operations
Management of relations with suppliers, including payment practices	Delays in plant construction processes caused by delays in the supply of raw materials (supply shortages) required for plant construction and/or operation due to current geopolitical conditions	Medium Term	Upstream in the value chain
Management of relations with suppliers, including payment practices	Increase in costs of raw materials necessary for the construction and/or operation of plants due to current geopolitical conditions	Medium Term	Upstream in the value chain
Management of relations with suppliers, including payment practices	Increase in costs caused by financial or operational issues affecting suppliers or developers, with a negative impact on service stability and continuity	Medium Term	Upstream in the value chain

Material opportunities:

E1 / CLIMATE CHANGE

Sub-topic	Description	Time horizon	Related to
Energy	Access to financing instruments (e.g. Green Bonds, ESG Funds and the European Green Deal Investment Plan) that promote sustainable business development projects through specific regulatory frameworks (e.g. EU Action Plan)	Medium Term	Own operations
Energy	Reduction in renewable energy generation costs through the development of new technologies in the sector	Medium Term	Own operations
Energy	Business growth and extension driven by increasing demand for energy from renewable sources	Medium Term	Own operations

E5 / CIRCULAR ECONOMY

Sub-topic	Description	Time horizon	Related to
Resource outflows, including resource use	Maximisation of residual plant value and reuse of components through a revaluation of assets with a view to circularity	Long Term	Own operations

S1 / OWN WORKFORCE

Sub-topic	Description	Time horizon	Related to
Working conditions	Improved business performance and reputation linked to flexible working hours, employee work-life balance, safe working conditions, and respect for corporate diversity and gender equality	Medium Term	Own operations

G1 / BUSINESS CONDUCT

Sub-topic	Description	Time horizon	Related to
Management of relations with suppliers, including payment practices	Improved organisational reputation through sourcing from sustainability-conscious suppliers , whenever technically and/or operationally feasible	Medium Term	Upstream in the value chain

Material topics and omissions

As will be illustrated in the following chapters, the double materiality assessment also highlighted the materiality, for the Group, of the topics addressed by ESRS E4 (Biodiversity and ecosystems), ESRS S1 (Own workforce), ESRS S2 (Workers in the value chain) and ESRS S3 (Affected communities) standards. However, at the end of the financial year, the company did not exceed the threshold of the average number of 750 employees.

In compliance with current regulations, Tozzi Green has therefore decided not to include the information required by ESRS E4 and ESRS S2.

With regard to ESRS S1 and ESRS S3, the company has chosen to disclose the related information, while acknowledging the need to progressively refine the scope and quality of reporting in future years.

ESRS E4 / Biodiversity and ecosystems

In the context of the double materiality assessment, three main sub-topics emerged as material:

- Direct drivers of biodiversity loss
- Impacts on the extent and condition of ecosystems
- Impacts on the status of species

And, specifically, the following sub-topics emerged as material:

- Soil degradation
- Change in land use
- Direct exploitation
- Species population size

Description of the approach to managing the topic

Tozzi Green recognises the protection of biodiversity and ecosystems as a core value of its sustainability strategy. "Biodiversity protection" means the adoption of conservation agriculture practices on heavily degraded land, accompanied by the creation of new ecosystems. These principles find concrete application in the agricultural activities conducted in Madagascar, as well as in the educational farm experiences developed in Ravenna as part of the 'photovoltaic meadow-grazing' project, which integrates energy production, agriculture and environmental enhancement.

In general terms, the Tozzi Green Group's commitment to the topic is structured along three main lines of action:

- Pollution prevention, through constant improvement of the technical and organisational management of the facilities, in order to minimise the environmental impacts of operational activities.
- Protection of the soil, subsoil, water and atmosphere by continuously monitoring potential sources of pollution and taking appropriate operational control measures.
- Sustainable waste management, in full compliance with the regulations in force in the countries where the Group operates, promoting separate waste collection, recycling and recovery. Particular emphasis is placed on the reduction of waste production at source, through the use of technologies that enable its valorisation and reuse in a circular economy perspective, as well as the replacement of non-recyclable materials with biodegradable alternatives.

In managing agricultural activities in Madagascar, Tozzi Green has always pursued objectives of biodiversity protection and sustainable ecosystem management. The approach adopted is based on the use of agricultural practices aimed at preserving soil fertility, such as crop rotations, and constant monitoring of the level of biodiversity in the areas concerned.

This also includes the reforestation project on the Ihorombe plateau, which represents a further step towards protecting the local ecosystem. The project is based on a multi-species model that includes numerous varieties endemic to Madagascar, with the aim of significantly increasing the level of biodiversity in an area historically characterised by an almost total absence of biological varieties.

Tozzi Green has developed an environmental policy with three main areas of intervention, for the protection of biodiversity and the regeneration of ecosystems:

- Direct driver of biodiversity loss: reforestation with native and endemic species contributes to the reconstruction of original forest ecosystems that are now degraded or have disappeared. This approach improves the ecological structure of the environment (in terms of stratification, cover and presence of microhabitats) and increases the capacity of the area to host animal and plant species that require canopy cover. The result is an increase in floristic diversity and, in parallel, an expansion of the habitats available for local fauna.
- Impacts on the extent and condition of ecosystems: the implementation of the multi-species reforestation project on the Ihorombe plateau allows for the physical extension of existing natural ecosystems, while improving their ecological and functional quality. In particular, the creation of ecological corridors between different forest plots favours ecological connectivity and facilitates the movement of fauna from neighbouring ecosystems, contributing to the restoration of the degraded landscape.
- Impacts on the status of species: in a multi-species project tailored to local characteristics, the conservation status of many plant and animal species improves, through increases in population size, habitat extent and quality, and a reduction in direct threats to their survival.

Targets and objectives set in relation to the topic

The establishment of a reforestation project inherently requires the definition of clear, measurable, and time-bound objectives. The primary goal is the long-term development and maintenance of the forest, with a multi-decade time horizon. However, throughout the project lifecycle, intermediate milestones are planned, which must be monitored and assessed in a systematic way.

- Restoration of original forest habitats: Tozzi Green has set itself the goal of establishing 6,000 hectares of new forest by 2027. The actual implementation is monitored through field surveys and annual satellite photo-interpretation, tools that allow for objective and transparent verification of the project's progress. The scientific validity of the actions taken is ensured by the use of forest and floristic inventories and by comparison with the international scientific literature, in particular peer-reviewed articles, such as those published by leading institutions such as the Missouri Botanical Garden (e.g. Schatz).
- Increase in local fauna: the aim is to double the presence of key wildlife indicators (lemurs, forest birdlife) in five years (2024-2029). Monitoring is carried out by means of six-monthly wildlife transects and camera traps, with reference to faunal studies and the IUCN habitat management guidelines.
- Ecological reconnection of the landscape: by 2027, the aim is to connect at least three fragmented habitat cores through reforested corridors and a contiguous arrangement of plots. Validation is carried out through GIS analysis and faunal surveys, using fragmentation maps derived from satellite data (Sentinel-2) and ecological connectivity models.
- Transition towards stable and resilient ecosystems: the goal is to reduce vulnerability to erosion and fire on reforested areas by 30% by 2030. This target is based on hydrological and fire modelling, supported by seasonal soil sampling, remote sensing and validated through FAO protocols for agro-ecological resilience and climatic-hydrological simulations.

Strategic and scientific approach

As a European company with an international vocation, Tozzi Green considers it essential to integrate the conservation of biodiversity and the regeneration of natural ecosystems into its operational and environmental policies and strategies, particularly in projects active in developing countries.

Currently, actions on the Ihorombe plateau in Madagascar aim at generating certified carbon credits, but are designed with a broader and more responsible approach. The projects are based on multi-species reforestation models, using local endemic species, to restore functional habitats, strengthen threatened plant populations and support wildlife.

Activities are planned on the basis of ecological data, floristic analyses and up-to-date scientific studies, in cooperation with universities, local NGOs and environmental experts.

Each intervention is monitored through key environmental indicators (plant cover, floristic diversity, wildlife presence, soil integrity), following internationally recognised scientific standards (IUCN, IPBES, FAO).

Tozzi Green operates with the objective of generating shared value, contributing to the conservation of natural capital in the territories where it is present. The projects are based on the integration of science, corporate responsibility and local community involvement, with the ambition to leave a positive, lasting and measurable impact not only on the climate, but also on ecosystems and biodiversity.

ESRS S2 / Workers in the value chain

In the context of the double materiality assessment, two sub-topics emerged as material:

- Working conditions
- Other work-related rights

The specific sub-sub-topics identified as material were:

- Working hours
- Health and safety
- Adequate wages
- Child labour
- Forced labour

Description of the approach to managing the topic

Tozzi Green places great importance on the control and responsible management of its supply chain, considering it an integral part of its corporate strategy on sustainability and quality. This commitment is reflected in the adoption of a Corporate Management System compliant with ISO 9001:2015, which serves as the reference framework for the pursuit of the strategic objectives defined by the Management.

The Quality Policy is periodically reviewed as part of the annual management system audits, with the aim of guaranteeing its effectiveness, promoting its dissemination and ensuring its full understanding and application by employees, suppliers and stakeholders.

Within the supply chain, Tozzi Green takes a proactive and rigorous approach. Targeted visits and inspections are carried out at key suppliers to verify compliance with applicable regulations and agreed technical specifications. Particular attention is paid to compliance with the Organisational Model 231/2001, as a safeguard for legality, transparency and risk prevention.

The suppliers to be audited are selected by the Procurement function, in cooperation with the QHSE function, taking into account the needs expressed by the technical and operational functions. For example, during the reporting period, inspections were carried out at several Chinese companies supplying strategic materials, in order to assess their reliability, technical capacity and compliance with local labour, environmental, health and safety regulations, as well as their tax and social security compliance.

Tozzi Green's commitment extends beyond upstream value chain activities to all operational phases, with the aim of ensuring high standards of health, safety and environmental protection throughout the entire project lifecycle. This approach encompasses design, procurement, production, installation, commissioning and maintenance of facilities. This integrated vision reflects full alignment between the Quality Policy and the company's Health, Safety and Environmental Policies, promoting responsible and sustainable management at every stage of the production process.

Tozzi Green has adopted a Social accountability policy that actively opposes all forms of child or forced labour, in line with the major international standards on human rights and decent work. This principle is binding not only for the organisation itself, but also for suppliers, sub-suppliers and subcontractors, who are required to comply strictly. Compliance with these requirements is subject to monitoring, with the aim of preventing and managing possible risk situations throughout the entire value chain.

Finally, in line with its corporate values, the Group has adopted a Gender Equality Policy that promotes the extension of the culture of equality also outside the organisation. The aim is to actively engage stakeholders and fos-

ter inclusive practices throughout the supply chain, encouraging fair and respectful behaviour towards diversity at every stage of the collaboration process.

As previously mentioned, although not currently subject to mandatory reporting standards, Tozzi Green has chosen to voluntarily disclose information in accordance with ESRS S1 and S3, with the aim of progressively improving the quality of its sustainability reporting.

ESRS S1 / Own workforce

Below is an overview of ESRS S1, which will be discussed in more detail in the dedicated section. In particular, the material sub-topics that emerged from the double materiality assessment are:

- Working conditions
- Equal treatment and opportunities for all

The specific sub-sub-topics are as follows:

- Secure employment
- Work-life balance
- Adequate wages
- Health and safety
- Diversity
- Working hours
- Gender equality and equal pay for work of equal value
- Employment and inclusion of persons with disabilities
- Measures against violence and harassment in the workplace
- Training and skills development
- Social Dialogue
- Freedom of association, including the existence of works councils
- Collective bargaining

Description of the approach to managing the topic

Tozzi Green acknowledges that its true competitive driver lies in its people. Motivated, skilled and engaged employees are a key strategic lever to meet the challenges of the global market. For this reason, the company constantly invests in creating stimulating and inclusive working environments that are geared towards active participation, creativity and individual empowerment.

Human resources management is geared towards enhancing the potential of each individual, promoting behaviours oriented towards personal and professional growth. The aim is to create the conditions for the development of lateral thinking and innovation through training experiences that strengthen skills and encourage each individual's creative contribution.

Among the strategic priorities of workforce management are employment protection, recognition and development of competencies, psychological well-being, occupational health and safety, and the promotion of gender equality at all levels of the organisation.

HR activities are based on periodic assessments that allow for monitoring the effectiveness of implemented programmes and, where necessary, improving or replacing them. This approach applies in particular to training and the goal-oriented management model.

Human Resources training

Training is a strategic pillar for Tozzi Green, as a key driver for individual growth and the strengthening of corporate culture. The company offers a wide range of training courses, designed to develop core competencies consistent with its values: initiative, business sustainability, operational excellence, responsibility, ethical leadership, people management, openness and teamwork.

From 2017 to 2024, thanks to its partnership with Il Sestante/Confindustria, employees were able to access a broad and diverse training catalogue, supplemented by specialised courses (e.g. Project Management, foreign languages) delivered by qualified partners.

In addition to standard training modules, Tozzi Green regularly organises targeted training sessions, both in-person and remotely, on strategically material topics such as gender equality, excellence, diversity and team building. A significant example is the 'Diversity is strength' project, aimed at the entire corporate population.

Occupational health and safety management

Health and safety is an essential component of Tozzi Green's corporate strategy. For years the company has adopted an integrated policy in which the protection of workers' health and safety is closely linked to environmental protection and sustainability goals. In this context, all Group companies are committed to identifying priority areas for action and pursuing the following strategic objectives:

1. Provide safe and healthy working conditions for the prevention of work-related injuries and illness.
2. Eliminate hazards, prevent and minimise risks, and implement opportunities for improving occupational health and safety and environmental performance.
3. Maintain regulatory compliance, ensuring that all Group activities, products and services meet applicable occupational health and safety and environmental legislation, authorisation documents and voluntary standards.
4. Prevent pollution from the operation of plants by optimising the technical and organisational management of their facilities and activities.
5. Protect soil, subsoil, water and air by keeping potential sources of pollution under control, and by taking appropriate operational control measures.
6. Optimise waste management, giving priority to waste recovery, promoting separate waste collection and reducing the quantity produced through better planning of activities.
7. Take the necessary measures to reduce risks to safety, human health and public security, and any environmental impact related to emergency situations in the operation of plants.
8. Carry out training activities and promote the responsibility and awareness of employees at all levels regarding the importance of prevention and protection and care for the environment.
9. Ensure transparency in communications with institutional stakeholders, local communities, associations and clients, providing all the information needed to understand the environmental impacts of production activities. The objective is to consolidate trust in the activities of Tozzi Green and its subsidiaries, while fully respecting the needs and expectations of all stakeholders.
10. Select suppliers of goods and services who share, in terms of intentions and implemented behaviour, Tozzi Green's occupational health and safety safeguarding principles, and develop stable and mutually beneficial cooperation relations with them.
11. Guarantee workers the opportunity for open and fair discussion on occupational health and safety issues, also by promoting a "No Blame Culture" that encourages everyone's participation in the continuous improvement of the company's health, safety and environmental protection performance.

12. Recognise the authority of all parties involved in business processes to stop work in the presence of serious and imminent danger, and the freedom to report unsafe conditions or behaviours.
13. Conduct an annual review of corporate performance in health, safety, and environment, during which the adequacy and implementation level of the corporate policy are assessed, and improvement objectives and plans are defined in line with activities and identified critical aspects. During the reporting period, 'hybrid smart working' was also maintained on a voluntary basis for all staff, a mode introduced during the pandemic lock-down period. Employee may opt for a flexible and simplified remote working arrangement, provided that the work can be performed safely and securely, in compliance with data confidentiality requirements and with adequate internet connectivity.

The Group's commitment to diversity and inclusion

A further tangible sign of Tozzi Green's commitment to the promotion of a fair and inclusive working environment is the achievement, at the end of 2023, of the UNI/PdR 125:2022 certification relating to the Gender equality management system. This milestone confirms the Group's willingness to adopt a structured and measurable approach to the enhancement of diversity.

As evidence of the strategic relevance of the topic, CEO Andrea Tozzi has signed the Gender Equality Policy, which commits the entire organisation to fostering a workplace based on respect, fairness and mutual trust.

To ensure effective and continuous supervision, a Steering Committee has been established, consisting of the CEO, the General Manager and the HR Manager.

The Committee is responsible for coordinating gender equality activities and handling any reports of non-compliance (such as harassment or bullying), through a dedicated channel available on the company website, which guarantees anonymity and confidentiality.

The Gender Equality Policy clearly outlines the company's commitments, which include:

- compliance with constitutional and regulatory principles on equality;
- adoption of measures to promote female employment;
- removal of barriers to effective equality, such as pay gaps and obstacles to career progression and access to training;
- promotion of shared parenting and work-life balance;
- prevention of harassment and the creation of a respectful workplace;
- inclusion of equality principles in recruitment, hiring and personnel management processes;
- extension of the culture of inclusion also beyond the organisation, involving stakeholders and partners.

Tozzi Green has always been committed to building a working environment where each person can feel valued, protected and an active part of a common project oriented towards innovation, sustainability and respect.

ESRS S3 / Affected communities

With regard to the topic of affected communities, the following sub-topics emerged as material:

- Economic, social and cultural rights of communities
- Civil and political rights of communities

The specific sub-sub-topics identified as material include:

- Freedom of expression
- Freedom of association
- Land-related impacts
- Adequate housing
- Safety-related impacts
- Access to water and sanitation services

Description of the approach to managing the topic

Tozzi Green sees local development not merely as a consequence of its own activities, but as a strategic objective to be pursued with responsibility and long-term vision.

The Group's business initiatives go beyond producing clean energy for the benefit of the affected communities, but aim to actively contribute to promoting the social and cultural development of the territories in which it operates.

Each intervention is accompanied by support programmes developed through participatory processes, in close cooperation with local communities, in order to respond effectively to specific needs.

These programmes may include building infrastructure, strengthening education and health services, supporting cultural activities and promoting local economic initiatives.

Prior to start-up, each project is preceded by preliminary studies to assess its impacts, both in the short and long term, with the aim of maximising the benefits for collective well-being.

Programme activation always follows a structured process of information, discussion and agreement with local stakeholders.

Once implemented, actions are subject to periodic evaluations, similar to financial investments, and the results are reported in a transparent manner to principals, competent authorities and financial partners, according to agreed procedures.

The social and economic impacts generated by Tozzi Green's activities are structured across three main levels:

- 1.** Direct effects, linked to core business activities: wages and salaries, payments to suppliers, taxes and fees paid locally and nationally. On a social level, these effects translate into job creation and skills development through training and professional experience.
- 2.** Indirect effects, related to the downstream activities generated along the supply chain: costs incurred by suppliers to fulfil orders, generated employment, and tax and social security contributions. Here too, the employment impact extends beyond the company boundaries.
- 3.** Induced effects, resulting from the economic multiplier linked to staff consumption and direct and indirect investments. These effects are reflected in increased local demand and further development of human capital, in terms of cultural growth and improved educational levels.

Tozzi Green is aware that the protection of social, economic and cultural rights, such as the right to work, education and care, is a primary responsibility of public institutions.

However, the Group recognises its role in contributing, within the limits of its possibilities, to the concrete realisation of these rights, especially in the contexts in which it operates.

Tozzi Green's Code of Ethics fully reflects this commitment, clearly affirming the principles of equal opportunities, respect for diversity, rejection of all forms of discrimination and protection of the rights of local people.

Operating across two continents and in heterogeneous cultural contexts, the company adopts inclusive procedures and ensures equal opportunities for professional development, regardless of gender, origin, language or personal beliefs.

All employees are expected to maintain respectful and fair behaviour, and are encouraged to report any violations of ethical principles through the whistleblowing channel, which ensures confidentiality and protection.

ENVIRONMENTAL INFORMATION



Environmental information

Tozzi Green's environmental policy

The Tozzi Green Group operates in the international market in full compliance with sustainability principles as an integral part of its business processes. The Group's environmental policy is based on seeking an optimal balance between environmental protection and economic growth. In accordance with what is stated in the Code of Ethics, all Group companies are committed to continuously improving the environmental impact of their activities through energy saving programmes, by optimising the consumption of natural resources, by reducing waste and emissions through the use of the best available technologies and the recovery of materials. The group obtained EN ISO 14001 certification, testifying to the effectiveness and compliance of its Environmental management system with the highest international standards.

Companies undertake to comply with the relevant environmental laws and regulations; to adopt the necessary precautions and provisions for the prevention of environmental pollution; to promote resource awareness and responsibility in company activities through appropriate information and training programmes. Tozzi Green's environmental policy is integrated with its health and safety policy, and includes three main lines of action:

- prevention of pollution resulting from the operation of its plants by constantly optimising the technical and organisational management of its facilities and activities;
- protection of soil, subsoil, water and air by keeping potential sources of pollution under control, and by taking appropriate operational control measures;
- sustainable waste management, in compliance with regulations in force in the countries where the Group operates - focusing on separate collection, recycling and recovery - and prioritising reduction of waste production through technologies that enable valorisation and reuse in line with circular economy principles, as well as the replacement of non-recyclable or non-reusable materials with biodegradable products.

The Group's environmental policy includes stringent protocols on procedures and periodic monitoring, which takes the form of inspections aimed at verifying the correct application of environmental protection regulations, considered the necessary conditions to avoid environmental accidents.

Inspections give rise to detailed reports in the event of non-compliance with the prescribed behavioural protocols, with identification of the causes and the measures necessary to avoid the recurrence of potentially dangerous situations.

Internal control activities are carried out systematically to ensure continuous improvement.

Environmental management of the company's activities, in all the countries where Tozzi Green operates, is monitored by the Group's QHSE function and accounted for in the reports that are periodically requested by national public authorities, such as the Office National pour l'Environnement in Madagascar, or by private funding institutions, according to IFC standards, which require environmental and social impact assessments for funding approval.

