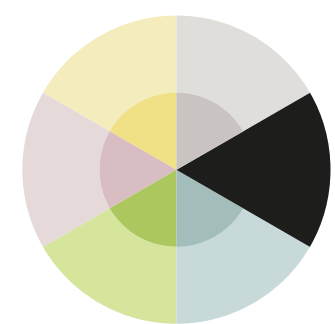


LABOMAR



BECIRCULAR
The Sustainability in Labomar

Impact Report 2023



President's letter



[GRI 2-22]

Dear Stakeholders,

We have reached the fourth Impact Report, a chapter that celebrates not only the success of a particularly intense 2023, but also the twenty-fifth anniversary of Labomar. A milestone that marks a journey rich in achievements, new challenges, and new people, laying the foundation for ambitious projects that will characterize our future.

Throughout 2023, we undertook various initiatives and activities that encompass all dimensions of common benefit outlined in our statute. Thanks to great teamwork, we also achieved B Corp certification, a significant recognition that attests to our commitment to upholding high standards of social and environmental impact. This achievement fills us with pride and once again confirms our strong dedication to the well-being of individuals, customers, communities, and the environment. From here, we aim to continue, paying particular attention to human rights and the sustainability of the entire supply chain, increasingly involving all our business functions.

The road ahead is still long, but we know that our ambition for quality and excellence, as well as our focus on people, the territory, and the environment, will be the driving force behind every business decision we make, propelling us far ahead.

The recent expansion of our production hub and the partnership forged this year with Charterhouse, one of the oldest private equity firms operating in Europe, testify to our commitment to maintaining high standards of products and services. They reaffirm our dedication to continue taking care of our customers. It is for them that we constantly research innovative new products, with the aim of offering the best possible service, even though the making of significant choices.

In this regard, sustainability is no longer just a future goal but a tangible and measurable commitment. Thanks to the appointment of a dedicated figure and the evaluation of our performance through objective

data that adhere to universally recognized standards. With these efforts, recognized and now certified, we are able to tackle the challenges of an industry that is at the forefront of this transition.

We consider the accolades received over the years as milestones rather than endpoints because we are aware of the complexity of the journey, which we are facing with determination and gratification.

For this reason, we look to the future with confidence, knowing that our commitment will continue to yield positive results. Thank you for walking with us in this challenge, for contributing to our growth and success.

Good reading,

*Walter Bertin
President and CEO Labomar S.p.A. with sole shareholder*



Methodological Note

[GRI 2-2; GRI 2-3; GRI 2-4; GRI 2-5]

This document constitutes Labomar’s fourth Impact Report (hereinafter also referred to as the “Report” or “Document”) prepared with the aim of communicating to stakeholders the economic, environmental, and social performance achieved. This Report has been prepared to demonstrate a commitment to reporting that allows for an understanding of the business, its performance, its results, and the impact of activities on society and the environment.

The Report is prepared in accordance with the regulations provided by the Law establishing Benefit Corporations (L. 208/2015) and constitutes a document separate from the Management Report but an integral part of the documentation relating to Labomar S.p.A.’s Separate Financial Statements for 2023.

It should be noted that Labomar S.p.A. is subject to consolidation by LBM Next S.p.A., and that the Group, at the Consolidated Financial Statements level as of December 31, 2023, is represented by the Parent Company Labomar, Labomar Canada Inc., Labomar Next S.r.l., Welcare Research S.r.l., Labovar S.r.l., and Labiotre S.r.l. With reference to the aforementioned consolidation area, it is specified that the data and information contained in this Impact Report 2023 refer solely to Labomar S.p.A. with sole shareholder. Any further scope limitations are indicated in footnotes directly where the indicator is presented. Sustainability information relating to the Labomar Group and the entities subject to control and management by the Parent Company will be integrated from the 2024 reporting period onwards. For economic and financial aspects, reference is made to the Consolidated Financial Statements of the Labomar

Group and the Separate Financial Statements of Labomar S.p.A. with sole shareholder.

For the preparation of this Report, Labomar has considered the reporting principles of the Global Reporting Initiative Sustainability Reporting Standards defined in 2021 by the Global Reporting Initiative, such as accuracy, balance, clarity, comparability, completeness, sustainability context, timeliness, and verifiability, which have ensured quality in the reported information.

