

In 2018, we embarked on a sustainability path by installing one of the largest photovoltaic systems built in Italy in recent years. The system, consisting of 7,747 high-efficiency SunPower panels, has a total capacity of 2.5 MWp and generates 3 GWh of energy annually. We are convinced that this initiative, together with all the actions we have identified, will enable us to significantly reduce the environmental impact of our operations. The proposed measures—including supply chain optimization, energy efficiency improvements, the use of low-impact transportation, and materials recycling—are fully aligned with our vision of a sustainable and responsible company.

An analysis of our supply chain has shown that a significant portion of our emissions are linked to the purchase of raw materials such as aluminum. To substantially reduce this impact, we plan to increase the percentage of recycled aluminum used in our production processes. This choice will not only help reduce CO<sub>2</sub> emissions associated with primary aluminum production but will also allow us to engage with a market that is increasingly sustainability-driven, opening new business opportunities.

By identifying and implementing the actions listed below, we are confident that we can make a meaningful contribution to reducing the environmental footprint of our activities, while also meeting the growing expectations of our customers and stakeholders.

## 1. Optimization of Aluminum Procurement

- **Recycled aluminum:** Increase the percentage of recycled aluminum used in our alloys. Aluminum recycling requires significantly less energy than primary production.
- **Strategic partnerships:** Collaborate with suppliers to develop joint solutions that reduce the carbon footprint of the supply chain.
- **Traceability:** Implement traceability systems to verify the sustainable origin of materials and prioritize certified suppliers.

## 2. Energy Efficiency in Production Lines

- **Technological revamping:** Upgrade equipment with more energy-efficient technologies.
- **Energy recovery:** Assess heat recovery systems from production processes to reduce overall energy consumption.
- **Optimization of production cycles:** Introduce automated energy management systems to minimize waste during downtime.

### 3. Logistics and Transportation

- **Electric vehicles:** Evaluate the possibility of selecting carriers that use electric vehicles for short-range transport and deliveries.
- **Route optimization:** Use logistics planning software to reduce kilometers of travel and improve transport efficiency.
- **Intermodality:** Promote the use of rail or maritime transport for long-distance routes, reducing emissions compared to road transport.

### 4. Waste Management

- **Material recycling:** Maximize the recycling of waste materials, such as production scraps and packaging.
- **Source reduction:** Reduce the use of single-use materials and introduce reusable or compostable packaging.
- **Collaboration with local authorities:** Develop synergies with local consortia and organizations to improve waste management and enhance secondary materials.

### 5. Innovation

- **Circular economy:** Promote production models based on the reuse and regeneration of end-of-life products.

### 6. Measurement and Monitoring

- **Monitoring system:** Implement a continuous monitoring system for energy consumption and emissions. Achieving ISO 50001 Certification is planned.

### 7. Training

- **Staff training:** Organize training courses to raise employee awareness of environmental issues and actively involve them in the emissions reduction process.

We are fully aware that this journey requires ongoing commitment and active collaboration from all our stakeholders. However, we are confident that the actions identified will lead to a **25% reduction in our emissions by 2030**, meeting the growing expectations of our customers.

SEPAL S.p.A.