2.1

Climate change

Policies and processes

SBM-3 / Material impacts, risks and opportunities and their interaction with strategy and business model

E1-1 / Transition plan for climate change mitigation

Climate change mitigation policies

The company implements environmental policies that include pollution prevention, soil, subsoil, water and air protection, and waste management. These policies are crucial for climate change mitigation. The company is committed to reducing potential environmental impacts by promoting respect and conservation of the environment, raising awareness among employees and suppliers, and adopting models based on the circular economy. Moreover, since Tozzi Green's core business is the production of energy from renewable sources, the entire business model contributes to climate change mitigation. The company actively collaborates with universities and research centres to develop innovative and sustainable solutions, integrating renewable energy, agriculture and reforestation to combat climate change.

It is also worth noting that CO₂ emissions decreased during the reporting period, mainly due to contracts ensuring electricity from renewable sources in Italy and the reduction of agricultural diesel consumption resulting from crop selection strategies. In the same period, the use of fossil fuels in agricultural activities decreased further, thanks to the increasingly limited use of heavy machinery. Studies are also underway to enhance the use of renewable sources as an alternative to fossil fuels for energy production. Based on the evidence provided, Tozzi Green considers its business compatible with the goal of limiting global warming to 1.5°C in line with the Paris Agreement. Further assessments, such as the definition of quantitative GHG emission reduction targets to be validated with the support of the Science-Based Target Initiative, are currently underway.

Given the nature of its business, the Group has adopted environmental policies without, to date, developing a specific transition plan for climate change mitigation, as its activities and policies already contribute to internationally defined decarbonisation objectives.

Although the company has not yet conducted a formal climate resilience assessment covering its entire business, the double materiality assessment identified a number of material physical and transition risks, as outlined in the introductory section of this Disclosure. Furthermore, the development of new renewable energy plants already takes into account, during the planning, design and construction phases, climate-related risks such as potential flooding or rising temperatures. In this regard, reference is made to the works carried out in 2024 for the agri-voltaic plant at Passo Cavaliere, to be built in the province of Catania, with construction scheduled to begin in the second half of 2025. For this plant, energy yield assessments considered various scenarios of increased average temperature (baseline scenario: +2°C compared to the historical average of 2010–2020), in order to account for the potential reduction in photovoltaic module efficiency and inverter derating limitations. These fac-

tors were also incorporated into the plant's 25-year financial simulations. For the same plant, pending the finalisation of the Hydrogeological Management Plan for the Sicily region, Tozzi Green deemed it appropriate to conduct a detailed study of the flood risk from the Simeto River during the design phase. This led to the decision to: (i) appropriately sized foundations for the tracker systems in order to avoid their failure in the event of flooding, (ii) the positioning of certain key components (tracker system manoeuvring organs, inverter cabins, SCADA room, etc.) at a height above ground level so as to considerably reduce the risk of failure in the event of flooding of the area. This analysis methodology is also currently used for other plants, regardless of the renewable source, that are in the development phase.

Operating as an integrated producer of renewable energy and an active player in sustainable agriculture, Tozzi Green contributes significantly to the achievement of the UN Sustainable Development Goals (SDGs), in particular Goal 7 (Affordable and clean energy), Goal 9 (Industry, innovation and infrastructure), Goal 13 (Climate action) and Goal 15 (Life on land). The synergetic approach between energy production from renewable sources (wind, solar and hydro) and regenerative agricultural practices allows the Group to reduce greenhouse gas emissions, promote territorial resilience and contribute to the protection of biodiversity.

Identified decarbonisation levers and main planned actions

Tozzi Green has identified an articulated set of strategic levers to make a concrete contribution to climate change mitigation by integrating environmental sustainability into its operating and development model.

First and foremost, the company continues to pursue with determination the development and management of renewable energy generation projects, including solar, wind and hydroelectric power. The direct management of the entire supply chain - from site selection to plant construction and maintenance - maximises efficiency and significantly reduces CO₂ emissions. Special attention is paid to the agri-voltaic sector, an area in which Tozzi Green has launched innovative initiatives that combine energy production with the recovery and valorisation of marginal land. These projects generate significant environmental benefits, including soil carbon sequestration, reduced evaporation and more efficient use of water resources, as well as reduced use of chemical fertilisers through organic or integrated farming practices.

Furthermore, the presence of the photovoltaic modules contributes to the protection of the underlying crops from extreme weather events, improving the overall resilience of the area.

This approach is gradually being extended to projects under development, with the aim of indirectly decarbonising the agricultural supply chain. At the same time, Tozzi Green promotes energy efficiency through the adoption of advanced technologies and operating practices geared towards waste reduction.

The integration of renewable energy, agriculture and innovation is a distinctive element of the company's strategy, aimed at optimising the use of natural resources and generating environmental and social value.

Aware of the impossibility of completely zeroing emissions, the company also invests in offsetting projects, such as reforestation and forest conservation. Tree planting initiatives have already been launched with the aim of generating carbon credits and contributing to the regeneration of local ecosystems.

Finally, technological innovation is a cross-cutting pillar of all the Group's activities. Tozzi Green actively collaborates with universities and research centres to develop sustainable and replicable solutions that enhance the positive impact of its activities on climate and the environment.

Quantification of the company's investments and financing supporting the implementation of the transition plan and the company's plans or objectives to align its economic activities with the criteria set out in Commission Delegated Regulation 2021/2139

At present, the assessment of costs in terms of CapEX and OpeX allocated to the reduction of GHG emissions for the construction of new plants, including the impact of technological and design choices aimed at reducing GHG emissions, is included within the business plans of the individual initiatives. Given the nature of Tozzi Green's activities (development, design, construction, maintenance and operation of renewable energy production plants), the business is in fact completely geared towards reducing GHG emissions.

At present, there are no CapEx, CapEx plans, or OpEx of the company to align its economic activities with the criteria set out in Delegated Regulation 2021/2139 of the European Commission. However, the company is considering integrating these aspects from next year, in line with regulatory developments and a growing commitment to transparency and sustainability. This perspective reflects Tozzi Green's ongoing commitment to monitor and communicate the impact of investments and operating expenditure on its environmental performance in a timely and structured manner, in line with the growing expectations of stakeholders and regulators.

Locked-in emissions

The concept of 'locked-in emissions' refers to unavoidable future emissions from existing or planned infrastructure and long-term activities that will continue to emit greenhouse gases throughout their lifetime. In general, Tozzi Green's renewable energy business does not generate significant locked-in GHG emissions, unlike fossil infrastructure. Nevertheless, the use of fossil fuel-powered machinery and means of transport is a significant source of 'locked-in emissions' because it introduces a constant and predictable amount of greenhouse gas emissions into the company's operating cycle that will continue to be released throughout the useful life of those means. Once purchased and put into operation, these assets are difficult to replace in the short term, both for economic and logistical reasons, and therefore bind the company to a certain level of future pollution. For the next three years, Tozzi Green is considering various scenarios, such as reducing the number of diesel- and petrol-powered cars in favour of electric/hybrid cars and the use of biofuels (e.g. Diesel HVO capable of reducing emissions by 90%).

EU benchmarks aligned with the Paris Agreement

EU benchmarks aligned with the Paris Agreement are a type of financial benchmark that aims to support investments towards a low-carbon and climate-resilient economy in line with the objectives of the Paris Agreement. While they are designed to promote sustainability, they may exclude certain activities or sectors that do not meet the established sustainability criteria, such as carbon-intensive activities. Tozzi Green is not excluded from EU benchmarks aligned with the Paris Agreement.

GOV-3 / Integrating sustainability performance into incentive systems

The company does not take climate considerations into account in the remuneration of members of the administrative, management and supervisory bodies. Consequently, no percentage of their remuneration recognised in the current period is linked to these considerations.

Tozzi Green's Board of Directors annually approves the Sustainability Disclosure.

IRO-1 / Description of the processes to identify and assess material climate-related impacts, risks and opportunities

In the context of double materiality, Tozzi Green implemented a process to identify and assess climate change impacts, risks and opportunities, with a specific focus on GHG emissions and impacts along the value chain. First, the company conducted a qualitative analysis of its operations to identify the magnitude of direct (Scope 1) and indirect (Scope 2 and 3) emission sources. More information on how the assessment was conducted can be found in the introductory part of the Disclosure. Below is a list of actual positive impacts related to climate change (no potential impacts were identified with respect to climate change):

- Improved soil quality, made more resilient to climate change by experimenting with new drought-resistant plant species;
- Contribution to climate change mitigation through reforestation activities;
- Contribution to climate change mitigation through the the company's core business of renewable energy production;
- Contribution to the supply of clean energy to consumers, through renewable energy generation.

Below is also the actual negative impact identified:

- Generation of greenhouse gas emissions from the extraction of mining raw materials (lithium, cadmium, silicon, etc.) and the transport of all raw materials (actual negative impact).

By conducting the double materiality assessment, the company identified the following material risks as physical risks:

- Damage to energy production plants and/or increased maintenance costs of plants caused by an increase in extreme weather events that cannot be controlled or planned;
- Reductions or interruptions in the operations of power generation plants caused by an increase in extreme weather events that cannot be controlled or planned;
- Uncertainty about production estimates due to the business' dependence on natural resources, such as wind or water.

In addition, Tozzi Green identified the following transition risks:

- Reduced project-related investments in business development due to insufficient political and regulatory support for the continued development of renewable energy to address climate change mitigation;

- Potential denied access to funding due to the Group's failure to publish and/or achieve climate change mitigation and greenhouse gas emission reduction targets.

Finally, the Group has identified the following opportunities:

- Access to financing instruments (e.g. Green Bonds, ESG Funds and the European Green Deal Investment Plan) that promote sustainable business development projects through specific regulatory frameworks (e.g. EU Action Plan).
- Reduction in renewable energy generation costs through the development of new technologies in this field;
- Growth and extension of business due to increased demand for energy from renewable sources

The analysis of risks and opportunities through the double materiality approach did not consider specific science-based climate scenarios. The company is committed to integrating such scientific scenarios into its assessments from next year onwards, so as to ensure a more comprehensive and robust analysis of climate risks and related opportunities. This step is a key element in aligning management and reporting strategies with the latest international standards and supporting business decisions based on objective and up-to-date data, thus enhancing business resilience and transparency towards stakeholders.

E1-2 / Policies related to climate change mitigation and adaptation

The IROs identified by Tozzi Green through the double materiality assessment are, in general, addressed and integrated into corporate sustainability policies and conduct. This means that the critical areas that emerged from the assessment are concretely reflected in the company's operational strategies and guiding principles.

With regard to material risks, Tozzi Green addresses potential environmental and social issues related to its production activities, as outlined in its integrated corporate policy. The company is committed to transparency in its communications to local communities, providing all the information needed to understand the environmental effects of industrial and agricultural operations. This approach aims to consolidate trust in Tozzi Green and its subsidiaries by promoting an open dialogue that respects the needs and expectations of all stakeholders involved.

At the same time, the company is actively engaged in the prevention of pollution resulting from the operation of its plants, through the optimisation of the technical and organisational management of its facilities. This means taking operational measures that minimise emissions, waste and negative impacts on the environment, while ensuring the efficiency and safety of production processes.

With regard to the identified material negative impact (i.e. the generation of greenhouse gas emissions from the extraction of mining raw materials - lithium, cadmium, silicon, etc.- and the transport of all raw materials) Tozzi Green already analyses the supply chain with the aim of identifying suppliers that demonstrate a tangible commitment to environmental issues. In this context, the company favours relations with more sustainability-conscious suppliers, i.e. those that adopt sustainable practices, and, where possible, favours collaboration with local suppliers. In addition, Tozzi Green plans to calculate Scope 3 emissions, i.e. indirect emissions generated along the entire value chain, including suppliers, transport, use and end-of-life of products. This step marks a significant advancement in corporate sustainability management, offering a more comprehensive understanding of the material environmental impacts associated with the supply chain. Once Scope 3 data has been obtained, the company will consider how to address these impacts in a targeted manner, adopting mitigation strategies and actively involving supply chain partners. The company is also considering setting specific targets at the group level for scope 1, 2 and 3 to mitigate the risks identified through the double materiality assessment.

E1-3 / Actions and resources related to climate change policies

Tozzi Green is strongly committed to climate change mitigation through renewable energy production. This commitment is reflected not only in the company's day-to-day operations, but also in its long-term strategy, which includes the development of an increasing number of wind and photovoltaic plants, resulting in increased energy production. Tozzi Green is a progressively expanding Group, which operates with a long-term development perspective, both in terms of economic results and the effects of the business on sustainability of the planet. The typical activity in favour of the energy systems of countries where the Group operates is, in fact, aimed at enhancing electricity production from renewable sources, thus proportionately reducing GHG emissions. Long-term development thus implies investing in environmental protection and innovation, which is Tozzi Green's typical way of tackling market challenges. The economic results are used to ensure long-term soundness and further development for the benefit of all stakeholders.

Thanks in large part to the unlocking of project authorizations across the national territory—carried out by the Presidency of the Council of Ministers under both the Draghi government and the current Meloni administration—Tozzi Green will be able to double its energy production once the authorized plants are completed. During the reporting years, investments in new plants have accelerated, especially in Italy.

Table 1 - Tozzi Green Group's multi-year investments in plant and infrastructure

MULTI-YEAR INVESTMENTS IN PLANT AND INFRASTRUCTURE (THOUSANDS OF EURO)				
	2024	2023	2022	
Total	110,725,000	€ 12,611,000	€ 44,815,406	€
Of which:				
Italy	108,623,000	€ 11,352,280	€ 40,093,672	€
Madagascar	2,102,000	€ -	€ -	€
Other	-	€ 1,259,000	€ 4,722,000	€
Of which:				
Hydroelectric	1,872,000	€ -	€ -	€
Photovoltaic	4,896,000	€ 495,906	2,352,000	€
Wind	103,728,000	€ 10,857,374	€ 39,294,054	€
Biomass and biogas	-	€ -	€ -	€
Rural Electrification	-	€ 1,259,000	€ 3,167,087	€
Agriculture (Madagascar)	229,000	€ -	€ -	€

With particular reference to climate change adaptation actions, in the agricultural sector, the effects of climate change in the southern areas of Madagascar have been particularly evident. Over the last five years, rainfall has progressively decreased and become erratic. Faced with a disappointing yield from maize cultivation in 2022, the company decided to use the results of many years of scientific research in the field to replace it with other species with low water demand and more resistant to locust attack (sorghum and millet). At the same time, experiments with teff, a cereal with low water demand that is widely cultivated in Ethiopia, began, and seed selection and production was enhanced.

Indeed, Madagascar lacks local seed producers who adopt a scientific approach. The development of affordable indigenous production to replace very expensive imports is an interesting market potential. In 2024, seed production continued successfully, ensuring a constant, high quality supply for the next phases of the project. At the same time, the company has started reforestation activities, paying particular attention to the selection of native species and sustainable planting techniques, with the aim of favouring the recovery of local ecosystems and promoting biodiversity.

A significant aspect of this was the drastic cut in the use of heavy vehicles during operations, thus reducing the environmental impact related to emissions. At the same time, the company strengthened the integration of local communities into the business, actively involving them in production and reforestation activities. This participatory approach not only fosters inclusive economic development, but also helps to create a bond of shared responsibility towards land protection.

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

Tozzi Green is committed to reducing GHG emissions through several actions. The Group's environmental policy aims to strike a balance between environmental impact and economic growth, pursuing continuous improvement of the environmental impact of its activities. This is achieved through energy saving programmes, optimisation of natural resource consumption, reduction of waste and emissions, and the use of the best available technologies for material recovery. In addition, Tozzi Green promotes awareness and responsibility of its resources through information and training programmes.

Tozzi Green has an Annual QHSE Objectives Plan with specific monthly monitoring reports. This plan includes the objective of periodic (three-year) renewal of the multi-site ISO 14001:2015 (Environment) certification, directly related to the sphere of climate change.

Through its QHSE 2025 Annual Plan, Tozzi Green has defined a set of targets that concretely reflect the positive material impacts identified in the double materiality process, with a focus on agricultural and infrastructure activities in Madagascar. One of the main objectives is the development of an action plan for the gradual transition from fossil fuels to renewable energy sources. Another key objective is the reduction of the company's direct environmental impact and the indirect impact generated by employee behaviour. This translates into awareness-raising initiatives, improvements in operational efficiency, and the promotion of sustainable practices both within and beyond the organisation. Particular attention is paid to waste management and the responsible use of resources. In Madagascar, the company has launched pilot projects involving low water-demand crops to adapt to the effects of climate change and enhance agricultural resilience.

Due to the nature of its activities and business model, the Group has not established quantitative GHG emissions reduction targets.

E1-5 / Energy consumption and mix

Table 2 - Energy consumption and mix of the Tozzi Green Group

	UNITS OF MEASUREMENT	2024
Total energy consumption from fossil sources	MWh	1,621,999.00
Total energy consumption from nuclear sources	MWh	0
Total energy consumption from renewable sources:	MWh	2,940,614.00
i. consumption of fuels from renewable sources	MWh	0
ii. consumption of electricity, heat, steam and cooling from renewable sources, purchased or acquired	MWh	1,074,503.00
iii. consumption of self-generated renewable energy without using fuels	MWh	1,866,111.00
Total energy consumed	MWh	4,562,613.00

Table 3 - Energy production from renewable sources

	UNITS OF MEASUREMENT	2024
Electricity production from wind energy	MWh	154,645,824.00
Electricity production from photovoltaics	MWh	42,234,992.00
Electricity production from hydropower	MWh	162,057,556.00
Electricity production from biogas	MWh	0
Total energy produced from renewable sources	MWh	358,938,372.00

E1-6 / Gross GHG emissions - Scope 1, 2, 3 and total GHG emissions

Table 4 - Gross GHG emissions - Scope 1 and 2 and total GHG emissions¹

	UNITS OF MEASUREMENT	2024
GHG EMISSIONS OF SCOPE 1		
Gross GHG emissions of Scope 1	tCO ₂ eq	1,598.54
GHG EMISSIONS OF SCOPE 2		
Gross indirect GHG emissions of Scope 2 (location-based)	CO ₂ eq	997,018.17
Gross indirect GHG emissions of Scope 2 (market-based)		805,705.00
Total location-based GHG emissions	tCO₂eq	998,616.71
Total market-based GHG emissions	tCO₂eq	807,303.54

Table 5 - Emission intensity rate

	2024
Location-based GHG intensity rate	1.1072%
Market-based GHG intensity rate	0.8951%

¹ Methodology used to calculate and measure GHG emissions: For the gross GHG emissions of Scope 1, the calculation was based on the volume of fuel consumed (diesel and petrol) by vehicles, agricultural machinery, and diesel generators, as well as the cubic metres of natural gas used for heating. The spreadsheets made available by the GHG Protocol were used as calculation tools, divided into 'GHG Emissions from Stationary Combustion' for diesel generators and 'GHG Emissions from Transport or Mobile Sources' for motor vehicles and agricultural vehicles. Emission factors were directly sourced from the GHG Protocol spreadsheets and are as follows:

- 1)** diesel (motor vehicles and agricultural vehicles): 2.63 kgCO₂/litre;
- 2)** petrol (vehicles): 2.33 kgCO₂/litre;

- 3)** diesel (diesel generators): 74100 gCO₂/TJ;
- 4)** methane (boilers): 56100 gCO₂/TJ.

For Scope 2 gross indirect GHG emissions (location-based), the calculation was performed by multiplying the MWh consumed by the factor equivalent to 0.369814958497697 kgCO₂eq/kWh, sourced from EcolInvent. For Scope 2 gross indirect GHG emissions (market-based), after identifying the energy mix, each MWh from each source was multiplied by the specific emission factor (0 for renewables, 1000 kgCO₂/MWh for coal (bituminous) 1100 kgCO₂/MWh for lignite, 380 kgCO₂/MWh for natural gas, 765 kgCO₂/MWh for petroleum products, 0 kgCO₂/MWh for nuclear, 325 kgCO₂/MWh for other sources).

E1-7 / GHG emissions removals and mitigation projects financed through Carbon credits

Starting in 2023, Tozzi Green has initiated a major reforestation project in the Ihorombe region of Madagascar, with the aim of contributing to climate change mitigation and improving local microclimatic conditions. The initiative involves the planting of perennial tree species and is a long-term intervention, with an estimated duration of at least 40 years. The project requires and will continue to require an intensive programme of local stakeholder involvement, as well as an increasing use of manpower, both in the installation phase of the forest and in its subsequent maintenance.

Reforestation, scientifically recognised as one of the most effective practices to combat climate change on a large scale, brings significant environmental benefits, not only within the reforested areas, but also in the surrounding territories. The main positive effects include improving soil quality, protecting animal and plant biodiversity and increasing the resilience of local ecosystems. The areas covered by the project are unevenly distributed over a large and fragmented territory, alternating with land used for different purposes.

From a climatic point of view, it is conservatively estimated that the project can generate more than 4,000,000 tonnes of CO₂ removal over the next 40 years, with the aim of progressively extending the reforested area to reach a total capacity of more than 6,000,000 tonnes of CO₂ over the same time frame. The forest's CO₂ sequestration capacity is influenced by multiple factors, including the tree species selected, their growth indices, the spatial arrangement of plants and the maintenance practices adopted to ensure the survival and health of the ecosystem. The reforestation model adopted by Tozzi Green involves the use of mixed modules composed of fast-growing native and endemic species, such as *Acacia auriculiformis*, *Acacia mangium* and *Acacia leptocarpa*, which reach their maximum volumetric growth in the first 20–25 years of the forest's life. These are complemented by species with slower growth in the early years, such as *Terminalia mantaly* and *Albizia* spp., which ensure the continuity of carbon sequestration and the long-term viability of the forest. The project includes a life-cycle monitoring system for the planted species, with the possibility of replacement in the event of mortality, thus ensuring the permanence of the forest for its entire planned duration.

Forest management is supported by a strict protocol to prevent fire, disease and illegal logging – factors that could compromise the overall CO₂ sequestration capacity. It is important to emphasise that the Satrokala multi-species project does not envisage any commercial use of timber, ensuring that the reforested areas are fully preserved. In the specific context of the Ihorombe region, reforestation is also a concrete response to critical environmental issues such as water scarcity, low soil fertility, erosion and loss of biodiversity. As a complement to the forestry project, Tozzi Green started an agroforestry initiative on about 200 hectares, of which 60 hectares have already been implemented. The intervention provides for the creation, at the company's expense, of areas in which productive trees (for timber, charcoal or fruit) are planted in combination with food crops (maize, cassava, sorghum, etc.) in the inter-rows. The management of these areas is entrusted entirely to the local communities, who have full control over the activities and products harvested.

Through this integrated approach, Tozzi Green not only contributes to climate change mitigation, but also promotes the socio-economic development of local communities, strengthening food security and environmental resilience.

E1-8 / Internal Carbon Price

Tozzi Green does not apply internal carbon pricing systems.

2.2

Water and marine resources

Policies and processes

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

In the context of double materiality, Tozzi Green implemented a process to identify and assess IROs related to water and marine resources, in accordance with the ESRS E3 standard.

The company initially carried out a qualitative analysis of its operations to assess the materiality of environmental impacts related to the use and management of water resources. More information on how the assessment was conducted can be found in the introductory part of the Sustainability Disclosure.

As a result of the assessment, no negative material impacts were identified, while two actual positive material impacts were identified:

- Increased local water quality through water purification and treatment services in Madagascar.
- Improving the soil water retention capacity through agricultural and reforestation activities, which promote better water resource management.

A material risk was also identified:

- Decreased electricity production from the Group's hydroelectric plants due to changes in water availability, potentially related to climatic phenomena or changes in local hydrological regimes.

No material opportunities were identified in relation to this theme.

E3-1 / Policies related to water and marine resources

The IROs identified by Tozzi Green through the double materiality assessment were, in general, addressed and integrated within the company's sustainability policies and practices. The critical areas that emerged from this assessment are concretely reflected in the operational strategies and guiding principles that guide the Group's actions.

In this context, particular attention is paid to the sustainable management of water resources, especially in relation to hydroelectric energy production. Although this technology involves the use of large volumes of water, it does not lead to its consumption, as the water drawn upstream is returned downstream, reintegrating into the natural cycle and remaining available for all other users. Tozzi Green's hydroelectric plants are of the run-of-river type and do not involve dams, thus avoiding significant changes to the local hydrography. Operation is based on the simple conveyance of flows to the intake duct that feeds the turbines, without retaining the energy potential upstream. This configuration makes such systems inherently safer than storage or basin systems.

The water withdrawal methods adopted also ensure the continuity of water flow, allowing fish species to move up and down the watercourses. A significant example is the Maroantsetra plant in Madagascar, where water is drawn from a side intake. In this case, the maximum flow that can be derived is 6 m³/s, compared to the river's natural flow, which varies between 20 and 30 m³/s depending on the season. Similarly, at the Sahanivotry and Mahitsy plants, a minimum ecological flow is guaranteed in order to prevent the watercourse from drying up.

As far as industrial use is concerned, which conventionally represents 66.7% of the Group's total water consumption, the activities located in Italy are supplied through the public water network, while those in Madagascar rely on direct withdrawal from watercourses, for both industrial and agricultural use. In recent years, the use of water resources has decreased significantly due to the reduced need for irrigation of the crops currently being grown. During the dry season, water use is subject to rationing, defined in agreement with the local communities that use it for daily activities.

In terms of intended use, about 90 per cent of industrial withdrawals is used for cooling distillation plants by means of heat exchangers. Water does not come into direct contact with the production process and is therefore returned to the environment without significant alteration. Only 10% of the water withdrawn is actually consumed in the distillation process, generating floral water as a by-product. The latter is subsequently reused for irrigation of aromatic crops or for dust control activities in operational areas.

A further important element in Tozzi Green's management of water resources concerns the agricultural activities conducted in Madagascar, which represent the Group's main source of water requirements. The supply is provided by two surface water courses that run through the company's cultivated land. These courses are located in a region subject to increasing water stress, a phenomenon that tends to worsen over time due to the effects of climate change.

In the country, the particularly arid climatic conditions and the scarcity of rainfall lead to surface runoff phenomena that, in addition to causing soil erosion, result in the loss of nutrients and the dispersion of water in small rivulets that quickly dry up. In this context, the agricultural activity promoted by Tozzi Green plays a key role in improving the soil's ability to retain water. In fact, the combined action of cultivation and sustainable soil management favours a progressive increase in infiltration capacity, contributing to the recharging of the water table.

At the same time, agricultural activity generates a significant input of organic residues, which, together with increased water availability and soil stabilisation, leads to an overall improvement in fertility and storage capacity. These effects result in more efficient filling of wells used by local communities and a reduction in erosion, a phenomenon that is particularly prevalent in Madagascar.

To support these dynamics, Tozzi Green has built and progressively improved a system of dams, whose constant maintenance ensures the availability of water resources even during the dry season. This system makes it possible not only to support the agricultural and livestock activities of local communities during periods of increased drought, but also to strengthen their socio-economic resilience, while reducing pressure on natural ecosystems.

It is important to emphasise that the agricultural techniques used do not generate conflicts with the water needs of local communities. In fact, the drinking water destined for the population comes from wells built by Tozzi Green in 2012, demonstrating the company's commitment to ensuring a balance between productive development and the protection of people's fundamental rights.

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

Thanks to the reforestation project mentioned in the section on climate change, Tozzi Green will help remedy the problem of water shortage, given the almost total absence of irrigation in this agricultural practice. The company has taken several concrete actions for the sustainable management of water resources, including the implementation of continuous monitoring systems for the quality and quantity of water used, the construction and constant maintenance of dams and reservoirs to ensure water availability even in dry seasons, and the adoption of water-efficient agricultural techniques along the supply chain (e.g. drip irrigation). In addition, the company actively works with local communities to promote responsible water use practices through training and awareness programmes.

Tozzi Green does not currently have an action plan that includes significant operational and/or capital expenditures in the context of water consumption. Although Tozzi Green has carried out several actions with respect to water consumption, it does not currently have quantitative and measurable targets.

E3-3 / Targets related to water and marine resources

Through its QHSE 2025 Annual Plan, Tozzi Green has defined a set of targets that concretely reflect the positive material impacts identified in the double materiality process, with a focus on agricultural and infrastructure activities in Madagascar.

One of the main objectives is to improve the drinking water in the premises/offices in Antananarivo with a water filtration and distribution system and consequent reduction of plastic. Another key objective is the protection of the soil, subsoil, and water by keeping potential sources of pollution under control and adopting appropriate operational control measures, as well as improving the fertility of cultivated land.

With reference to the material risk identified (decrease in electricity production from the group's hydroelectric plants due to changes in water availability), Tozzi Green will assess the possibility of conducting a systemic study of its assets' exposure to physical risks.

Tozzi Green takes a structured approach to water resource monitoring, based on the development of annually updated KPIs. Although in some areas direct metering is not possible, the company makes use of estimates based on indirect parameters, which still provide a reliable representation of consumption. The monitoring system is complemented by an annual water quality control plan, which is reviewed periodically.

This plan includes chemical-physical and microbiological analysis campaigns conducted at strategic points, with the aim of assessing the state of water resources and the effectiveness of the management measures adopted. The data collected, together with consumption estimates and maintenance checks on water infrastructures - such as dams and reservoirs - are systematically analysed to identify any deviations and define, if necessary, corrective actions to improve environmental performance. The monitoring process is not limited to technical aspects, but also includes discussions with local communities and stakeholders to ensure a participatory and shared approach to resource management.

This ongoing dialogue is an essential element in strengthening transparency and corporate social accountability. Although results in recent years have shown a positive trend, partly due to the introduction of increasingly less water-intensive farming practices, the company has not yet defined specific quantitative targets. The adoption of structured targets represents an area of improvement that Tozzi Green intends to work on, with the aim of further strengthening its commitment to continuous improvement in environmental performance.

E3-4 / Water consumption

Table 6 - Water consumption

	UNITS OF MEASUREMENT	2024
WATER CONSUMPTION²		
Total water consumption	m ³	421,286.00
Total water consumption in areas at water-risk, including those with high water stress		401,245.00
Total volume of recycled and reused water		0.00
Total volume of stored water and its variations		0.00
WATER CONSUMPTION BASED ON NET REVENUE		
Net revenues	mEUR	90.20
Total water consumption in own operations in m ³ per million EUR of net revenue	m ³	4,670.46

² In Madagascar, consumption data come from meter readings, where readings are available. Conversely, consumption is estimated by the volume of the tank used.

2.3

Resource use and circular economy

Policies and processes

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

As part of the double materiality approach, Tozzi Green has implemented a structured process for identifying and assessing impacts, risks and opportunities related to the circular economy and efficient use of resources, in accordance with ESRS E5. This process started with a qualitative analysis of operational activities, aimed at assessing the significance of the environmental impacts associated with the use of virgin materials, the end-of-life management of products and the treatment of waste and by-products.

Further methodological details on this analysis can be found in the introductory section of the Sustainability Disclosure. As a result of this assessment, an actual negative material impact was identified, attributable to the reduction of limited natural resources resulting from the extraction, processing, transport and use of virgin materials such as lithium, cadmium and silicon. No positive material impacts were found in relation to this area.

In terms of risks, a material risk was identified related to increased plant costs due to price volatility or increased raw material costs, potentially affecting the economic sustainability of production activities. At the same time, a material opportunity was recognised related to the possibility of maximising the residual value of plants and favouring the reuse of components, through a revaluation of assets with a view to circularity. This opportunity can help reduce procurement costs and strengthen the resilience of the value chain.

E5-1 / Policies related to resource use and the circular economy

The impacts, risks and opportunities identified by Tozzi Green through the double materiality assessment are, in general, addressed and integrated into corporate sustainability policies and conduct.

This means that the critical areas that emerged from the assessment are concretely reflected in the company's operational strategies and guiding principles.

With reference to the ESRS E5 standard, the negative material impact related to the use of non-renewable natural resources, resulting from the use of virgin materials, was confirmed. This impact is mitigated through the implementation of the company's Environmental Policy, which promotes a circular economy model based on three fundamental principles: eliminating waste and pollution right from the design phase, keeping products and materials in use for as long as possible, and regenerating natural systems, while promoting the transition to renewable energy sources.

With regard to material opportunities, the possibility of maximising the residual value of plants and the reuse of components was identified through a revaluation of assets with a view to circularity.

This opportunity is also optimised by the same Environmental Policy, which guides the company towards a more efficient and sustainable management of resources throughout the life cycle of products and infrastructure.

However, the risk identified in relation to commodity price volatility is not yet covered by specific targets or actions within the company's policies, highlighting a key area for future improvement.

Tozzi Green also has policies aimed at the use of recycled resources and the sustainable sourcing of renewable resources. Waste management is a pillar of the Environmental Policy and focuses on reducing the volumes generated by progressively replacing conventional materials with recyclable and compostable alternatives. The trend of waste produced by the Group is subject to a certain variability, influenced by the opening of new sites and the expansion of the company's activities, both in terms of the number and size of the plants managed.

The control of the supply chain is governed by the Corporate Quality Policy, which provides for the pursuit of the strategic objectives defined by the Management through the adoption of a Corporate Management System compliant with ISO 9001:2015. This system includes the periodic review of the Quality Policy, its dissemination among employees and stakeholders, and targeted visits to major suppliers. These inspections are aimed at verifying compliance with current regulations, including those set out in the 231/2001 Organisational Model. The selection of suppliers to be audited is carried out by the Procurement function, in cooperation with the QHSE function and with the involvement of the relevant technical and operational functions.

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

In order to effectively manage the use of resources and promote an operating model based on circularity, Tozzi Green recognises the strategic importance of waste management, with a focus on non-hazardous waste. In Italy, for example, fertilisation of farmland is practised through the re-use of wine processing waste, while in Madagascar, residues from the extraction of geranium and eucalyptus essences are currently used as soil conditioners in greenhouses. Given the significant quantity of these residues, the company is evaluating technical solutions for their use as biomass, with the aim of further enhancing their value within a sustainable production cycle. For hazardous waste, which accounts for a minority share of the total, Tozzi Green applies advanced methods for its collection, safe storage and transfer to specialised suppliers. These entities are selected on the basis of their ability to guarantee processing in compliance with the regulations in force and the traceability of the subsequent processing and storage stages.

During 2024, activities in Italy generated a total of 954 tonnes of waste, of which 953 tonnes was classified as non-hazardous and 1 tonne as hazardous. Most of this waste was produced in the course of maintenance activities, both in the agricultural and industrial sectors, as well as through urban collection at the company's premises. In Madagascar, 462.452 tonnes of waste were generated in the same period, of which 6.158 tonnes were classified as hazardous. Of the remaining 456.294 tonnes of non-hazardous waste, 428.451 tonnes consisted of vegetable waste, which was processed and reused as fertiliser within the production process. Thanks to this recovery and valorisation intervention, the actual amount of waste to be disposed of was reduced to only 33.843 tonnes, demonstrating the effectiveness of the circular economy practices adopted.

A further relevant aspect concerns the management of the materials used in the germination and transplanting of plants in the nursery. In Madagascar, millions of seedlings are handled using plastic bags, which, although managed through a certified disposal chain, pose a challenge in terms of sustainability. In 2023, Tozzi Green pioneered the replacement of 10% of plastic bags with biodegradable containers made of natural material, which allow plants to be planted without removing the wrapping. These bags, supplied by a local producer involving local women's associations, have generated a positive impact in employment and social terms. However, due to the high cost of these materials, the project was suspended.

Nevertheless, the company has made a concrete commitment to reduce the environmental impact of this operational phase. During transplantation, as many plastic bags as possible are recovered and reused in subsequent cycles. Although this approach slows down operations – as the bags are not cut – it allows for more sustainable management, reducing waste and the need for disposal.

Currently, Tozzi Green does not have a formalised action plan with significant operating or capital expenditures specifically dedicated to the circular economy. Although the company has already launched several initiatives consistent with the principles of circularity, these actions are not yet accompanied by quantitative and measurable targets. This situation highlights an area of potential development for the Group, which intends to progressively strengthen its commitment through the adoption of structured metrics and specific targets.

E5-3 / Targets related to resource use and the circular economy

Currently, Tozzi Green has not yet formalised specific, quantitative targets on resource efficiency and the circular economy. However, the company recognises the strategic importance of setting measurable targets to strengthen the effectiveness of its environmental policies and improve performance throughout the life cycle of materials and products.

With this in mind, Tozzi Green plans to develop and implement structured objectives in the medium term, referring to the ISO 14001-compliant environmental management system as a methodological framework. Certification is in fact a well-established tool for identifying, monitoring and pursuing environmental objectives, and will be used as a guide to steer the company towards an increasingly circular and sustainable management of resources. Tozzi Green has implemented a monitoring system for its environmental policies, with reference to resource use and the circular economy. Monitoring is based on regular checks and the collection of data on the consumption of natural resources, such as water, biomass and packaging materials, as well as on the reuse of by-products and organic waste management. Practices include the reuse of floral water from distillation processes for irrigation, and the use of residual biomass (leaves, stems, agricultural waste) for composting or for integration into agricultural practices.

The information collected is analysed for consistency with company policies and to identify possible areas for improvement. The aim is to progressively reduce the use of external resources and increase internal reuse, in line with the principles of the circular economy.

Although there are no formalised quantitative targets, the company monitors a number of indicators, including: the percentage of biomass reused on site, estimated volumes of recycled water, reduced use of chemical inputs due to internally produced compost, and improved soil fertility. Results are evaluated annually against a baseline defined when the first circular economy measures were introduced.

E5-4 / Resource inflows

The consumption of materials by Tozzi Green is strongly influenced by the opening and closing of construction sites for new plants. These activities involve the use of construction materials such as road foundations (30,855.1 tonnes in 2024), concrete (7,672.8 tonnes in 2024) and steel (107.7 tonnes in 2024). The use of these materials increased significantly compared to 2021, when difficulties in obtaining permits prevented the start of new sites. The data referring to 2024 are mainly concentrated in Italy and refer to the construction site of the wind farm in San Severo (FG), with reference to the period October-December.

As far as agricultural activities are concerned, the use of chemical inputs - such as fertilisers, pesticides and herbicides - has been progressively reduced, particularly due to the decrease in maize cultivation areas and the introduction of plant species better suited to low-water conditions. The company only uses products that comply with current regulations and are authorised, avoiding scheduled applications. Application occurs only when threshold levels are exceeded, as detected through periodic sampling and testing, and is carried out using equipment that enables targeted dosing, thereby reducing overall usage. Operations are accompanied by surface water monitoring.

In the years reported, the use of chemical inputs was mainly concentrated on the cultivation of geranium. For this crop, a traceability system is in place that makes it possible to trace back the locations and times of any anomalies along the supply chain, from cultivation to industrial processing, in order to promptly identify any critical issues and take corrective measures.

E5-4 and 5/ Resource inflows and outflows

Table 7 - Resource inflows and outflows (kg) ³

	2024
Total weight of technical and biological products and materials used during the reporting period	39,322,676.00
Percentage of biological materials (and of biofuels used for non-energy purposes) in relation to the total weight of materials	1.51%
The absolute weight of reused or recycled secondary components, secondary intermediate products and secondary materials used to manufacture the company's products and services (including packaging)	0
Percentage of reused or recycled secondary components, secondary intermediate products and secondary materials (compared to the total weight of materials)	0%
OUTFLOWS	
Recyclable content rate in products	100%
Recyclable content rate in product packaging	100%

³ The total weight of input resources is strongly influenced by the inclusion of construction materials used in the construction of the facilities. These materials, by their nature, have significantly higher volumes and masses than those used in the Group's other activities, accounting for a significant portion of the overall total. Among the biological materials, vegetable waste from cultivation in Madagascar was considered, totalling about 428 tonnes. Since it was not possible to determine the actual weight of these scraps at the time of collection, the input value was estimated on the basis of the output accounting quantity. In terms of products, goods of agricultural and agro-industrial origin were included, including spices, essential oils, seeds, cheese, vegetable oil, honey, jams and wine. These products are organic in nature and their durability follows a nat-

ural cycle. No comparative data with the industry average are currently available, so it was not possible to assess compliance against this parameter. The figures quoted are based on estimates from the project documentation, including information on supply weights. The consumption of the agricultural sector in Italy was determined using values taken from invoices and transport documents provided by suppliers. As far as products are concerned, data were obtained from the weights measured during production activities. Finally, companies belonging to the Energy Division in Madagascar were excluded from the count, due to insufficient or irrelevant documentation in relation to the nature of the data requested.

2.4

European taxonomy

Information on the assessment of compliance with Regulation (EU) 2020/852

In its Sustainability Report for the financial year 2024, Tozzi Green addressed for the first time the requirements of the 'European Taxonomy' (EU Regulation 2020/852), part of the Sustainable Finance Action Plan promoted by the European Commission. The Taxonomy aims to define the degree of eco-sustainability of investments, improving transparency for investors and consumers.

Based on six environmental objectives - including climate change mitigation and adaptation, sustainable use of water and marine resources, circular economy, pollution prevention and biodiversity protection - the legislation introduces a unified classification system for sustainable economic activities.

Although not yet subject to reporting obligations, the Group has chosen to voluntarily publish economic KPIs (turnover, CapEx, OpEx) related to taxonomy-eligible and aligned activities.

Eligible economic activities

The Group has identified its economic activities eligible for the EU Taxonomy by analysing the categories provided for in the following regulatory acts:

- Climate Delegated Act (EU Regulation 2021/2139)
- Supplementary Climate Delegated Act (EU Regulation 2022/1214)
- Environmental Delegated Act (EU Regulation 2023/2486)
- Amendments to the Climate Delegated Act (EU Regulation 2023/2485)

The process was conducted considering all six European environmental objectives. Following this assessment, the following economic activities were identified as eligible:

- Reforestation (1.1)
- Power generation using photovoltaic solar technology (4.1)
- Power generation from wind energy (4.3)
- Production of electricity from hydropower (4.5)
- Installation, maintenance and repair of renewable energy technologies (7.6)

Taxonomy alignment exercise

In compliance with current legislation, Tozzi Green assessed the alignment of eligible activities with the EU Taxonomy in order to identify those that are truly environmentally sustainable. This assessment was based on the analysis of three categories of criteria:

- Substantial contribution: verification of compliance with the technical thresholds for each activity to ascertain its actual contribution to climate change mitigation and adaptation objectives;
- Do No Significant Harm (DNSH): verification of compliance with technical and regulatory requirements to ensure that the activity does not compromise the other environmental objectives of the Taxonomy;
- minimum safeguards: verification that the aligned activities are carried out in compliance with the minimum social principles laid down in the Regulation, with regard to human rights and working conditions.

The technical criteria for the substantial contribution define quantitative thresholds or qualitative characteristics that determine the eco-sustainability of an activity. Thresholds establish precise limits, while qualitative criteria allow alignment even in the absence of numerical parameters.

With regard to the DNSH (Do No Significant Harm) criteria, these are divided into specific criteria, with targeted requirements referring to the activity being analysed, which require dedicated checks and recurring criteria, contained in the six Appendices to the annexes of the Taxonomy, which refer to European or national regulations and technical assessments.

Tozzi Green adopted a dual approach: it conducted targeted verification of the specific criteria for each activity and prepared supporting evidence for the recurring criteria, based on established corporate practices where applicable.

Finally, to complete the alignment analysis, compliance with the minimum safeguards was verified, which introduce basic requirements on human rights and working conditions, in line with international reference standards. This activity was carried out at Group level.

Verification of compliance with minimum safeguards

Tozzi Green has not received any legal convictions in the areas of human rights, corruption, taxation or unfair competition. The company operates in full compliance with current legislation, promoting human, civil, social, cultural and economic rights through an approach based on inclusiveness, equity and responsibility. It condemns all forms of discrimination, corruption and behaviour detrimental to individual dignity, ensuring that every action, operation or transaction is characterised by fairness, transparency and impartiality, in compliance with the principles of fair competition.

Italian legislation on human and labour rights regulates these principles in detail, including specific aspects such as the protection of privacy, health and safety at work, the fight against corruption, fair competition, taxation and environmental protection. In addition to acting in full compliance with these provisions, the Tozzi Green Group carries out its activities by pursuing sustainable and inclusive growth, in line with the Universal Declaration of Human Rights, the ILO Conventions and the principles of the United Nations Global Compact, to which it has voluntarily adhered since 2019.

These values are formalised in the company's Code of Ethics, a public and binding document for all recipients, who are required to adopt behaviour consistent with the principles contained therein. Tozzi Green's commitment also extends to employees, who are called upon not only to respect these principles, but also to report any violations through a whistleblowing system, based on a dedicated platform that guarantees the confidentiality of the whistleblower.

In the presence of reports of potential human rights violations, the company promptly activates the appropriate checks and takes the necessary corrective measures, treating such situations with the highest priority.

Tozzi Green is also a signatory of the manifesto 'Businesses for People and Society', which reaffirms, among its key points, respect for human rights and labour rights. Within its Code of Ethics, the company explicitly addresses the issue of forced labour, declaring its unwavering commitment to prevent, reject and sanction all forms of exploitation, physical or psychological abuse, as well as the adoption of coercive or punitive practices against workers. The use of forced or child labour is strictly prohibited, extending this prohibition to suppliers, business partners and collaborators.

Controlling the supply chain is an integral part of the company's Quality Policy, which is based on an ISO 9001:2015 compliant Management System. In this context, Tozzi Green carries out targeted visits and inspections at major suppliers to verify compliance with regulations, including the requirements of Model 231/2001. The selection of suppliers to be audited is carried out by the Purchasing Department in cooperation with the QHSE function, taking into account the needs of the technical and operational functions involved.

In the context of the double materiality assessment, the assessment of impacts, risks and opportunities also included the issue of human rights along the entire value chain. Tozzi Green requires suppliers and business partners to adhere to the values expressed in the Code of Ethics and Model 231/2001. The company ensures that its policies and measures cover all identified and prioritised impacts resulting from the risk assessment, as described in the Sustainability Report.

The analysis revealed some potential, but not actual, negative material impacts. The company's objectives and strategies were deemed appropriate, particularly due to the requirement for subcontractors to operate to strict QHSE standards. These include compliance with Legislative Decree 231/01, certifying the regularity of employment relationships, tax compliance (DURC), anti-mafia certification, personnel qualifications, and insurance coverage. Suppliers and contractors are also required to include in their offers the HSE documentation applicable to the project and to current regulations. Contracts with third parties must include specific clauses recalling adherence to Model 231 and the Code of Ethics, under penalty of contract termination.

Tozzi Green annually reviews sustainability-related QHSE targets and monitors progress on a monthly basis, documenting key developments, progress against targets, stakeholders involved and their responsibilities. The issue of human rights is covered in the Sustainability Report, although no specific quantitative KPIs are currently available to monitor progress. The risks and the measures taken to mitigate them are described in the section on double materiality assessment and corporate strategies. To date, the company has not recorded any actual negative impacts on human rights, but continues to closely monitor its impacts.

As a result of the analyses conducted, the Tozzi Green Group did not identify any fully taxonomy-aligned activity. This is solely due to the failure to meet the recurring requirement with respect to DNSH on adaptation to climate change, which prevents full alignment with taxonomic requirements.

As established on several occasions, Tozzi Green has not yet subjected its assets to a detailed analysis of exposure to physical climate risks. Nevertheless, some of the latest wind and solar power plants have a study on exposure to hydrogeological hazards. Details of eligible activities are given in the following section. In all five cases where activities are eligible for both the mitigation and climate change adaptation objectives, priority was given to the mitigation objective, consistent with the nature of the Group's core business, which is primarily oriented towards reducing emissions and only secondarily, where applicable, towards climate change adaptation.

Economic and financial KPIs

In accordance with the disclosure requirements of Regulation (EU) 2020/852 and in line with the 'Accounting principles and supplementary information' set out in the legislation, the Group calculated the percentages of turnover, capital expenditure (CapEx) and operating expenditure (OpEx) referring to taxonomy-aligned activities, as well as those eligible but not aligned.

In this context, the Tozzi Green Group clarifies that the reported percentages do not represent a summary of the overall sustainability performance, but only respond to the reporting criteria set out in the EU Taxonomy, with reference to the environmental objectives defined in the Regulation. These indicators must therefore be interpreted within the specific framework of the Taxonomy and not confused with the broader set of economic, environmental and social initiatives and results.

Based on the economic results as at 31 December 2024, the eligible but unaligned share of turnover is 79%. With regard to CapEx considered for the purposes of the Taxonomy, the allowable but unaligned share is 63%. The part of OpEx that is eligible but not aligned accounts for 31%. There is no fully aligned share of turnover, CapEx or OpEx.

Accounting principles and supplementary information pursuant to Regulation 2020/852

This paragraph describes the accounting policy adopted by Tozzi Green for the determination of the shares of turnover, CapEx and OpEx associated with taxonomy-eligible and aligned activities, in accordance with the provisions of Annex I of Delegated Regulation (EU) 2021/2178.

The figures for turnover, CapEx and OpEx reported in the following sections have been extracted from the Tozzi Green Group's financial statements, which have been prepared in accordance with the International Financial Reporting Standards (IFRS) issued by the IASB - International Accounting Standards Board. These standards also include the revised International Accounting Standards (IAS) and interpretations provided by IFRIC - International Financial Reporting Interpretations Committee (formerly SIC - Standing Interpretations Committee).

Detailed information on the accounting policies adopted can be found in the section entitled "Notes to the Financial Statements" in the Financial Statements. Below are some elements that are relevant for understanding how the data used for taxonomy reporting purposes are accounted for.

For the purposes of allocating amounts to the required KPIs, the Group has defined a hierarchy of information sources that is traceable and consistent with reporting requirements, both in terms of quantity and quality. The indicators were reconstructed using data from general, industrial and regulatory accounting. The shares for each economic activity were calculated on the total of turnover, investments and ordinary costs, limited to the types of expenses provided for in the Taxonomy.

For the calculation of the eligible turnover share, the numerator includes the portion of consolidated net turnover derived from the sale of products or services, including intangible ones, associated with eligible economic activities, while the denominator corresponds to the total net turnover, as defined in the consolidated financial statements prepared in accordance with international accounting standards.

For the determination of the eligible portion of CapEx, the numerator includes capital expenditures recorded as assets in the consolidated financial statements and associated with eligible activities, while the denominator includes the total capital expenditures.

Regarding the share of eligible OpEx, the numerator includes the operating expenses associated with eligible activities, while the denominator includes total operating expenses. Operating expenses were identified using data from the consolidated financial statements. In line with the Regulation, only non-capitalised direct costs attributable to the above-mentioned activities were considered.

In accordance with the models provided for non-financial companies in Annex II of the Delegated Regulation (EU) 2021/2178, the following tables show Tozzi Green's share of turnover, CapEx and OpEx for the year 2024 from products or services associated with taxonomy-aligned economic activities.

EUROPEAN TAXONOMY - KPIS	2024*
Turnover (Revenues) (mln €)	69.7
Turnover from taxonomy-aligned activities (%)	0%
Turnover from non taxonomy-aligned activities (%)	79%
<hr/>	
Capital Expenditure (mln €)	107.0
Capital expenditure for taxonomy-aligned activities (%)	0%
Capital Expenditure for non taxonomy-aligned activities	63%
<hr/>	
Operating expenses (mln €)	55.2
Operating expenses for taxonomy-aligned activities	0%
Operating expenses for non taxonomy-aligned activities	30.9%

* As 2024 is the first year of reporting under the EU Taxonomy, the data presented refers to the current financial year only. In the tables on the following pages, column 18, concerning the aligned or eligible shares of turnover, CapEx and OpEx for the previous year, is not included and will be integrated from the next reporting period.

SHARE OF TURNOVER (REVENUE) DERIVED FROM PRODUCTS OR SERVICES ASSOCIATED WITH TAXONOMY-ALIGNED ECONOMIC ACTIVITIES

2024				CRITERIA FOR SUBSTANTIAL CONTRIBUTION						CRITERIA FOR 'DO NO SIGNIFICANT HARM'								
Economic assets (1)	Code (2)	Turnover (3)	Share of turnover (4)	Climate change mitigation (5)	Adaptation to climate change (6)	Water and marine resources (7)	Circular economy (8)	Pollution (9)	Biodiversity and systems (10)	Climate change mitigation (11)	Adaptation to climate change (12)	Water and marine resources (13)	Circular economy (14)	Pollution (15)	Biodiversity and systems (16)	Minimum safeguards (17)	Enabling activity category (19)	Transition activity category (20)
		€	%	YES / NO / N/AM	YES / NO / N/AM	YES / NO / N/AM	YES / NO / N/AM	YES / NO / N/AM	YES / NO / N/AM	Yes / NO / n.a.	Yes / NO / n.a.	Yes / NO / n.a.	Yes / NO / n.a.	Yes / NO / n.a.	Yes / NO / n.a.	YES / NO	A	T

A. TAXONOMY-ELIGIBLE ACTIVITIES

A.1 Environmentally sustainable activities (taxonomy-aligned)

Turnover from environmentally sustainable activities (taxonomy-aligned) (A.1)		0	0%	0%	0%	0%	0%	0%	0%	-	-	-	-	-	-	-	-	-
Of which enabling		0	0%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Of which transitional		0	0%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

A.2 Activities eligible for taxonomy but not environmentally sustainable (non taxonomy-aligned activities)

Reforestation	CCM 1.1/ CCA 1.1*	1,948,266	3%	No	No	N/AM	N/AM	N/AM	N/AM	n.a.	No	Yes	n.a.	Yes	Yes	Yes	A (CCA)	-
Power generation by photovoltaic solar technology	CCM 4.1/ CCA 4.1*	18,660,716	27%	Yes	No	N/AM	N/AM	N/AM	N/AM	n.a.	No	n.a.	Yes	n.a.	Yes	Yes	-	-
Power generation from wind energy	CCM 4.3/ CCA 4.3*	16,674,246	24%	Yes	No	N/AM	N/AM	N/AM	N/AM	n.a.	No	Yes	Yes	n.a.	Yes	Yes	-	-
Production of electricity from hydropower	CCM 4.5/ CCA 4.5*	17,943,190	26%	Yes	No	N/AM	N/AM	N/AM	N/AM	n.a.	No	No	n.a.	n.a.	Yes	Yes	-	-
Installation, maintenance and repair of renewable energy technologies	CCM 7.6/ CCA 7.6*	88,547	0%	Yes	No	N/AM	N/AM	N/AM	N/AM	n.a.	No	n.a.	n.a.	n.a.	n.a.	Yes	A (CCM)	-
Turnover from activities eligible for taxonomy but not environmentally sustainable (non taxonomy-aligned activities) (A.2)		55,314,965	79%	0%	0%	0%	0%	0%	0%	-	-	-	-	-	-	-	-	-
Turnover from taxonomy-eligible activities (A.1 + A.2)		55,314,965	79%	0%	0%	0%	0%	0%	0%	-	-	-	-	-	-	-	-	-

B. NON TAXONOMY-ELIGIBLE ACTIVITIES

Turnover from non taxonomy-eligible activities (B)		14,403,578	21%
Total (A + B)		69,718,543	100%

SHARE OF TURNOVER/TOTAL TURNOVER

	ALIGNED TO TAXONOMY BY OBJECTIVE	ELIGIBLE FOR TAXONOMY BY OBJECTIVE
CCM**	0%	79%
CCA**	0%	0%
WTR**	0%	0%
CE**	0%	0%
PPC**	0%	0%
BIO**	0%	0%

* In all five cases where activities were eligible for both the mitigation and climate change adaptation objectives, the mitigation objective was given priority, consistent with the nature of the Group's core business. No proportion of turnover was therefore attributed to the climate change adaptation objective for activities that already contribute to mitigation, in accordance with Article 11(1)(a) of Regulation (EU) 2020/852, in order to avoid any potential double counting with data referring to the mitigation objective.

** These are the acronyms of the six Taxonomy environmental objectives.

SHARE OF CAPITAL EXPENDITURE (CAPEX) ARISING FROM PRODUCTS OR SERVICES ASSOCIATED WITH TAXONOMY-ALIGNED ECONOMIC ACTIVITIES

2024				CRITERIA FOR SUBSTANTIAL CONTRIBUTION						CRITERIA FOR 'DO NO SIGNIFICANT HARM'								
Economic activities (1)	Code (2)	Absolute capital expenditure (3)	Share of capital expenditure (4)	Climate change mitigation (5)	Adaptation to climate change (6)	Water and marine resources (7)	Circular economy (8)	Pollution (9)	Biodiversity and systems (10)	Climate change mitigation (11)	Adaptation to climate change (12)	Water and marine resources (13)	Circular economy (14)	Pollution (15)	Biodiversity and systems (16)	Minimum safeguards (17)	Enabling activity category (19)	Transition activity category (20)
		€	%	YES / NO / N/AM	YES / NO / N/AM	YES / NO / N/AM	YES / NO / N/AM	YES / NO / N/AM	YES / NO / N/AM	Yes / NO / n.a.	Yes / NO / n.a.	Yes / NO / n.a.	Yes / NO / n.a.	Yes / NO / n.a.	Yes / NO / n.a.	YES / NO	A	T

A. TAXONOMY-ELIGIBLE ACTIVITIES

A.1 Environmentally sustainable activities (taxonomy-aligned)

Capital expenditures for environmentally sustainable activities (taxonomy-aligned) (A.1)		0	0%	0%	0%	0%	0%	0%	0%	-	-	-	-	-	-	-	-	-
Of which enabling		0	0%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Of which transitional		0	0%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

A.2 Activities eligible for the taxonomy but not environmentally sustainable (non taxonomy-aligned activities)

Reforestation	CCM 1.1/ CCA 1.1*	229,366	0%	No	No	N/AM	N/AM	N/AM	N/AM	n.a	No	Yes	n.a.	Yes	Yes	Yes	A (CCA)	-
Power generation by photovoltaic solar technology	CCM 4.1/ CCA 4.1*	15,323	0%	Yes	No	N/AM	N/AM	N/AM	N/AM	n.a	No	n.a.	Yes	n.a.	Yes	Yes	-	-
Power generation from wind energy	CCM 4.3/ CCA 4.3*	65,645,534	61%	Yes	No	N/AM	N/AM	N/AM	N/AM	n.a	No	Yes	Yes	n.a.	Yes	Yes	-	-
Production of electricity from hydropower	CCM 4.5/ CCA 4.5*	1,872,246	2%	Yes	No	N/AM	N/AM	N/AM	N/AM	n.a	No	No	n.a.	n.a.	Yes	Yes	-	-
Installation, maintenance and repair of renewable energy technologies	CCM 7.6/ CCA 7.6*	0	0%	Yes	No	N/AM	N/AM	N/AM	N/AM	n.a	No	n.a.	n.a.	n.a.	n.a.	Yes	A (CCM)	-
Turnover from activities eligible for taxonomy but not environmentally sustainable (non taxonomy-aligned activities) (A.2)		67,762,469	63%	0%	0%	0%	0%	0%	0%	-	-	-	-	-	-	-	-	-
Turnover from taxonomy-eligible activities (A.1 + A.2)		67,762,469	63%	0%	0%	0%	0%	0%	0%	-	-	-	-	-	-	-	-	-

B. NON TAXONOMY-ELIGIBLE ACTIVITIES

Capital Expenditure of non taxonomy-eligible activities		39,194,008	37%
Total (A + B)		106,956,477	100%

SHARE OF CAPEX/TOTAL CAPEX

	ALIGNED TO TAXONOMY BY OBJECTIVE	ELIGIBLE FOR TAXONOMY BY OBJECTIVE
CCM**	0%	63%
CCA**	0%	0%
WTR**	0%	0%
EC**	0%	0%
PPC**	0%	0%
BIO**	0%	0%

* In all five cases where activities were eligible for both the mitigation and climate change adaptation objectives, the mitigation objective was given priority, consistent with the nature of the Group's core business. No proportion of turnover was therefore attributed to the climate change adaptation objective for activities that already contribute to mitigation, in accordance with Article 11(1)(a) of Regulation (EU) 2020/852, in order to avoid any potential double counting with data referring to the mitigation objective.

** These are the acronyms of the six Taxonomy environmental objectives.

SHARE OF OPERATING EXPENSES ARISING FROM PRODUCTS OR SERVICES ASSOCIATED WITH TAXONOMY-ALIGNED ECONOMIC ACTIVITIES

2024				CRITERIA FOR SUBSTANTIAL CONTRIBUTION						CRITERIA FOR 'DO NO SIGNIFICANT HARM'								
Economic activities (1)	Code (2)	Absolute capital expenditure (3)	Share of capital expenditure (4)	Climate change mitigation (5)	Adaptation to climate change (6)	Water and marine resources (7)	Circular economy (8)	Pollution (9)	Biodiversity and systems (10)	Climate change mitigation (11)	Adaptation to climate change (12)	Water and marine resources (13)	Circular economy (14)	Pollution (15)	Biodiversity and systems (16)	Minimum safeguards (17)	Enabling activity category (19)	Transition activity category (20)
		€	%	YES / NO / N/AM	YES / NO / N/AM	YES / NO / N/AM	YES / NO / N/AM	YES / NO / N/AM	YES / NO / N/AM	Yes / NO / n.a.	Yes / NO / n.a.	Yes / NO / n.a.	Yes / NO / n.a.	Yes / NO / n.a.	Yes / NO / n.a.	YES / NO	A	T

A. TAXONOMY-ELIGIBLE ACTIVITIES

A.1 Environmentally sustainable activities (taxonomy-aligned)

Operating expenses for environmentally sustainable activities (taxonomy-aligned) (A.1)		0	0%	0%	0%	0%	0%	0%	0%	-	-	-	-	-	-	-	-	-
Of which enabling		0	0%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Of which transitional		0	0%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

A.2 Activities eligible for taxonomy but not environmentally sustainable (non taxonomy-aligned activities)

Reforestation	CCM 1.1/ CCA 1.1*	1,790,491	3%	No	No	N/AM	N/AM	N/AM	N/AM	n.a.	No	Yes	n.a.	Yes	Yes	Yes	A (CCA)	-
Power generation by photovoltaic solar technology	CCM 4.1/ CCA 4.1*	2,595,553	5%	Yes	No	N/AM	N/AM	N/AM	N/AM	n.a.	No	n.a.	Yes	n.a.	Yes	Yes	-	-
Power generation from wind energy	CCM 4.3/ CCA 4.3*	4,726,618	9%	Yes	No	N/AM	N/AM	N/AM	N/AM	n.a.	No	Yes	Yes	n.a.	Yes	Yes	-	-
Production of electricity from hydropower	CCM 4.5/ CCA 4.5*	7,949,582	14%	Yes	No	N/AM	N/AM	N/AM	N/AM	n.a.	No	No	n.a.	n.a.	Yes	Yes	-	-
Installation, maintenance and repair of renewable energy technologies	CCM 7.6/ CCA 7.6*	9,669	0%	Yes	No	N/AM	N/AM	N/AM	N/AM	n.a.	No	n.a.	n.a.	n.a.	n.a.	Yes	A (CCM)	-
Operating expenses for activities eligible for taxonomy but not environmentally sustainable (non taxonomy-aligned activities) (A.2)		17,071,913	31%	0%	0%	0%	0%	0%	0%	-	-	-	-	-	-	-	-	-
Operating expenditure for taxonomy-eligible activities (A.1 + A.2)		17,071,913	31%	0%	0%	0%	0%	0%	0%	-	-	-	-	-	-	-	-	-

B. NON TAXONOMY-ELIGIBLE ACTIVITIES

Operating expenditure for non taxonomy-eligible activities		38,172,948	69%
Total (A + B)		55,244,861	100%

SHARE OF OPEX/TOTAL OPEX

	ALIGNED TO TAXONOMY BY OBJECTIVE	ELIGIBLE FOR TAXONOMY BY OBJECTIVE
CCM**	0%	31%
CCA**	0%	0%
WTR**	0%	0%
EC**	0%	0%
PPC**	0%	0%
BIO**	0%	0%

* In all five cases where activities were eligible for both the mitigation and climate change adaptation objectives, the mitigation objective was given priority, consistent with the nature of the Group's core business. No proportion of turnover was therefore attributed to the climate change adaptation objective for activities that already contribute to mitigation, in accordance with Article 11(1)(a) of Regulation (EU) 2020/852, in order to avoid any potential double counting with data referring to the mitigation objective.

** These are the acronyms of the six Taxonomy environmental objectives.

SOCIAL INFORMATION



3.1

Social information

Own Workforce

ESRS 2 SBM-2 / Interests and opinions of stakeholders

Tozzi Green acknowledges the pivotal role of individuals in the organisation's success, placing great value on the contribution of its own human resources and management. The company actively promotes professional growth, encouraging each individual to fulfil his or her potential in an inclusive and respectful environment.

Respect for working conditions, health and safety, and personal dignity constitutes a basic principle on which the corporate culture is established. In this context, Tozzi Green invests in skills development, knowledge sharing and the creation of training paths aimed at professional development. The conviction that motivated and skilled people represent a competitive advantage guides the company in building dynamic and stimulating working environments. Active participation, team collaboration, creativity and individual empowerment are encouraged, with the aim of fostering innovation and the development of lateral thinking.

The long-term goals of human resources management include:

- safeguarding employment,
- recognising and enhancing skills,
- promoting psychological well-being,
- promoting gender equality at all levels of the organisation.

Policies and processes

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

From the double materiality assessment conducted, four material negative impacts were identified with reference to ESRS S1, considered potential and generalised, not related to specific incidents:

- Stress and burnout resulting from long working hours, inadequate pay or insufficient resources in relation to the workload, with consequences for well-being and productivity.
- Job losses caused by the closure of plants or sites and/or temporary insourcing of activities that are typically outsourced.
- Health and safety incidents affecting staff, resulting from deficiencies in protective measures or incorrect behaviour on the part of workers.
- Human rights violations and/or cultural conflicts in diverse workforce contexts (e.g. discrimination or exclusion of religious groups, minorities or women), linked to a lack of implementation of company policies or inappropriate individual behaviour.

At the same time, five significant positive impacts, closely related to the company's day-to-day activities, were noted:

- Supporting work-life balance, including through the adoption of flexible working hours, to promote employee well-being.
- Safe and healthy working conditions, with the aim of preventing accidents and occupational diseases, and dissemination of a health and safety-oriented corporate culture.
- Fostering gender parity and equality through measures such as equal job opportunities, pay equity, equal chances for training and career development, and providing updated information on parental leave.
- Creating an inclusive environment, geared towards listening, collaboration and shared growth.
- Development of skills and career opportunities through continuous training.

Tozzi Green guarantees equal opportunities in access to employment and professional growth, rejecting all forms of discrimination based on ethnicity, gender, age, religion, sexual orientation, political or trade union opinions and health conditions. The company protects the physical and moral integrity of its employees, ensuring working conditions that respect human dignity and opposing all forms of violence, discrimination or behaviour detrimental to the person and his or her beliefs. The company's managers and supervisors enhance internal competencies through tools such as targeted training plans, job rotation, shadowing experienced staff and progressively more challenging assignments. Decisions on the allocation of roles and responsibilities are based exclusively on the correspondence between the required profiles and the skills actually possessed, according to objective and measurable criteria.

In the financial significance analysis conducted by Tozzi Green, no material risks emerged, but a significant opportunity related to working conditions was identified:

- Improved business performance and reputation through the adoption of flexible working hours, work-life balance, safe working conditions, respect for diversity and the promotion of gender equality.

The above elements represent a concrete opportunity to strengthen organisational stability, improve operational efficiency and create a more inclusive and stimulating working environment. Gender equality-oriented training and policies are key tools for achieving these goals.

Aware that sustainability requires the active involvement of people, the company promotes the dissemination of environmental skills and the growth of internal awareness. Every employee is called upon to contribute responsibly to the company's mission, with a shared vision geared towards protecting the planet and building a cleaner energy future.

Through structured training programmes, awareness-raising campaigns and participative initiatives, Tozzi Green nurtures a corporate culture in which technological innovation and environmental responsibility are integrated and become guiding values. This approach enables the company to strengthen its role in the ecological transition, generating positive impacts on the territory and for future generations.

The company is aware of the presence of systemic risks related to forced and child labour in some of the geographical areas where it operates, particularly in Madagascar, where agricultural activities are carried out (e.g. vanilla, geranium, spices). The risks of forced labour are mainly associated with agricultural activities in rural areas, which are characterised by informal economies and poor regulation, with potential issues in the processes of harvesting, primary processing, and local transport. With regard to child labour, the risk is high with respect to the employment of children in seasonal activities, within family or community settings. Although Madagascar has ratified ILO Conventions 138 and 182 and has laws prohibiting forced labour, enforcement is weak.

To address these risks, Tozzi Green takes a proactive approach, based on regulatory and contractual tools such as company policies, code of ethics and employment contracts that comply with the Code du Travail Malgache (Loi n°2003-044). The aim is to ensure decent working conditions and contribute to the sustainable development of local communities.

In Iran, where the company operates with an in-house staff of three qualified technicians, no risks of forced or child labour were detected. The assessment was conducted through regular monitoring of contractual and working conditions, in accordance with local legislation and international human rights principles (such as ILO Conventions No. 138 and 182). All employment complies with national regulations (Legislative Decree 81/2008, Law 977/1967 and subsequent amendments) and is governed by contracts in accordance with the applicable National Collective Labour Agreement, fully respecting fundamental rights and human dignity.

Staff contracts are formalised, ensuring salaries are in line with the legal minimum and working hours are regulated, with no evidence of coercive practices or vulnerable conditions that could lead to exploitation. In addition, the personnel selection and management process is managed internally by the company, without third-party intermediaries, which allows for greater control over compliance. The age of workers is verified at recruitment through official documentation, ensuring that there are no minors in the production cycle.

Tozzi Green strongly condemns all forms of forced and child labour, always acting with respect for human rights. It also ensures that its suppliers also adopt consistent standards, considering any form of exploitation unacceptable.

During the materiality assessment, it became clear that the company adopts policies and procedures geared towards the prevention and management of risks, with a focus on occupational health and safety. In support of this commitment, an integrated health, safety and environment policy has been defined, covering all operational phases and considering every possible risk scenario.

The measures taken include strict protocols for accident prevention, continuous training programmes and initiatives to promote a shared safety culture. Constant attention to the physical and psychological well-being of human resources contributes to reducing operational risks and to consolidating a working environment based on trust, responsibility and mutual respect, which are essential elements in ensuring the organisation's long-term sustainability and success.

Finally, the materiality assessment confirmed the strategic importance of promoting staff well-being, ensuring safe and inclusive working environments, and valuing diversity and gender equality in every area of the organisation. This approach not only strengthens business competitiveness but also brings tangible benefits to the entire workforce.

S1-1 / Policies regarding own workforce

S1-10 / Adequate wages

Tozzi Green has adopted a structured system of policies and operational tools to guide, manage and implement its commitments to staff. Beginning with the Code of Ethics, the company clearly affirms the value attributed to human resources, considered a central element in achieving the company's objectives. The organisation promotes behaviour inspired by principles of passion, integrity, solidity, dynamism and innovation, creating a working environment that stimulates professional growth, enhances individual potential, protects working conditions and guarantees the physical integrity and dignity of each person. Respect for the principles contained in the Code of Ethics is also extended to suppliers and contractual partners, who are required to align themselves with the company's standards on the protection of personnel.

To prevent negative impacts and to promote a serene and inclusive corporate climate, Tozzi Green adopts a zero tolerance policy towards any form of harassment or violence. To support this commitment, a Whistleblowing channel (Tozzi Green Spa Whistleblower Channel) has been established⁴. In the area of health and safety, the company has formalised a "Corporate policy for health, safety and the environment", integrated into the overall strategy, which includes measures to ensure safe and healthy working environments, prevent occupational injuries and illnesses, eliminate hazards and reduce risks, while promoting opportunities for continuous improvement.

⁴ For further information and details, please refer to the Chapter on Governance

Tozzi Green invests in continuous and targeted training, promoting awareness and empowerment of all employees at all levels. In line with Organisational Model 231/01 and current regulations, the company also disseminates these principles to customers and suppliers, contributing to the building of a shared culture of safety and responsibility. To confirm its commitment to equity, Tozzi Green has adopted a "Gender Equality Policy", which incorporates regulatory principles and activates internal tools to foster an inclusive culture.

In addition, it has defined a procedure for "Personnel Management", which regulates the entire human resources lifecycle, consistent with current legislation, the Gender Equality policy and the principles of the PdR 125:2022 standard.

In carrying out its activities, the company is committed to respecting and promoting human, civil, social, cultural and economic rights, adopting an approach based on inclusiveness, equity and responsibility. Tozzi Green condemns all forms of discrimination, corruption and conduct detrimental to individual dignity. Every action, operation or transaction is conducted in compliance with the law, the principles of impartiality and fair competition, guaranteeing fairness, transparency and completeness of information.

All these principles are formalised in the Code of Ethics, which represents a binding reference for all addressees, who are called upon to adopt behaviour consistent with corporate values.

As of 18 July 2019, Tozzi Green has voluntarily become a participant in the United Nations Global Compact, with its ten principles drawing inspiration from pivotal documents such as the Universal Declaration of Human Rights and the Declaration of the International Labour Organisation. Member companies undertake to respect human rights, support freedom of association and collective bargaining, abolish child and forced labour, eliminate all forms of discrimination, take a proactive approach to environmental challenges and fight corruption in all its forms.

In addition, on 17 June 2023, Tozzi Green was among the first companies to sign the Manifesto "Imprese per le Persone e la Società"⁵, which in point 2 reaffirms the commitment to respect human and labour rights.

In its Code of Ethics, the Tozzi Green Group clearly articulates its intention to strengthen its commitment to corporate social accountability, in line with the main international industry standards, and to communicate it transparently to all stakeholders. In this document, the company firmly addresses the issue of forced labour, declaring its absolute commitment to oppose any form of exploitation, physical or psychological abuse, and to prohibit coercive or punitive practices against resources. The ban on the use of forced or child labour is also extended to suppliers, business partners and employees.

Through the Corporate policy for health, safety and the environment and the Social accountability policy, Tozzi Green defines the guiding principles that guide the management of safety at work, laying the foundations for sustainable and responsible development. As an evidence to this commitment, the company has established an integrated management system, certified and consistently updated, which ensures effective management of health and safety matters, guarantees compliance with laws, adoption of best practices, and continuous performance enhancement.

Tozzi Green also takes non-discrimination, harassment prevention and the promotion of equal opportunities seriously, integrating these principles into its governance instruments. They are explicitly referred to in the Code of Ethics, the Gender Equality Policy and the Social accountability policy. This approach is translated into concrete initiatives, such as training courses for staff, aimed at promoting respect, fairness and appreciation of diversity. Through its Gender Equality Policy, Tozzi Green is concretely committed to removing obstacles to effective equality between men and women in employment, ensuring equal access to jobs and equal compensation.

Indeed, the company is committed to combating all forms of discrimination, whether related to age, gender, sexual orientation, health status, ethnic origin, nationality, cultural background, political opinions, or religious beliefs. In this context, Tozzi Green guarantees a safe, healthy working environment that respects individual dignity, adopting preventive and corrective measures to avoid episodes of harassment, intimidation, mobbing or stalking, and promoting a serene professional climate oriented towards collective well-being.

⁵ Refer to the Manifesto (https://globalcompactnetwork.org/files/network_italiano/manifesto-imprese-per-le-persone-e-la-societa/Manifesto-web.pdf).

During the year, the company fulfilled its legal obligations concerning the recruitment of protected categories. The Group's procedure for Personnel Management systematically regulates the recruitment, employment initiation, and training phases to effectively meet the needs of integrating new resources and managing existing personnel at Tozzi Green. The recruitment process is carried out in full compliance with the principles of the Code of Ethics and the Gender Equality Policy, ensuring equal opportunities for all candidates.

Staff involved in selection are trained and made aware of the importance of adopting correct, respectful and non-discriminatory behaviour. Particular care is taken at the interview stage and when drafting advertisements and application forms, to avoid any reference, even indirectly, to discriminatory requirements. In line with current legislation and the principles of fairness and inclusiveness, the company uses neutral and respectful language, avoiding references to irrelevant personal conditions, such as marital status or family intentions.

Equal treatment and opportunity policies and procedures are drafted by the HR Manager and approved by the CEO and General Manager. Although these issues are considered in the overall assessment of senior management, there is no direct link to career advancement.

When it comes to training, Tozzi Green adopts a systematic approach to detecting training and instructional needs, ensuring that each resource has the necessary skills to perform his or her role and undertake paths of growth and increasing responsibility. In addition to technical courses, the company provides all staff with appropriate training on diversity, inclusion and equal opportunities.

The company also adopts a system for the continuous collection and monitoring of data relating to recruitment and training processes, which makes it possible to maintain an up-to-date view of the professional development of each employee and to track individual growth paths. The HR Manager, with the support of the General Secretariat, is responsible for the collection and filing of training documentation (plans, certificates, funding process) and documents produced during recruitment, which constitute the resource's personnel file. All materials are stored in a digital and paper archive with restricted access.

A structured system has been implemented for Health and Safety management, which ensures compliance with current regulations and prevention and protection measures. This system is an essential safeguard to ensure safe, functional and comfortable working environments that meet the highest operational requirements and standards.

S1-2 / Processes for engaging own workforce and workers' representatives about impacts

Training:

In the context of corporate training, the direct involvement of the workforce is central to ensuring the effectiveness and relevance of training. The assessment of training needs is based on:

- Annual assessment of individual competencies and performance
- Self-assessment questionnaires
- Individual interviews with HR and General Manager
- Analysis of needs arising from strategic plans (e.g. digitisation, sustainability, new regulations - CSRD, AI, cybersecurity)
- Introduction of new business tools and processes (e.g. job rotation, Enterprise Resource Planning systems, ESG models)

The objective is to identify the technical skills (hard skills) and interpersonal skills (soft skills) to be developed, in order to strengthen individual capabilities and address areas for improvement.

The needs identified are analysed by HR, which provides for the definition of the Annual Training Plan.

The plan is then submitted to the General Manager for approval. The process takes place on an annual basis, but allows for updates and additions during the year as organisational needs evolve.

HR, with the possible support of experienced personnel, takes care of the design of the training courses, defining content, teaching methods, timing, venues and necessary resources. At the end of each course, specific ways of verifying learning (e.g. questionnaires, interviews, practical tests) are implemented in order to assess its effectiveness.

The entire process is based on the principle of equal opportunities, ensuring transparency in the evaluation criteria and in the management of professional development.

Secure employment

During organisational reviews and restructuring, staff are involved through direct communication, information meetings and discussions. The frequency is occasional, depending on specific events.

Work-life balance

Surveys concerning the organisational climate and employee well-being (such as new welfare services and meal options) are regularly distributed. HR and the General Manager review the results, allowing them to evaluate and implement potential policy improvements or additions. Policies are always shared with the entire company population and are always accessible from the intranet.

Health and safety

Involvement takes place through participation in mandatory and specialised courses, through the presence of the Workers' Safety Representative, joint inspections and the collection of reports through dedicated channels. The frequency is at least once a year or according to regulatory developments.

Diversity and gender equality

The General Manager and HR keep track of the KPIs linked to the 6 strategic areas as specified in UNI/PdR 125:2022 (culture and strategy, governance, processes, opportunities for growth and inclusion, pay equity, protection of parenthood and work-life balance) and, based on the dedicated annual strategic and communication plan, involve resources in the planned activities.

The efficiency of employee engagement in the training process is evaluated using different approaches, which enable tracking of active participation as well as the outcomes achieved. More precisely:

- At the end of each course, an evaluation questionnaire is administered to collect qualitative and quantitative feedback from the participants with regard to content, teaching method, perceived usefulness and quality of the trainer.
- In e-learning courses (e.g. Skilla - Fluentify), tools are implemented to monitor individual progress, through initial and final tests (pre-post test), tracking of activities performed, time spent and results achieved.
- The results of the evaluations are analysed by the HR function in order to identify any areas for improvement in the content, delivery methods or overall structuring of the course.
- Where appropriate, checks are carried out several months later (e.g. follow-ups or interviews) to understand the concrete application of the acquired skills in the work context.

The adopted approach not only allows for measuring the effectiveness of training but also establishes a continuous dialogue with employees, valuing their perspective in the context of planning future activities.

Tozzi Green adopts an inclusive approach to human resources management, recognising the importance of understanding and valuing the perspectives of staff who may be more exposed to situations of vulnerability or marginalisation (such as women, foreigners, disabled individuals, and other protected categories).

To this end, the company has implemented several tools and initiatives: in addition to the Code of Ethics, there is a Gender Equality Policy and a Social Responsibility Policy. The company periodically monitors disaggregated data (by gender, age, background, etc.) and detects, also by means of climate surveys and individual interviews, any critical issues or specific needs of the most vulnerable groups. Finally, training and awareness-raising courses are planned for staff on topics such as inclusion, respect for diversity, harassment prevention and inclusive language.

These measures enable the company to gather the perspectives of people belonging to potentially disadvantaged groups in a structured way, promoting a fair, participative and respectful working environment.

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

S1-4 / Taking actions on material impacts on own workforce and approaches to managing material risks and pursuing material opportunities relating to own workforce, as well as the effectiveness of such actions

Tozzi Green actively promotes a fair and inclusive working environment, in which equal opportunities and possibilities for professional growth are guaranteed for all people in the workforce. This commitment translates into a structured training system, capable of identifying and meeting training needs in a timely manner, fostering continuous skills development.

At the same time, the company pays great attention to the constant improvement of operational processes, with particular emphasis on safety, to protect the health and safety of workers. Risk reduction and the enhancement of good practices are central elements of the company's strategy.

Through the examination of potential negative impacts on the workforce, Tozzi Green has identified several critical areas that are regularly monitored using specific systems and procedures:

- Stress and burnout: in order to counter the negative impact of excessive workloads, inadequate pay or lack of resources, the company carries out periodic checks on pay equity, analysing tasks, levels and basic pay, without gender distinctions. Company bonuses are also awarded according to objective criteria, such as the achievement of targets or performance evaluations. In case of need, Tozzi Green takes action to supplement the workforce with new resources.
- If a facility is closed or sold, or if activities that are typically outsourced are temporarily insourced, the company takes steps to minimise the negative effects on employment. Such measures include plans for the reassignment or professional upskilling of the involved employees, also via personalised training and mentoring paths. Furthermore, employment stabilisation strategies are adopted, even in the presence of organisational or regulatory changes, through a structured and constant dialogue with trade union representatives, in compliance with the principle of active involvement of internal stakeholders. In this context, two exemplary cases are worth mentioning: the sale of assets in Latin America, where the clause of full preservation of employment levels was included as a binding condition in the contractual disposal agreements, and the sale of the San Giovanni Biogas plant (San Giovanni in Persiceto - Bo), where the sale agreement explicitly included the preservation of all jobs as a fundamental requirement for the deal to be concluded. These cases reflect the company's commitment to responsible transition management, in line with Just Transition principles and respecting workers' rights.

- Health and safety: to prevent accidents linked to deficiencies in protective measures or incorrect behaviour, Tozzi Green provides appropriate personal protective equipment and organises initial and periodic training courses, both general and job-specific. Training is also extended to cases of role changes or the introduction of new risks, with the aim of minimising behavioural errors.
- Human rights violations and cultural conflicts: in order to prevent incidents of discrimination or exclusion, the company has put in place a whistleblowing procedure that allows internal and external employees to report possible violations. Tozzi Green's Code of Ethics enshrines the rejection of all forms of discrimination based on age, gender, sexual orientation, health status, ethnicity, nationality, cultural background, political opinions and religious beliefs. The company also strongly condemns any manifestation of racism, xenophobia or denialism, even if spread via social media.

Tozzi Green promotes numerous initiatives aimed at generating concrete positive impacts on its workforce. Among the most significant actions, in 2025 the company signed the Code of Conduct for Businesses Supporting Maternity, appearing on the list of responsible companies.

Tozzi Green guarantees post-maternity job protection and career continuity, rejecting all forms of marginalisation. To facilitate work-life balance, it provides flexible tools, compatible with the tasks performed and organisational needs, including:

- part-time on request, subject to feasibility assessment;
- smart working, where compatible with the role;
- individually defined working time variation.

To support wellness, the company also offers additional services:

- receipt of personal packages at the reception desk;
- car wash (free for company cars, subsidised for others);
- leave for medical consultations (up to two hours per month, with certificate);
- corporate gym with personal trainers at subsidised rates;
- delivery of medicines in the company through agreements with pharmacies;
- access to the Family+Happy service at advantageous conditions. Family+Happy is a non-profit company committed to improving employees' work-life balance through high-quality caregiving services, offering the possibility of entrusting children, elderly people and pets to professional, referenced and certified caregivers, also available at weekends. The selected caregivers are certified, in good standing and available at a reduced hourly rate thanks to Family+Happy's business model and Tozzi Green's corporate contribution.
- Training also includes courses on mental wellbeing and the promotion of healthy lifestyles.

Tozzi Green takes a systemic approach to monitor and evaluate the effectiveness of workforce initiatives, with the aim of generating real value in terms of inclusion, professional development and quality of working life.

This approach is divided into four main areas:

1. Impact Indicators and Metrics

The company uses KPIs consistent with the objectives of the initiatives, including:

- rate of participation in training and wellness programmes;
- percentage of successful applications for part-time, smart working and hourly flexibility;
- turnover;
- use of welfare services (gym, car wash, medicine delivery);
- female presence in managerial roles and post-maternity career trends.

2. Structured staff feedback

Through surveys and interviews, information is collected on:

- perception of occupational well-being;
- satisfaction with the measures taken;
- perceived level of inclusion, particularly by women and vulnerable groups;
- emerging needs, useful for designing new initiatives.

3. Continuous monitoring by HR and managers

HR, the General Manager and the division managers collect qualitative data through individual interviews, proactively reporting critical issues or opportunities.

4. Annual review of policies

The collected data feed into a periodic review of policies and the welfare plan, with the aim to:

- respond to the actual needs of the company's workforce;
- update services and agreements;
- introduce new initiatives (e.g. support for parenting, mental well-being);
- strengthen fairness and equal opportunities.

Tozzi Green also adopts a structured system for identifying and managing actual or potential negative impacts on the workforce. Detection takes place through:

- direct reports;
- monitoring of key indicators (turnover, support requests, accidents);
- analysis of climate surveys and individual interviews;
- preventive assessments in the event of organisational changes or extraordinary events.

Once a material impact is identified, HR initiates an analysis with the relevant departments to understand its causes, scope and implications. Corrective actions may include:

- organisational actions (e.g. revision of workloads, flexible working hours);
- psychological support;
- targeted training (e.g. stress prevention);
- updating policies or introducing new welfare instruments.

The effectiveness of the measures is monitored over time using quantitative indicators and qualitative feedback to ensure continuous improvement and sustainability of the actions.

Numerous initiatives have been implemented to improve corporate performance and reputation through flexible working hours, work-life balance, safe working conditions, respect for diversity and promotion of gender equality. The design and management of training, skills development and wellness initiatives is entrusted to the HR function, while health and safety activities are coordinated by the Quality and HSE function.

All activities are supervised by the General Manager.

Metrics and targets

S1-5 / Targets related to managing material impacts, advancing positive impacts, as well as to risks and opportunities

At a strategic level, Tozzi Green has set a series of objectives outlined in the company policies, operational procedures, and the Annual Objectives Plan. Below are the objectives related to the mitigation of negative impacts:

- Ensuring decent wages that comply with legal, industry or contractual standards, adequate to meet essential needs and offer a discretionary buffer
- Promoting equal opportunities and combating all forms of discrimination at all stages of the employment relationship, regardless of ethnicity, origin, religion, disability, gender, sexual orientation, family responsibilities, marital status, trade union membership, political opinions, age or other personal conditions
- Properly assessing risks and enforcing prevention and protection measures for all personnel
- Providing personal protective equipment according to risk assessment and ensuring access to the First Aid Service
- Keeping occupational injury and illness rates to a minimum, with a zero injury target
- Strengthening staff awareness and participation on QHSE issues
- Periodically updating the Risk Assessment Document and drawing up Job Safety Analyses for the main activities
- Implementing near miss reporting systems
- Organising annual awareness-raising campaigns, such as Safety Week or Environment Day

For the time being, the above-mentioned objectives do not cover the impact of "Job losses caused by the closure of plants or sites and/or temporary insourcing of activities that are typically outsourced" since the company did not feel the need to formalise them. The company, however, as described above, in case the impact occurs, has plans for reassignment or upskilling of the involved employees, including via personalised training and mentoring paths. Furthermore, employment stabilisation strategies are adopted, even in the presence of organisational or regulatory changes, through a structured and constant dialogue with its resources, in compliance with the principle of active involvement of internal stakeholders.

The objectives related to enhancing positive impacts on the workforce are:

- Promoting initiatives for the physical, mental and social well-being of workers and the community
- Offering solutions to improve work-life balance, such as qualified caregiver services for children, the elderly and pets, also at weekends
- Ensuring safe, healthy and inclusive working environments
- Fostering an open and constructive dialogue on health and safety issues, promoting a No Blame Culture that encourages active participation in continuous improvement
- Practising the principles of equality and equal opportunities in personnel selection and evaluation processes
- Removing barriers to gender equality by ensuring equal access to work, pay, career, training and leave, including paternity leave
- Providing all staff with adequate and continuous training on diversity, inclusion and equal opportunities
- Ensuring initial and periodic health and safety training, both general and job-specific, including in the event of a change of role or introduction of new risks

Finally, the objectives for the management of the only material opportunity identified for the workforce are:

- Ensuring safe and healthy working environments
- Promoting equal opportunities and combating all forms of discrimination
- Offering concrete solutions to improve well-being and productivity, such as support through professional caregivers

Below are the figures for the Group's workforce. The data relate to the employees of Group companies and also include, for the year 2024, the company TSS, which was not included in the employee count in previous reports. In addition, the figures presented in the tables do not take into account the companies in South America (unlike in previous financial statements), as they are no longer part of the group. The figures are calculated considering the headcount as at 31 December 2024.

S1-6 / Characteristics of company employees

Table 1 - Employees by gender and contract type

2024					
	UNIT OF MEASUREMENT	WOMEN	MEN	OTHER	NOT COMMUNICATED
Number of employees broken down by gender	N°	157	474	-	-
Total employees	N°	631			

2024					
	UNIT OF MEASUREMENT	WOMEN	MEN	OTHER	NOT COMMUNICATED
Number of permanent employees	N°	123	398	-	-
Number of fixed-term employees	N°	26	84	-	-
Number of employees working flexible hours	N°	-	-	-	-
Total by gender	N°	149	482	-	-
Total employees	N°	631			

Number of full-time employees	N°	140	481	-	-
Number of part-time employees	N°	9	1	-	-
Total by gender	N°	149	482	-	-
Total employees	N°	631			

Table 2 - Employees by country

2024				
	UNIT OF MEASUREMENT	ITALY	MADAGASCAR	IRAN
Number of employees broken down by country	N°	112	516	3
Total employees	N°	631		

2024				
	UNIT OF MEASUREMENT	ITALY	MADAGASCAR	IRAN
Number of permanent employees	N°	99	422	-
Number of fixed-term employees	N°	13	94	3
Number of employees on non-guaranteed hours contracts	N°	-	-	-
Total employees	N°	631		

Number of full-time employees	N°	103	516	2
Number of part-time employees	N°	9	1	1
Total employees	N°	631		

Table 3 - Turnover rate

2024		
Employees who have left the workplace (voluntarily or due to dismissal, retirement or death in service)	N°	152
Total turnover	%	24%

S1-7 / Characteristics of non-employees in the company's own workforce

The five non-employee workers of Tozzi Green are technical consultants with specialised and technical expertise in specific areas.

Table 4 - Total number of non-employees

2024		
Total number of non-employees	N°	7

S1-8 / Collective bargaining coverage and social dialogue

Table 5 - Total number of employees covered by collective labour agreements

2024		
Total number of employees covered by collective labour agreements	N°	631
Total number of employees	N°	631
Total % of employees covered by collective labour agreements	%	100%

Table 6 - Total number of employees covered by collective labour agreements by country within the EEA

ITALY		
Total number of employees covered by collective labour agreements by country (within the EEA)	N°	112
Total number of employees by country	N°	112
Total % of employees covered by collective labour agreements	%	100%

S1-9 / Diversity metrics

Table 7 - Gender breakdown of senior management members_Italy

	UNIT OF MEASUREMENT	2024
Senior Management members - Men	N°	5
Senior Management members - Women	N°	1
Senior Management - Total	N°	6
% of Men in Senior Management	%	83%
% of Women in Senior Management	%	17%

Table 8 - Gender breakdown of senior management members_Madagascar

	UNIT OF MEASUREMENT	2024
Senior Management members - Men	N°	8
Senior Management members - Women	N°	2
Senior Management - Total	N°	10
% of Men in Senior Management	%	80%
% of Women in Senior Management	%	20%

Table 9 - Breakdown of employees by age group

2024				
	UNIT OF MEASUREMENT	< 30 years	Between 30 and 50 years	> 50 years
Number of employees by age group	N°	170	400	61
Total employees	N°	631		

S1-11 / Social protection

Every employee at Tozzi Green enjoys social security benefits.

Specifically, as far as employees in Iran are concerned, they have access to a system of **mandatory social security**, managed mainly by the **Social Security Organisation (SSO)**, the state body in charge of social protection for private sector workers. The SSO ensures: healthcare, pension, disability, accidents, maternity, unemployment. Effective coverage is only guaranteed if workers are formally employed with a regular contract.

Contributions are distributed as follows: 7 % to be borne by the employee, 20-23 % by the employer, 3 % by the Government.

Specific provisions for Madagascar:

1. Health Coverage:

- Employees and their family members are covered by intercompany medical services, with contributions of 6% in the city and 6.5% in the province (1% borne by the employee, 5% by the company)
- Affiliated facilities:
 - TGM: ESIA (Espace Sanitaire Interentreprises d'Antananarivo)
 - TGHM: FUNHECE (Maroantsetra and Mananjary), SMIA (Antsirabe), ESIA (Tanà)
 - JTF: in-house dispensary with a doctor and nurse, plus ESIA in Tanà
- In accordance with the collective agreement, the company reimburses medical expenses and enrolls staff in a health insurance plan covering 80% of employees.
- Salaries are paid in full upon presentation of validated health documentation.
- Employment contracts are suspended in the event of:
 - Long-term illness (up to six months), with compensation equivalent to the notice period
 - Hospitalisation of a child (up to two months), with paid salary and days deducted from vacation leave
 - Hospitalisation of a spouse (up to fifteen days), with paid salary and days deducted from vacation leave

2. Technical unemployment:

- In the event of suspension of the contract, there is no payment of salary.
- If there are no developments within six months, the company settles all statutory balances and allowances.

3. Accident at work:

- Treatment is the responsibility of the company's medical bodies.
- After reporting the accident, the Caisse Nationale de Prévoyance Sociale (CNaPs), Madagascar's national social security institution, reimburses the company for the salary paid during the employee's absence.
- The CNaPs pays the worker an allowance for the period of temporary incapacity.
- In the event of permanent disability, the company provides personal insurance for permanent employees with at least two years' seniority, covering medical expenses and compensation in the event of death.
- If the employee is found to be physically or mentally unfit, the company may propose reassignment, temporary suspension or definitive transfer, based on the medical certificate.

4. Parental leave:

- Women workers are entitled to ninety-eight days of maternity leave, including eight weeks after childbirth, extendable by twenty-one days in the event of medical complications.
- After delivery, one hour per day is provided for breastfeeding up to fifteen months.

- Salary during leave is split between the company (50%) and CNaPs (50%).
- The CNaPs also reimburses childbirth expenses, prenatal and family allowances.
- Fathers are entitled to three days of paid paternity leave, not deducted from their vacation leave.

5. Retirement:

- The retirement age is set at sixty for everyone.
- Workers who have been registered with the CNaPs for at least fifteen years are entitled to a retirement, old age or supplementary pension.
- In the event of non-occupational disability, starting from the age of fifty-five, it is possible to request early retirement from the CNaPs.

S1-12 / People with disabilities

Table 10 - Number and percentage of employees with disabilities

	UNIT OF MEASUREMENT	2024
People with disabilities among the organisation's employees	N°	4
Total number of employees in the organisation	N°	631
% of persons with disabilities	%	0.6%

2024				
	UNIT OF MEASUREMENT	WOMEN	MEN	TOTAL
People with disabilities among the organisation's employees by gender	N°	2	2	4
Total number of employees in the organisation by gender	N°	474	157	631 ⁶
% of persons with disabilities	%	0.4%	1.27%	0.6%

S1-13 / Training and skills development metrics

Table 11 - Number and percentage of employees who participated in performance review and career development by gender_Italy ⁶

2024			
GENDER	NO. OF EMPLOYEES WHO PARTICIPATED IN REGULAR PERFORMANCE REVIEWS (*) AND CAREER DEVELOPMENT	TOTAL NO. OF EMPLOYEES (BY GENDER)	% OF EMPLOYEES WHO PARTICIPATED IN REGULAR PERFORMANCE REVIEWS AND CAREER DEVELOPMENT
Women	32	35	91%
Men	53	57	93%
Total	85	92	92%

Table 12 - Number and percentages of employees who participated in performance review and career development by gender_Iran

2024			
GENDER	NO. OF EMPLOYEES WHO PARTICIPATED IN REGULAR PERFORMANCE REVIEWS (*) AND CAREER DEVELOPMENT	TOTAL NO. OF EMPLOYEES (BY GENDER)	% OF EMPLOYEES WHO PARTICIPATED IN REGULAR PERFORMANCE REVIEWS AND CAREER DEVELOPMENT
Women	0	1	0%
Men	0	2	0%
Total	0	3	0%

⁶ With regard to table 11: the figures and therefore the skills assessment is only for Tozzi Green employees who have been with the company for at least 6 months and who are present in the company at the time of the assessment.

Table 13 - Number and percentages of employees who participated in performance review and career development by gender_Madagascar

2024			
GENDER	NO. OF EMPLOYEES WHO PARTICIPATED IN REGULAR PERFORMANCE REVIEWS (*) AND CAREER DEVELOPMENT	TOTAL NO. OF EMPLOYEES (BY GENDER)	% OF EMPLOYEES WHO PARTICIPATED IN REGULAR PERFORMANCE REVIEWS AND CAREER DEVELOPMENT
Women	109	113	96%
Men	393	403	98%
Total	502	516	97%

Table 14 - Performance review and career development by job category_Italy⁷

2024			
EMPLOYEE CATEGORIES	NO. OF EMPLOYEES WHO PARTICIPATED IN REGULAR PERFORMANCE REVIEWS AND CAREER DEVELOPMENT	TOTAL NO. OF EMPLOYEES (BY JOB CATEGORY)	% OF EMPLOYEES WHO PARTICIPATED IN REGULAR PERFORMANCE REVIEWS AND CAREER DEVELOPMENT
Executives	6	6	100%
Managers	12	13	92%
White-collar workers	61	67	91%
Blue-collar workers	6	6	100%
Total	85	92	92%

⁷ With regard to table 14: the figures and therefore the skills assessment is only for Tozzi Green employees who have been with the company for at least 6 months and who are present in the company at the time of the assessment.

Table 15 - Performance review and career development by job category_Madagascar

2024			
EMPLOYEE CATEGORIES	NO. OF EMPLOYEES WHO PARTICIPATED IN REGULAR PERFORMANCE REVIEWS AND CAREER DEVELOPMENT	TOTAL NO. OF EMPLOYEES (BY JOB CATEGORY)	% OF EMPLOYEES WHO PARTICIPATED IN REGULAR PERFORMANCE REVIEWS AND CAREER DEVELOPMENT
Blue-collar workers	131	133	98%
Specialised employees	178	178	100%
Qualified employees	92	99	93%
Middle management	100	104	96%
Managers	1	2	50%
Total	502	92	97%

Table 16 - Average number of training sessions by gender_Italy

2024			
GENDER	TOTAL TRAINING HOURS	TOTAL NO. OF EMPLOYEES (BY GENDER)	AVERAGE TRAINING HOURS
Women	771	43	17.93
Men	1520.5	69	22.04
Total	2291.5	112	20.46

Table 17 - Average number of training sessions by gender_Iran

2024			
GENDER	TOTAL TRAINING HOURS	TOTAL NO. OF EMPLOYEES (BY GENDER)	AVERAGE TRAINING HOURS
Women	0	1	0
Men	0	2	0
Total	0	3	0

Table 18 - Average number of training sessions by gender_Madagascar

2024			
GENDER	TOTAL TRAINING HOURS	TOTAL NO. OF EMPLOYEES (BY GENDER)	AVERAGE TRAINING HOURS
Women	228	113	2.55
Men	768	403	1.91
Total	1056	516	2.05

Table 19 - Average hours of training by job category_Italy

2024			
EMPLOYEE CATEGORIES	TOTAL TRAINING HOURS	TOTAL NO. OF EMPLOYEES (BY JOB CATEGORY)	AVERAGE TRAINING HOURS
Managers	127.5	6	21.3
Managers	308.25	13	23.7
White-collar workers	1627.3	69	23.6
Blue-collar workers	228.5	24	9.5
Total	2291.55	112	20.5

Table 20 - Average hours of training by job category_Madagascar

2024			
EMPLOYEE CATEGORIES	TOTAL TRAINING HOURS	TOTAL NO. OF EMPLOYEES (BY JOB CATEGORY)	AVERAGE TRAINING HOURS
Blue-collar workers	0	133	0
Specialised employees	128	174	0.73
Qualified employees	911	103	8.84
Middle management	17	104	0.16
Managers	0	2	0
Total	1056	516	2.05

S1-14 / Health and safety metrics

Table 21 - Number and percentage of employees covered by a health and safety management system_Italy and Madagascar

	UNIT OF MEASUREMENT	2024
No. of own workers covered by the company's health and safety management system according to legal requirements and/or recognised standards or guidelines	N°	628
Total number of own workers	N°	631
% of workers covered by the health and safety management system	%	99%
No. of own workers covered by an internally audited health and safety management system	N°	112
No. of own workers covered by a health and safety management system that has been certified by an external party	N°	92
% of own workers covered by a health and safety management system audited internally and/or audited or certified by an external party	%	34%

Table 22 - Number and percentage of work-related deaths, injuries and illnesses_Italy

2024			
	UNIT OF MEASUREMENT	EMPLOYEES	TOTAL
No. of recorded deaths due to work-related injuries and illnesses	N°	0	0
No. of recordable occupational accidents	N°	1	1
Total number of hours worked in the year	N°	184579.25	184579.25
Recordable occupational accident rate	%	5.4%	5.4%
No. of recordable work-related illness cases	N°	0	0
Number of days lost due to work-related injuries and fatalities caused by workplace accidents, work-related illnesses, and deaths resulting from illnesses	N°	0	0

Table 23 - Number and percentage of work-related deaths, injuries and illnesses_Madagascar

2024				
	UNIT OF MEASUREMENT	EMPLOYEES	NON-EMPLOYEES	TOTAL
No. of recorded deaths due to work-related injuries and illnesses	N°	0	0	0
No. of recordable occupational accidents	N°	0	0	0
Total number of hours worked in the year	N°	1051478.77	3040	1051478.77
Recordable occupational accident rate	%	0%	0%	0%
No. of recordable work-related illness cases	N°	0	0	0
Number of days lost due to work-related injuries and fatalities caused by workplace accidents, work-related illnesses, and deaths resulting from illnesses	N°	0	0	0

Table 24 - Number and percentage of work-related deaths, injuries and illnesses_Iran

2024				
	UNIT OF MEASUREMENT	EMPLOYEES	NON-EMPLOYEES	TOTAL
No. of recorded deaths due to work-related injuries and illnesses	N°	0	0	0
No. of recordable occupational accidents	N°	0	0	0
Total number of hours worked in the year	N°	2288	0	2288
Recordable occupational accident rate	%	0%	0%	0%
No. of recordable work-related illness cases	N°	0	0	0
Number of days lost due to work-related injuries and fatalities caused by workplace accidents, work-related illnesses, and deaths resulting from illnesses	N°	0	0	0

Table 25 – Number of worker deaths in the value chain_Italy

	UNIT OF MEASUREMENT	2024
No. of recorded deaths due to work-related injuries and illnesses for workers in the value chain	N°	NA ⁸

Table 26 – Number of worker deaths in the value chain_Madagascar

	UNIT OF MEASUREMENT	2024
No. of recorded deaths due to work-related injuries and illnesses for workers in the value chain	N°	0

Table 27 – Number of worker deaths in the value chain_Iran

	UNIT OF MEASUREMENT	2024
No. of recorded deaths due to work-related injuries and illnesses for workers in the value chain	N°	0

S1-15 / Work-life balance metrics**Table 28 – Number and percentage of employees entitled to family leave**

	UNIT OF MEASUREMENT	2024
Employees entitled to family leave	N°	120
Total number of employees	N°	631
% of employees entitled to family leave	%	19%

⁸ The Code of Ethics and the Organisation, Management and Control Model are published on the Group's website. (https://www.tozzigreen.com/wp-content/uploads/2024/03/TG-codice-etico_REV-20231217_IT.pdf)(<https://www.tozzigreen.com/wp-content/uploads/2024/03/Modello-231-16-dic-23-parte-generale-1.pdf>).

Table 29 - Number and percentage of employees who have taken family leave

2024				
	UNIT OF MEASUREMENT	WOMEN	MEN	TOTAL
Employees who have taken family leave	N°	8	8	11
Total number of employees by gender	N°	482	149	631
% of employees who have taken family leave	%	1.6%	5.4%	1.7%

S1-17 / Incidents, complains and severe human rights impacts

Table 30 - Number of reported discrimination incidents and amount of fines

	UNIT OF MEASUREMENT	2024
Number of discrimination incidents, including harassment, reported in the reporting period	N°	0
Number of complaints submitted through the channels made available for the company's own workers to raise concerns (including grievance mechanisms) excluding the incidents reported in the box above	N°	0
Total amount of fines, penalties and damages resulting from accidents and complaints	Eur	0

Table 31 - Number of severe human rights incidents and amount of fines

	UNIT OF MEASUREMENT	2024
Number of severe human rights incidents related to the company's own workforce	N°	0
Total amount of fines, penalties and damages for severe human rights incidents	Eur	0

3.2

Affected communities

ESRS 2 SBM-2 / Interests and opinions of stakeholders

Interaction and constructive dialogue with affected communities is a central element for Tozzi Green in managing its activities. All of the company's projects, both in the energy and agricultural sectors, in Italy and abroad, undergo a prior assessment of their social and environmental impact, according to procedures that are a requirement for obtaining authorisations from local authorities and international financing bodies.

During the implementation of projects, social impacts are constantly monitored and corrective measures are taken if deviations from the planned objectives are found. Monitoring concerns:

1. Regulatory compliance, through constant updating of a register containing the laws and regulations relevant to each project and communication with the competent authorities in cases where problems of interpretation of the regulations arise;
2. Implementation of an environmental and social management system for each project to address the risks of the environmental, social, health and safety impact and implications for biodiversity;
3. Modalities for the management and negotiated settlement of disputes concerning the fair right of access to land, possible compensation for land occupation, agricultural products, livestock or resettlement and inclusion projects for vulnerable groups;
4. Stakeholder engagement programmes and action plans targeted at them, based on a proactive approach, including listening to expressions of discontent and claims, with particular reference to any marginalised or weak groups (e.g., the elderly, women);
5. Recognition of local committees and representatives of the communities involved, ensuring they are actually represented, and the inclusion of disadvantaged and marginalised groups or categories;
6. The forms of actual representation;
7. Assessment of risks arising from climatic conditions that may develop locally in the short and long term;
8. Activities of workers' representative bodies, in accordance with ILO recommendations, the draft of a management manual for the staff involved in each project, the use of written employment contracts, both for direct and contracted staff, to safeguard decent wage levels and working conditions;
9. Management plans for any hazardous materials and substances, according to up-to-date treatment and disposal criteria;
10. The preparation of a health and safety management plan for the local population;
11. The preparation and implementation of benefit-sharing programmes resulting from project implementation on the basis of participatory practices, for the benefit of relevant stakeholders, with particular focus on weak and marginalised groups, balancing the scope of the project with the social and environmental needs of the target community;
12. Progress of biodiversity action plans, based on territorial characteristics and the impact of programmes.

Policies and processes

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

The communities with which Tozzi Green relates are people living in the areas surrounding existing or planned plants. Throughout the authorisation process for the construction and operation of new renewable energy plants, the company maintains an active dialogue with local institutions (municipalities and public administration), communities and their representatives. This participative approach facilitates the management of projects and makes it possible to intercept and respond promptly to any needs or critical issues.

In the agricultural sector in Madagascar, Tozzi Green works closely with rural communities in Satrokala, Andiolava, Ambatolahy and the Ihorombe region. These are mainly people living in the operational areas or settled thereafter, attracted by the employment opportunities offered by the company in a context of high unemployment.

The double materiality assessment conducted revealed eight actual positive impacts and one potential negative impact related to the S3 topical ESRS; while no material risks and opportunities emerged.

Potential and negative impact:

- Discontent and protests from local communities caused by a lack of consultation process for the initiation of new projects and/or the implementation of existing projects

Positive impacts noted:

- Creating job opportunities for communities in the vicinity of renewable energy plants and agricultural activities
- Economic development for communities through wages, payments, taxes and investment in local infrastructure
- Development of human capital through the implementation of social projects in support of welfare, health and education and through donations and partnerships with associations in the area
- Growth of economic activities in local communities (such as livestock farming, horticulture, spinning) enabled by reforestation and agroforestry initiatives in Madagascar
- Building relationships with local communities based on trust and constructive dialogue, through open and transparent communication, ensuring access to necessary information and practising active listening.
- Improvement of housing conditions, medical care and educational facilities through initiatives in Madagascar
- Greater availability of drinking water for local communities thanks to water purification and treatment services

The positive impacts stem directly from the social and economic policies adopted by Tozzi Green and its business strategy. While, as far as the potential negative impact is concerned, the company has implemented several initiatives aimed at fostering interaction and constructive dialogue with affected communities.

The initial phase of the double materiality assessment, dedicated to the mapping of impacts, risks and opportunities, allowed for an in-depth examination of the relationship between the company and communities. It emerged that dialogue and impact management are already well structured and established, confirming the central role of communities among Tozzi Green's stakeholders.

S3-1/ Policies related to affected communities

Tozzi Green's business initiatives are not limited to the generation of clean energy for the benefit of the affected communities, but also promote social and cultural development through support programmes designed according to the specific needs of the territories, in consultation with the communities themselves. The development of infrastructure, educational and healthcare services, cultural initiatives, and support for local activities are hallmark features of the company's approach.

All programs targeting individuals and communities are preceded by preliminary assessments aimed at evaluating short- and long-term impacts, with the objective of maximizing positive outcomes in terms of well-being. The launch of each initiative is subject to a process of information, negotiation and agreement with local stakeholder representatives.

Once implemented, the programmes are subject to periodic evaluations - similar to financial investments - and are reported to principals, competent authorities and funding bodies in a manner agreed at the outset.

In Italy, Tozzi Green's connection with the local community is expressed through direct initiatives, such as support for the Municipality of Ravenna (e.g. Ravenna Festival) and for sports associations in the Romagna region (e.g. Robur), as well as actions implemented in the areas where the company operates - and through the work of the Tozzi Green ODV Together Association, established in October 2019 by members of the Tozzi family's third generation. Although the association receives most of its economic resources from the Group, it operates independently, raising funds from additional sources and collaborating with non-profit organisations to generate synergies and share expertise.

In Madagascar, as part of the agricultural business, Tozzi Green believes that it offers additional value to the affected communities by:

1. Avoiding the use of cultivated land, instead utilizing plots previously deemed too poor for agricultural exploitation. These represent only 0.26% of the surface area of the three target municipalities and consist of fragmented and scattered parcels;
2. Creating direct and indirect local employment in a region marked by widespread poverty and economic underdevelopment, ensuring wages that comply with legal thresholds and employment contracts that respect working hours, leave entitlements, and all worker protection provisions;
3. Signing annual agreements that define the quantity and type of works, infrastructure, or initiatives to be carried out for the benefit of communities, in coordination with local authorities;
4. Supporting access to essential healthcare and education services by collaborating with local facilities to provide basic medical care and educational assistance. These efforts aim to reduce neonatal mortality and combat illiteracy, thereby improving overall community well-being;
5. Tozzi Green promotes a fair distribution of hires, encouraging the active participation of women in its activities. This strengthens the role of women within communities, contributing to economic empowerment and the reduction of gender inequalities;
6. The company provides technical and vocational training, encouraging the hiring of local staff and collaborating with universities and training institutions in the area. This approach fosters sustainable skills development and socio-economic inclusion, creating lasting opportunities for the population.

Tozzi Green considers the protection of social, economic, and cultural rights—including the right to work, education, and assistance—a primary responsibility of governments and public institutions, both nationally and internationally. However, it recognises that private actors also have an important role to play, based on their economic and social position. The company operates in contexts where it can contribute concretely to the realisation of these rights, within the limits of its capabilities.

In line with ILO recommendations, Tozzi Green has chosen not to employ minors, even in countries where local leg-

isolation permits it. This commitment is constantly monitored, both in direct recruitment practices and in those of the Group companies active outside the European Union. Suppliers are also involved: in order to maintain business relations with Tozzi Green, they must declare the absence of underage workers.

The company is aware that the fight against child labour also goes through the expansion of education and access to basic education.

This is why, in addition to banning all forms of child labour, it actively promotes educational initiatives in areas where schooling is still insufficient, as illustrated in the section on the community in Madagascar.

Tozzi Green adheres to international standards and the United Nations Guiding Principles on Human Rights, applying them in its own conduct and in its relations with the communities involved in its business activities. No violations of these principles have ever been reported either in direct operations or along the value chain.

The company carefully monitors its operations and supply chain, with a special focus on local suppliers in Madagascar considered to be at risk, such as those of vanilla and pink pepper. Although no critical issues have emerged, Tozzi Green maintains constant monitoring to prevent and manage any problematic situations.

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

For Tozzi Green, respecting human rights means recognising all stakeholders equally, listening attentively, and respecting and understanding the diverse cultures the company engages with.

Also in Madagascar, Tozzi Green applies protocols of regular consultation with local communities and conducts in-depth analyses of the needs of the people living in the areas affected by its activities.

Integrating the perspective of affected communities into decision-making processes is considered essential for the prevention and responsible management of both actual and potential impacts on the territory and population. This approach is a pillar of the company's commitment to sustainable and shared development.

a. Direct involvement of affected communities

The company ensures direct engagement with affected communities through regular consultations and meetings with legitimate village representatives (such as fokontany leaders and community development committees), and, where necessary, with representatives selected in collaboration with the communities themselves. This approach ensures transparent communication and a thorough understanding of the needs, concerns and expectations of stakeholders.

b. Phases, type and frequency of involvement

Involvement is structured across several strategic phases:

- **Planning phase:** during the planning of agricultural activities (e.g. land selection, water supply, cultivation practices), participatory meetings are held to collect comments and co-define guidelines.
- **Operational phase:** during the implementation of activities, constant dialogue is maintained with monthly meetings and informal listening sessions in the field.
- **Monitoring phase:** Participatory budget meetings are organised annually to assess the effects of activities and propose possible adjustments.

c. Internal company responsibility

Operational responsibility for the community involvement process lies with the Environmental and Social Manager, who reports directly to the country's General Management. This role has the mandate of coordinating consultation activities, guaranteeing the traceability of the requests collected and ensuring that the results obtained concretely influence the company's choices, in particular those related to environmental and social management.

d. Evaluation of the effectiveness of involvement.

The company assesses the effectiveness of community involvement through indicators such as the rate of participation in meetings, the level of satisfaction expressed, the number of community proposals integrated into the company's plans, and the degree to which critical issues were resolved. In addition, when applicable, collaboration agreements (e.g. memoranda of understanding, inclusive agricultural supply contracts, environmental commitments) are formalised that testify to the achievement of concrete, shared results.

In Italy, Tozzi Green promotes the direct involvement of affected communities through:

- Meetings with municipalities and institutional representatives from the very early stages of project development;
- Dialogues with local stakeholders (associations, committees, farms, citizens), where appropriate, directly or through local facilitators/technical advisors, in order to understand the socio-territorial characteristics and prevent possible criticalities;
- Voluntary agreements and shared territorial compensation measures, calibrated to the actual impacts of the intervention and aimed at generating positive effects for the community (e.g. road works, lighting, environmental actions, contributions to schools and services).

This process is not limited to consultation, but aims to gather concrete feedback that can guide design decisions and, where possible, reshape proposed actions. Here are the steps:

- Preliminary phase: exploratory contacts with local authorities and direct dialogue with the population or territorial stakeholders to assess the social compatibility of the intervention.
- Authorisation phase: formal public participation in EIA procedures, with the possibility for communities to submit comments and contributions during the public consultation phase.
- Construction phase: maintaining relations with the landowners involved in the construction of the facilities and with project stakeholders in general, maintaining the contacts established both during the property acquisition phase and during the authorisation process; updating the same landowners and/or stakeholders on the processing and management phases of their requests. In addition, during the construction phase, environmental monitoring procedures are put in place, the reports of which are transmitted to the competent bodies, as stipulated in the Single Authorisation.
- Management phase: maintaining dialogue with the territory, environmental monitoring and relations with authorities and stakeholders to manage any residual impacts.

The frequency of meetings is defined according to the sensitivity of the area and the size of the intervention. For more complex projects, Tozzi Green provides for regular updates or the identification of a local contact person during the execution phase.

e. Organisational responsibility.

Operational responsibility for the implementation and coordination of community engagement activities lies with the Management, with the support of the Communication, Development, Construction, Asset Management and Engineering Departments. This governance function ensures that:

- Listening and dialogue activities are effectively carried out.
- Consultation outcomes are documented and considered in technical design and environmental/landscape planning
- Emerging stakeholder inputs can influence project design, site selection, or accompanying measures

In both the preliminary and construction phases, as well as in the subsequent plant management phases, the Company draws up periodic evaluations, which are delivered to the governmental supervisory authorities and cover the outcomes of environmental and social impact analyses, including initiatives explicitly implemented and agreed upon with local communities.

To ensure inclusive engagement, the company adopts specific measures to involve the most vulnerable groups, particularly women and youth. These include dedicated meetings led by facilitators, collaboration with local actors, NGOs and associations to overcome cultural barriers, analysis of impacts with a focus on inequalities, and promotion of women's access to training, credit and agricultural opportunities.

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

As described above, Tozzi Green maintains a constant and proactive dialogue with communities, with the aim of gathering any concerns or reports of impacts that have occurred, intervening promptly with assessments and mitigation actions.

The company has put in place a structured process to address any negative impacts caused or fostered by its activities. In the event of substantiated reports, corrective measures, such as operational changes, compensation or environmental restoration, are taken, defined in cooperation with the affected communities.

The effectiveness of the actions monitored through direct feedback from communities and the analysis of improvement indicators. To facilitate listening and participation, Tozzi Green provides several channels through which communities can express their concerns: a local contact person, a dedicated telephone line, a web page and regular public meetings. Each report is recorded and managed in a traceable manner, ensuring transparency and accountability.

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

Tozzi Green identifies and implements effective actions to prevent, mitigate or manage actual or potential negative impacts on affected communities through a structured process that integrates:

- **Continuous monitoring:** the company applies 12 observation points (reported earlier in this chapter) to collect quantitative and qualitative data on social, environmental and economic impacts. This data is analysed regularly to check the effectiveness of the measures taken and to identify any corrective or improvement measures.
- **Stakeholder involvement:** Tozzi Green ensures a constant and structured dialogue with public and private stakeholders through meetings, consultations, questionnaires and reporting channels, adapting to different contexts.
- **Assessment and integration:** The information collected feeds into the double materiality process and is subject to internal verification. The results are formalised and approved according to company procedures, ensuring the integration of stakeholder views into operational and strategic decisions.

This approach makes it possible to define targeted actions at an early stage and to adapt the corporate strategy to the characteristics of the territories and communities involved. The following is a practical example of this:

On 13 October 2023, three NGOs - ActionAid Italia, Collectif Tany (Collectif pour la défense des terres malgaches) and BIMTT - filed a complaint to the Italian OECD National Contact Point (NCP) against Tozzi Green's company JTF, concerning agro-industrial activities in Madagascar. The initiative, accompanied by a media campaign, attracted the attention of national and international media. According to a reconstruction deemed inaccurate and incom-

plete by the companies involved, Tozzi Green allegedly ignored the fundamental rights of affected communities by occupying land considered communal under local traditions. The claim is about approximately 6,731.5 hectares in the Ihorombe region and also involved the Belgian and Finnish governments, through the public development banks FINNFUND and BIO. The NGOs claim that the company's practices do not comply with the OECD Guidelines for Multinational Enterprises, complaining about an alleged lack of participation, information and compensation of affected communities. The complaint, which contains major inaccuracies, is still at the initial assessment stage. The first NCP document was received by Tozzi Green in February 2025, but was not published on the official website. The initial assessment also included the topic of reforestation and carbon credits, which was later introduced through an open letter from Collectif Tany, although the exchange of letters took place after the period covered by the petition. The NCP had initiated a phase of formal exchange of pleadings between the parties, from December 2023 to March 2024, with guarantees of confidentiality. However, the claimants published an open letter two months after the conclusion of this phase, acting outside the institutional procedure. Neither the open letter nor Tozzi Green's reply are to be considered part of the NCP's official documentation: the former has not been authorised, the latter has never been published or formally transmitted. The NCP has misinterpreted Tozzi Green's openness to dialogue as a change of position on the complaint, stating that the company no longer intends to call for its closure. In reality, Tozzi Green's position has always been consistent in requesting early termination of the procedure, in light of the complainants' breach of good faith and confidentiality principles, and based on documentation demonstrating full compliance of TG and JTF's activities with the OECD Guidelines. The NCP provides for the procedure to end with an agreement between the parties or, failing that, with a final statement summarising the case and possibly including recommendations. The management of impacts and relations with local communities is entrusted to a cross-functional team consisting of resources from the Communication, Development, Engineering and Asset Management departments, coordinated by Management. In Madagascar, there is also a local contact person for each operational area.

S3-5 / Targets related to managing material negative impacts, enhancing positive impacts, and managing material risks and opportunities

At the strategic level, Tozzi Green defines and annually updates a set of targets, formalised in the Annual Objective Plan and corporate policies, with the aim of reducing negative impacts, reinforcing positive ones and effectively managing risks and opportunities for the communities involved. Below are the objectives related to the mitigation of negative impacts:

- Ensuring transparency in communications to communities, providing all the information necessary to understand the environmental effects of production activities and strengthening trust in Tozzi Green and its subsidiaries, while respecting stakeholders' expectations;
- Adopt structured consultation and participation procedures with all local stakeholders.

Objectives related to enhancing positive impacts on the workforce and local communities include:

- Carry out at least four social responsibility initiatives in the areas where TGHM operates, such as the distribution of school kits or training sessions on environment and language;
- Ensure transparency in environmental reporting, as already mentioned among the mitigation objectives, to strengthen the trust and active participation of communities;
- Formally recognising the local population's right to glean.

The achievement of these objectives is monitored through regular audits and direct discussion with communities or their representatives, in order to gather useful feedback, identify possible areas for improvement and update strategies and actions in a consistent and responsible manner.

GOVERNANCE INFORMATION



4.1

Governance information

Business conduct

Policies and processes

G1-1 / Business conduct policies and Corporate culture

ESRS 2 GOV-1 / Role of administrative, management and supervisory bodies

S1-3 / Processes to remediate negative impacts and channels for own workforce to raise concerns

As a family-run company, Tozzi Green adopts simplified traditional governance. The four-member Board of Directors meets the need for streamlined operations, and is appointed by Tozzi Holding Srl, which owns the entire share capital. The Board in turn elects the Chairman and the Chief Executive Officer from among its members. The current composition of the Board, which was appointed on 10 March 2023 and will remain in office until the approval of the financial statements on 31 December 2025, sees Franco Tozzi, founder of the family business, as Chairman, Andrea Tozzi, representing the second generation, as CEO, Stefano Meloni, independent member of the Council, as Vice-President, and Roberto Fagnocchi, Group Chief Financial Officer, as Director.

The "Organisation, Management and Control model" provided for by Legislative Decree no. 231/2001 ("Model 231") was introduced in the Company in 2013. It is complemented by a structured and comprehensive control system consisting of protocols and rules, tools for defining responsibilities, besides mechanisms and tools for monitoring corporate processes inspired by the following governance principles:

- Clear definition of roles, tasks and responsibilities of all those involved in carrying out the company's activities;
- Segregation of control tasks, authorisation and registration of activities;
- The ability to check and document operations ex-post;
- Identification of preventive controls and checks ex-post, both automatic and manual.

The Model provides for the rules of operation of the governing bodies in order to prevent corporate offences and conflicts of interest, the rules of conduct of personnel and associates in various capacities, and related training and dissemination initiatives, a system of sanctions that governs the way the corporate bodies operate, the Code of Ethics, the Supervisory Body, corporate controls and the integrated assessment and management of the risks of committing a crime.

Tozzi Green identifies aspects for improvement, and defines action plans to achieve the Model's objectives on the basis of Control & Risk Self Assessment activities.

The inspiring principles of the governance model are set out in the Group's Code of Ethics, adopted by all companies that are part of Tozzi Green, with particular reference to compliance with current regulations, fairness and professional reliability, and the absence of conflicts of interest.

On 17 December 2023, Tozzi Green updated its Code, considered essential to define the company's values and guiding principles.

This document establishes the rules of conduct to be followed:

- in the management of company activities and in relations with clients, suppliers, employees, collaborators, competitors, the community and the environment. All Group companies are required to comply with these rules and to ensure that their stakeholders also adhere to them;
- in the organisation and internal control process, with the aim of preventing the commission of offences through an effective management system.

Tozzi Green, together with its Group companies, employees and all those working on its behalf, is committed to respecting and promoting values such as innovation, dynamism, passion, solidity and ethics.

The Code of Ethics encompasses Model 231 and its correct application is monitored by a special Supervisory Board. The Code contains specific provisions on the management of gifts, benefits, contributions and sponsorships, with the aim of regulating behaviour consistent with corporate principles. An entire section focuses on the prevention of corruption, highlighting the importance of fostering relations based on fairness, loyalty, honesty, and mutual respect towards Public Administration, clients, suppliers, consultants, and all other stakeholders.

Regarding the Code of Ethics, the responsibility for ensuring and promoting its application is entrusted to the Supervisory Board, which acts in accordance with the provisions of the Organisational Model and its own Regulation. Each year, the Body reports to the Board of Directors, outlining the inspection activities carried out, the results obtained, and pointing out any critical or relevant situations. The Code has been updated with integrations in accordance with the UNI/PdR 125:2022 Reference Practice, approved by the Board of Directors on 13 September 2023.

The knowledge and observance of the Code of Ethics are essential conditions for establishing and maintaining any working relationship or collaboration with Tozzi Green and the companies within the Group. The document can be accessed by all parties with whom the Group maintains business relationships, both in Italy and abroad⁹.

The Code clearly defines the core values that guide the Group's actions: honesty, integrity, fairness and good faith, respecting the law, fair competition and the legitimate interests of all stakeholders, including clients, employees, shareholders, partners and local communities.

The document additionally specifies the procedures for reporting violations or suspected violations of the Code of Ethics. Reports need to be accurate and well-documented, focusing on specific facts or areas. The confidentiality of the whistleblower's identity is guaranteed in order to prevent any form of retaliation or discrimination.

Tozzi Green has implemented a digital whistleblowing channel called Tozzi Green Spa Whistleblower Channel, based on dedicated software and accessible from the company website. This tool allows for the submission of reports on conduct that is unethical, unlawful, or contrary to internal policies. An explanatory video is available in the dedicated section to guide the user through the report creation process.

Reports can be submitted by both internal stakeholders (employees, collaborators, directors, managers, members of supervisory bodies) and external stakeholders (self-employed or subordinate workers, consultants, volunteers, trainees, shareholders).

The Whistleblowing Management Procedure has been drafted taking into account the Italian Legislative Decree No. 24 of 10 March 2023 on "Implementation of (EU) Directive 2019/1937 of the European Parliament and of the Council of 23 October 2019 on the protection of persons who report breaches of Union law and provisions on the protection of persons who report breaches of national law" ("Italian Legislative Decree 24/2023"). With regard to the whistleblowing management process, in order to guarantee impartiality, effectiveness and timeliness, all reports are addressed to Tozzi Green's SB, except for those relating to Gender Equality, which are sent to the Steering Committee, a body envisaged by the law and composed of the Chief Executive Officer, the General Manager and the HR Manager.

⁹ The Code of Ethics and the Organisation, Management and Control Model are published on the Group's website. (https://www.tozzigreen.com/wp-content/uploads/2024/03/TG-codice-etico_REV-20231217_IT.pdf)(<https://www.tozzigreen.com/wp-content/uploads/2024/03/Modello-231-16-dic-23-parte-generale-1.pdf>).

The Supervisory Body (ODV), in relation to offences covered by Model 231, and the Steering Committee for the Reference Practice (PdR) are responsible for analysing the reports received, gathering the necessary evidence, and planning any corrective actions, involving the relevant corporate functions. All documentation is filed in dedicated folders and also considered during the Management Review.

Tozzi Green promotes technical-managerial training for all personnel, with the aim of disseminating knowledge of the Code of Ethics and corporate principles. Additionally, mandatory training is provided on Italian Legislative Decree 231/2001, which includes practical cases and an overview of the protocols adopted. Training sessions are planned periodically to ensure constant updating. All employees are also informed about the possibility of reporting anonymously any non-compliance related to gender equality.

The Board of Directors of Tozzi Green is responsible for approving the Code of Ethics, as well as for making any amendments or periodic updates, reflecting regulatory developments and changes in social awareness. Once approved, the Code is implemented by each Group company through a formal act of its governing body.

The administrative body of each company is required to communicate the name of its Contact person both to the Board of Directors of Tozzi Green and to the Guarantor of the Code of ethics.

In line with the principles of the Code of ethics, Management has reinforced its commitment to Social responsibility, adopting a specific corporate policy (Social responsibility policy) that promotes a culture based on integrity and transparency, oriented towards the achievement of shared objectives.

Both documents apply to the entire Group and are binding for:

- all those who hold representative, administrative or management positions;
- all employees, without exception;
- external collaborators, suppliers, partners, local associates and any other persons involved in business relations.

The Social accountability policy is addressed to employees, collaborators, clients, suppliers, subcontractors, external consultants and all stakeholders involved in company processes. The Management of Tozzi Green S.p.A. undertakes to ensure its dissemination within the Company and to make it accessible to relevant stakeholders. The document, drawn up in accordance with the principles of the SA8000 (Social Accountability) standard, aims to encourage the adoption of responsible behaviour also in local communities, through dedicated initiatives.

Although Tozzi Green has not yet adopted a specific policy against active and passive corruption in line with the UN Convention against Corruption, the issue is nevertheless addressed within the Code of ethics.

The decision not to adopt a specific anti-corruption policy was also taken in relation to the results of the double materiality assessment, which showed that the risk of corruption was not a priority issue for the Group. This assessment takes into account the operational context, the nature of the activities carried out and the effectiveness of the measures already provided for in the Code of ethics, which regulates the expected conduct and prevention measures in detail.

However, the issue is closely monitored and, in addition, Tozzi Green is aware of and carefully coordinates the corporate functions most exposed to the risk of corruption, which include financial management, purchasing, development, asset management and human resources, as they are involved in decision-making processes with a high degree of discretionary power

On the subject of whistleblower protection, there is currently no specific policy. However, the whistleblowing system guarantees the confidentiality of the whistleblower and protects him or her against any form of retaliation, in accordance with the legislation in force. The processing of personal data is carried out in compliance with privacy legislation, ensuring the protection of fundamental rights and freedoms.

G1-2 / Management of relationships with suppliers

Tozzi Green considers major suppliers and subcontractors as strategic partners in all countries where it operates. It establishes lasting relationships with them, based on transparency and stability.

To ensure the quality of products and services, as well as compliance with health, safety, environmental and administrative accountability regulations, the company has adopted a structured procedure for the selection and qualification of suppliers. Procurement activities cover material goods, services, contracts, and support activities.

The qualification process consists of five assessment modules, specific to:

- subcontractors
- suppliers of goods
- service providers
- consultants
- support service providers.

Due to the nature of its operations, which range from renewable energy production to agriculture, Tozzi Green requires a broad range of goods and services. Although there is no specific policy on late payments, current procedures ensure effective control along the entire value chain.

The control of suppliers is part of the Quality policy, which is based on a Management System in accordance with ISO 9001:2015. Management undertakes to periodically review this policy, promoting its dissemination and application among collaborators and stakeholders.

To ensure compliance with regulations and agreed specifications, Tozzi Green carries out targeted audits at key suppliers. The selection of the latter is entrusted to the Purchasing Department, in cooperation with the QHSE function and the technical areas involved.

During the qualification phase, several aspects are assessed, including the adoption of management systems for quality, health, safety and the environment. This information must be documented in the questionnaires in the dedicated sections.

A further criterion concerns sustainability, whereby suppliers are asked to provide documentary evidence in this area. In the absence of such documentation, suppliers must adhere to the content provided by Tozzi Green, as outlined in 'Annex U', shared at the start of the qualification process.

Finally, all suppliers are required to accept Italian Leg. Decree 231/01 and the company Code of ethics, attached to purchase orders and referred to in contracts.

G1-6 / Payment practices

Tozzi Green adopts a 60-day payment term as a standard condition, applied uniformly to the four categories of supplier: goods, consultancy, services and subcontracting. During the last period, 54.6% of payments were made within this deadline.

The average time taken to settle an invoice, calculated from the contractual or statutory due date, is 54 days. This figure reflects the average payment term applied to purchase orders issued during the year 2024. At present, there are no pending court cases related to late payments.

APPENDIX



5.1

Appendix

IRO-2 / Disclosure requirements in ESRS covered by the undertaking's sustainability statement

The following tables present all disclosure requirements relevant to ESRS 2 and the eight topical standards identified as material for Tozzi Green, which have guided the drafting of this document. Disclosure requirements from standards E2 and S4 have been excluded, as they were deemed not material for the Group. The tables include references to the sections and pages where each disclosure requirement can be consulted. Additionally, a table is provided listing all disclosure elements derived from other EU legislative acts, indicating where they are addressed in the sustainability statement and including those that the company has assessed as not material.

5.2 Cross-cutting principles

ESRS 2 - General Information				
REPORTING REQUIREMENT	SECTION	PAGE	COMMENTS	
BP-1	General basis for preparation of sustainability statement	<i>Drafting criteria</i>	5	-
BP-2	BP-2 - Disclosures in relation to specific circumstances	<i>Drafting criteria</i>	5	-
GOV-1	Role of the administrative, management and supervisory bodies	<i>Corporate governance; Business conduct</i>	5; 98	-
GOV-2	Information provided to the undertaking's administrative, management and supervisory bodies and sustainability matters addressed	<i>Corporate governance</i>	8	-
GOV-3	Integrating sustainability performance into incentive schemes	<i>Remuneration policy; Climate change</i>	9; 39	-
GOV-4	Statement on due diligence	<i>Statement on due diligence</i>	113	-
GOV-5	Risk management and internal controls over sustainability reporting	<i>Corporate governance</i>	9	-
SBM-1	Strategy, business model and value chain	<i>Strategy and business</i>	10	-
SBM-2	Interests and views of stakeholders	<i>Strategy and business; Own workforce; Affected communities</i>	14; 66; 90	-
SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	<i>Managing impacts, risks and opportunities; Climate change; Own workforce; Affected communities</i>	15; 36; 66; 92	-
IRO-1	Description of the process to identify and assess material impacts, risks, and opportunities	<i>Managing impacts, risks and opportunities; Climate change; Water and marine resources; Resource use and the circular economy</i>	15; 39; 42; 46	-
IRO-2	Disclosure requirements in ESRS covered by the undertaking's sustainability statement	<i>Managing impacts, risks, and opportunities; Appendix</i>	15; 103	-

5.3 Environmental principles

ESRS E1 – Climate Change				
REPORTING REQUIREMENT		SECTION	PAGE	COMMENTS
GOV-3	Integrating sustainability performance into incentive schemes	<i>Remuneration policy; Climate change</i>	9; 39	-
E1-1	Climate change mitigation transition plan	<i>Policies and processes</i>	36	Tozzi Green has not included current or future financial resources allocated to its transition plan (CapEx/OpEx).
SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	<i>Managing impacts, risks and opportunities; Climate change; Own workforce; Affected communities</i>	15; 36; 60;84	Tozzi Green does not currently conduct a climate resilience analysis at the enterprise level.
IRO-1	Description of the process to identify and assess material impacts, risks, and opportunities	<i>Managing impacts, risks and opportunities; Climate change; Water and marine resources; Resource use and the circular economy</i>	15; 39; 46; 50	-
E1-2	Policies related to climate change mitigation and adaptation	<i>Policies and processes</i>	40	Tozzi Green has not conducted a physical and transition risk assessment of its assets.
E1-3	Actions and resources related to climate change policies	<i>Policies and processes</i>	41	-
E1-4	Targets related to climate change mitigation and adaptation	<i>Policies and processes</i>	42	-
E1-5	Energy consumption and mix	<i>Policies and processes</i>	43	-
E1-6	Gross GHG emissions - Scope 1, 2, 3 and total GHG emissions	<i>Policies and processes</i>	40	Scope 3 emissions were not calculated for the reporting year.
E1-7	GHG emissions removals and mitigation projects financed through Carbon credits	<i>Policies and processes</i>	44	-
E1-8	Internal carbon price	<i>Policies and processes</i>	45	-

ESRS E3 – Water and marine resources				
REPORTING REQUIREMENT		SECTION	PAGE	COMMENTS
IRO-1	Description of the process to identify and assess material impacts, risks, and opportunities	<i>Managing impacts, risks and opportunities; Climate change; Water and marine resources; Resource use and the circular economy</i>	15; 39; 46; 50	-
E3-1	Policies related to water and marine resources	<i>Policies and processes</i>	46	-
E3-2	Actions and resources related to water and marine resources	<i>Policies and processes</i>	48	Tozzi Green does not currently have an action plan that includes significant operational and/or capital expenditures in the context of water consumption.
E3-3	Targets related to water and marine resources	<i>Policies and processes</i>	48	Although Tozzi Green has carried out several actions with respect to water consumption, it does not currently have quantitative and measurable targets.
E3-4	Water consumption	<i>Policies and processes</i>	4	-

ESRS E5 - Resource use and circular economy

REPORTING REQUIREMENT	SECTION	PAGE	COMMENTS
IRO-1 Description of the process to identify and assess material impacts, risks, and opportunities	<i>Managing impacts, risks and opportunities; Climate change; Water and marine resources; Resource use and the circular economy</i>	15; 39; 46; 50	-
E5-1 Policies related to resource use and circular economy	<i>Resource use and circular economy - Policies and processes</i>	50	-
E5-2 Actions and resources related to resource use and the circular economy	<i>Resource use and circular economy - Strategy and actions</i>	51	Currently, Tozzi Green does not have a formalised action plan with significant operating or capital expenditures specifically dedicated to the circular economy.
E5-3 Targets related to resource use and the circular economy	<i>Resource use and the circular economy - Metrics and targets</i>	52	Currently, Tozzi Green has not yet formalised specific, quantitative targets on resource efficiency and the circular economy.
E5-4 Resource inflows	<i>Resource use and the circular economy - Metrics and targets</i>	52; 53	-
E5-5 Resource outflows	<i>Resource use and the circular economy - Metrics and targets</i>	53	-

5.4 Social principles

ESRS S1- Own workforce				
REPORTING REQUIREMENT	SECTION	PAGE	COMMENTS	
SBM-2	Interests and views of stakeholders	<i>Strategy and business; Own workforce; Affected communities</i>	14; 66; 90	-
SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	<i>Managing impacts, risks and opportunities; Climate change; Own workforce; Affected communities</i>	15; 36; 66; 92	-
S1-1	Policies regarding own workforce	<i>Own workforce - Policies and processes</i>	68	-
S1-2	Processes for involving own workforce and workers' representatives on impacts	<i>Own workforce - Workforce involvement</i>	70	-
S1-3	Processes to remediate negative impacts and channels for own workforce to raise concerns	<i>Own workforce - Reporting systems</i>	72	-
S1-4	Taking action on material impacts on the workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	<i>Own workforce - Strategy and actions</i>	72	-
S1-5	Targets related to managing material negative impacts, enhancing positive impacts, and managing material risks and opportunities	<i>Own workforce - Metrics and targets</i>	75	-
S1-6	Characteristics of company employees	<i>Own workforce - Metrics and targets</i>	76	-
S1-7	Characteristics of non-employees in the company's own workforce	<i>Own workforce - Metrics and targets</i>	78	-
S1-8	Collective bargaining coverage and social dialogue	<i>Own workforce - Strategy and actions</i>	78	-
S1-9	Diversity metrics	<i>Own workforce - Metrics and targets</i>	79	-
S1-10	Adequate wages	<i>Own workforce - Strategy and actions</i>	79	-
S1-11	Social Protection	<i>Own workforce - Strategy and actions</i>	80	-
S1-12	Persons with disabilities	<i>Own workforce - Strategy and actions</i>	81	-
S1-13	Training and skills development metrics	<i>Own workforce - Metrics and targets</i>	82	-
S1-14	Health and safety metrics	<i>Own workforce - Metrics and targets</i>	86	-
S1-15	Work-life balance metrics	<i>Own workforce - Metrics and targets</i>	88	-
S1-17	Incidents, complaints and severe human rights impacts	<i>Own workforce - Reporting systems</i>	89	-

ESRS S3 - Affected communities

REPORTING REQUIREMENT	SECTION	PAGE	COMMENTS
SBM-2	Interests and views of stakeholders	<i>Strategy and business; Own workforce; Affected communities</i>	14; 66; 90 -
SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	<i>Managing impacts, risks and opportunities; Climate change; Own workforce; Affected communities</i>	15; 36; 66; 92 -
S3-1	Policies related to affected communities	<i>Affected communities Policies and processes</i>	92 -
S3-2	Processes for engaging with affected communities about impacts	<i>Affected communities Community involvement</i>	93 -
S3-3	Processes to remediate negative impacts and channels for affected communities to raise concerns	<i>Affected communities Community involvement</i>	95 -
S3-4	Taking action on material impacts on affected communities, and approaches to managing material risks and pursuing material opportunities related to affected communities, and effectiveness of those actions	<i>Affected communities Strategy and actions</i>	95 -
S3-5	Targets related to managing material negative impacts, enhancing positive impacts, and managing material risks and opportunities	<i>Affected communities Community-oriented targets</i>	96 -

5.4 Governance principles

ESRS G1 – Business conduct				
REPORTING REQUIREMENT		SECTION	PAGE	COMMENTS
GOV-1	Role of the administrative, management and supervisory bodies	<i>Corporate governance; Business conduct</i>	5; 98	-
IRO-1	Description of the process to identify and assess material impacts, risks, and opportunities	<i>Managing impacts, risks and opportunities; Climate change; Water and marine resources; Resource use and the circular economy</i>	15; 39; 46; 50	-
G1-1	Business conduct policies and Corporate culture	<i>Business conduct – Policies and processes</i>	98	-
G1-2	Managing relationships with suppliers	<i>Business Conduct – Supplier management and Payment practices</i>	101	-
G1-6	Payment practices	<i>Business Conduct – Supplier management and Payment practices</i>	101	-

5.5 Disclosure requirements under European regulations

DISCLOSURE REQUIREMENT	DATA POINT	REFERENCE TO SFDR	REFERENCE TO PILLAR 3	REFERENCE TO BENCHMARK REGULATION	REFERENCE TO EU REGULATIONS ON CLIMATE	SECTION	PAGE
ESRS 2 GOV-1 par. 21 (d)	Gender diversity in the BoD	n		n		Corporate governance	5; 98
ESRS 2 GOV-1 par. 21 (e)	Percentage of independent board members			n		Corporate governance	5;90
ESRS 2 GOV-4 par. 30	Statement on due diligence	n				Statement on due diligence	113
ESRS 2 SBM-1 par. 40 (d) (i)	Involvement in activities linked to the fossil fuel sector	n	n	n		Not material	NA
ESRS 2 SBM-1 par. 40 (d) (ii)	Involvement in activities linked to the production of chemicals	n		n		Not material	NA
ESRS 2 SBM-1 par. 40 (d) (iii)	Involvement in activities related to controversial weapons	n		n		Not material	NA
ESRS 2 SBM-1 par. 40 (d) (iv)	Involvement in activities related to tobacco cultivation and production			n		Not material	NA
ESRS E1-1 par. 14	Transition plan to achieve climate neutrality by 2050				n	Climate Change - Policies and processes	36
ESRS E1-1 par. 16 (g)	Companies excluded from Paris-aligned Benchmarks		n	n		Not material	NA
ESRS E1-4 par. 34	GHG emission reduction targets	n	n	n		Not material	NA
ESRS E1-5 par. 38	Energy consumption from fossil fuels disaggregated by source (high climate impact sectors only)	n				Not material	NA
ESRS E1-5 par. 37	Energy consumption and mix	n				Climate Change - Metrics and targets	43
ESRS E1-5 par. from 40 to 43	Energy intensity associated with activities in high climate-impact sectors	n				Not material	NA
ESRS E1-6 par. 44	Gross scope 1, 2, 3 and total GHG emissions	n	n	n		Climate Change - Metrics and targets	44
ESRS E1-6 par. from 53 to 55	Gross GHG emissions intensity	n	n	n		Climate Change - Metrics and targets	44
ESRS E1-7 par. 56	GHG emissions removals and carbon credits				n	Climate Change - Metrics and targets	45
ESRS E1-9 par. 66	Exposure of the benchmark index portfolio to physical climate-related risks			n		Not material	NA
ESRS E1-9 par. 66 (a) (c)	- Disaggregation of monetary amounts by acute and chronic physical risk - Location of significant assets at material physical risk		n			Not material	NA
ESRS E1-9 par. 67 (c)	Breakdown of the book value of real estate assets by energy efficiency classes		n			Not material	NA

DISCLOSURE REQUIREMENT	DATA POINT	REFERENCE TO SFDR	REFERENCE TO PILLAR 3	REFERENCE TO BENCHMARK REGULATION	REFERENCE TO EU REGULATIONS ON CLIMATE	SECTION	PAGE
ESRS E1-9 par. 69	Degree of portfolio exposure to climate-related opportunities			n		Not material	NA
ESRS E2-4 par. 28	Quantity of each pollutant in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) released into air, water and soil	n				Not material	NA
ESRS E3-1 par. 9	Water and marine resources	n				<i>Policies and processes</i>	46
ESRS E3-1 par. 13	Dedicated policy	n				Not material	NA
ESRS E3-1 par. 14	Ocean and marine sustainability	n				Not material	NA
ESRS E3-1 par. 28 (c)	Total volume of recycled and reused water	n				<i>Policies and processes</i>	46
ESRS E3-1 par. 29	Total water consumption in m3 compared to net revenues from own operations	n				<i>Policies and processes</i>	46
ESRS 2 IRO-1 – E4 par. 16 (a) (i)	-	n				Phase-in	NA
ESRS 2 IRO-1 – E4 par. 16 (b)	-	n				Phase-in	NA
ESRS 2 IRO-1 – E4 par. 16 (c)	-	n				Phase-in	NA
ESRS E4-2 par. 24 (b)	Sustainable agricultural and land use policies or practices	n				Phase-in	NA
ESRS E4-2 par. 24 (c)	Sustainable marine and ocean use policies or practices	n				Phase-in	NA
ESRS E4-2 par. 24 (d)	Policies to address deforestation	n				Phase-in	NA
ESRS E5-5 par. 37 (d)	Non-recycled waste	n				<i>Resource use and the circular economy - Metrics and targets</i>	53
ESRS E5-5 par. 39	Hazardous and radioactive waste	n				<i>Resource use and the circular economy - Metrics and targets</i>	53
ESRS 2 – SBM3 – S1 par. 14 (f)	Risk of forced labour	n				<i>Double materiality assessment; Own workforce</i>	15; 36; 66; 92
ESRS 2 – SBM3 – S1 par. 14 (g)	Risk of child labour	n				<i>Double materiality assessment; Own workforce</i>	15; 36; 66; 92
ESRS S1-1 par. 20	Political commitments on human rights	n				<i>Own workforce - Policies and processes</i>	68
ESRS S1-1 par. 21	Due diligence policies on matters covered by ILO Fundamental Conventions 1 to 8			n		<i>Own workforce - Policies and processes</i>	68

DISCLOSURE REQUIREMENT	DATA POINT	REFERENCE TO SFDR	REFERENCE TO PILLAR 3	REFERENCE TO BENCHMARK REGULATION	REFERENCE TO EU REGULATIONS ON CLIMATE	SECTION	PAGE
ESRS S1-1 par. 22	Procedures and measures to prevent human trafficking	n				<i>Own workforce - Policies and processes</i>	62
ESRS S1-1 par. 23	Occupational injury prevention policy or management system	n				<i>Own workforce - Policies and processes</i>	62
ESRS S1-3 par. 32 (c)	Grievance and complaint handling mechanisms	n				<i>Own workforce - Reporting procedures</i>	72
ESRS S1-14 par. 88 (b)(c)	Number of work-related fatalities, and number and rate of occupational injuries	n		n		<i>Own workforce - Metrics and targets</i>	86
ESRS S1-14 par. 88 (e)	Number of lost workdays due to injuries, accidents, fatalities or illnesses	n				<i>Own workforce - Metrics and targets</i>	86
ESRS S1-16 par. 97 (a)	Unadjusted gender pay gap	n		n		Phase-in	NA
ESRS S1-16 par. 97 (b)	Excessive pay gap in favour of the CEO	n				Phase-in	NA
ESRS S1-17 par. 103 (a)	Discrimination-related incidents	n				<i>Own workforce - Reporting procedures</i>	89
ESRS S1-17 par. 104 (a)	Non-compliance with the UN Guiding Principles on Business and Human Rights and OECD standards	n		n		<i>Own workforce - Reporting procedures</i>	89
ESRS 2 SBM-3 - S2 par. 11 (b)	Serious risk of child or forced labour	n				Phase-in	NA
ESRS S2-1 par. 17	Political commitments on human rights	n				Phase-in	NA
ESRS S2-1 par. 18	Policies related to workers in the value chain	n				Phase-in	NA
ESRS S2-1 par. 19	Non-respect of UNGPs on Business and Human Rights and OECD guidelines	n		n		Phase-in	NA
ESRS S2-1 par. 19	Due diligence policies on matters covered by Core Conventions 1 to 8 of the International Labour Organisation			n		Phase-in	NA

DISCLOSURE REQUIREMENT	DATA POINT	REFERENCE TO SFDR	REFERENCE TO PILLAR 3	REFERENCE TO BENCHMARK REGULATION	REFERENCE TO EU REGULATIONS ON CLIMATE	SECTION	PAGE
ESRS S2-4 par. 36	Human rights incident issues in the upstream and downstream value chain	n				Phase-in	NA
ESRS S3-1 par. 16	Human rights policy commitments	n				<i>Affected communities - Policies and processes</i>	92
ESRS S3-1 par. 17	Non-respect of UNGPs on Business and Human Rights and OECD guidelines	n		n		<i>Affected communities - Policies and processes</i>	92
ESRS S3-4 par. 36	Human rights issues and incidents	n				<i>Affected communities - Strategy and actions</i>	95
ESRS S4-1 par. 16	Policies related to consumer and end-users	n				Not material	NA
ESRS S4-1 par. 17	Non-respect of UNGPs on Business and Human Rights and OECD guidelines	n		n		Not material	NA
ESRS S4-4 par. 35	Human rights issues and incidents	n				Not material	NA
ESRS G1-1 par. 10 (b)	United Nations Convention against Corruption	n				<i>Business conduct - Policies and processes</i>	98
ESRS G1-1 par. 10 (d)	Protection of whistle-blowers	n				<i>Business conduct - Policies and processes</i>	98
ESRS G1-4 par. 24 (a)	Fines imposed for violation of anti-corruption and anti-bribery laws	n		n		Not material	NA
ESRS G1-4 par. 24 (b)	Standards of anti-corruption and anti-bribery laws	n				Not material	NA

5.6 Due diligence statement

This sustainability statement provides details regarding the due diligence process implemented by the Group. Such information can be found in the paragraphs listed below:

CORE ELEMENTS OF DUE DILIGENCE	PARAGRAPHS IN THE SUSTAINABILITY STATEMENT	PAGE
a) Embedding due diligence in governance, strategy and business model	<i>Managing impacts, risks and opportunities; Climate change; Water and marine resources; Resource use and the circular economy</i>	15
b) Engaging with affected stakeholders in all key steps of the due diligence	<i>Strategy; Managing impacts, risks and opportunities; Own workforce</i>	10; 15; 66
c) Identifying and assessing adverse impacts	<i>Managing impacts, risks and opportunities; Climate change; Water and marine resources; Resource use and the circular economy</i>	15; 39; 46; 50
d) Taking actions to address those adverse impacts	<i>Climate change; Water and marine resources; Resource use and circular economy; Own workforce</i>	40; 42; 45; 46; 47; 48; 51; 52; 68; 72; 75;
e) Monitoring the impact of measures and reporting accordingly	<i>Governance; Climate change; Water and marine resources; Resource use and circular economy; Own workforce</i>	7; 36; 46; 52; 66



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