This Report has been prepared in accordance with the GRI 2021 Standards and covers the period from January 1, 2023, to December 31, 2023, coinciding with the financial year. Furthermore, it should be noted that the publication frequency is set on an annual basis.

At the end of the document, the [GRI Content Index](#) is provided, which gives an overview of the reported indicators and their respective reference pages. The purpose of the Impact Report is to clearly and transparently report on the achieved results and the objectives that the Company intends to achieve through the sustainability path it has undertaken, with respect to the identified common benefit purposes and the results of the materiality analysis process.

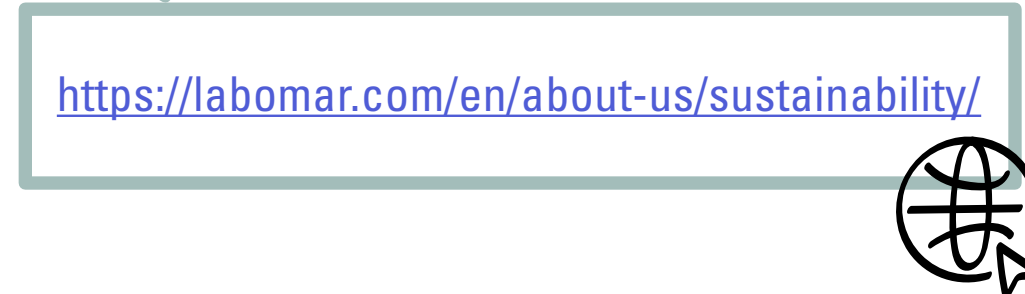
The purpose of the Impact Report is to report in a clear and transparent way the results achieved and the objectives that the Company intends to achieve with the path of sustainability that it has undertaken, with respect to the goals of common benefit identified and with respect to the results of the materiality analysis.

In this regard, it is noted that the key performance indicators used are those required by the standards and are representative of the various areas, as well as consistent with the business and the impacts generated. The selection of these indicators took into account the materiality analysis update process carried out in the second half of 2023, the output of which, concerning the list of material issues, was approved by Labomar’s Board of Directors at the meeting on February 22, 2024.

For the purpose of accurately representing performance and ensuring data reliability, the use of estimates has been limited as much as possible, and if present, they are based on the best available methodologies, appropriately disclosed. Where possible, the information within the Report has been provided with a comparison to the 2022 fiscal year. Furthermore, any revisions made compared to previous reporting periods are specifically indicated in the respective footnote.

This document was approved by the Board of Directors of Labomar S.p.A. with sole shareholder on March 27, 2024; however, it is noted that this Impact Report will be published on the institutional website in the “Sustainability” section at the **Link**.

<https://labomar.com/en/about-us/sustainability/>



The contact point for questions regarding the Impact Report and Labomar’s sustainability strategy is becircular@labomar.com



With regard to the policy and practice for seeking external assurance, internally together with the Manager responsible for the preparation of corporate accounting documents, the most suitable commercial proposal was evaluated after receiving a number of offers meeting the requirements of the Organizational, Management, and Control Model pursuant to Legislative Decree 231/01. In addition, the CEO has prepared the attestation letter as a prerequisite for the correct conduct of the limited audit activity by the independent audit firm on Labomar’s Impact Report. This Impact Report 2023 has been subject to a limited assurance engagement (“Limited assurance engagement” according to the criteria indicated by the ISAE 3000 Revised principle) by BDO Italia S.p.A. The verification was carried out according to the procedures indicated in the [“Audit Firm Report”](#) included in the last pages of Labomar’s Impact Report 2023.

Impact Report constitutes the fundamental document for communicating Labomar’s sustainability performance and impacts. It allows for the evaluation of the Organization’s impact on material sustainability topics and, at the same time, increases transparency regarding the risks and opportunities that the Company is called upon to face. In this sense, this document can be considered in all respects Labomar’s Sustainability Report.

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01

Labomar

- Who we are
- History
- Mission, Vision and Values
- Corporate Governance
- Ethics, Business Integrity, and Anti-Corruption
- Economic Performance
- Cybersecurity and privacy protection



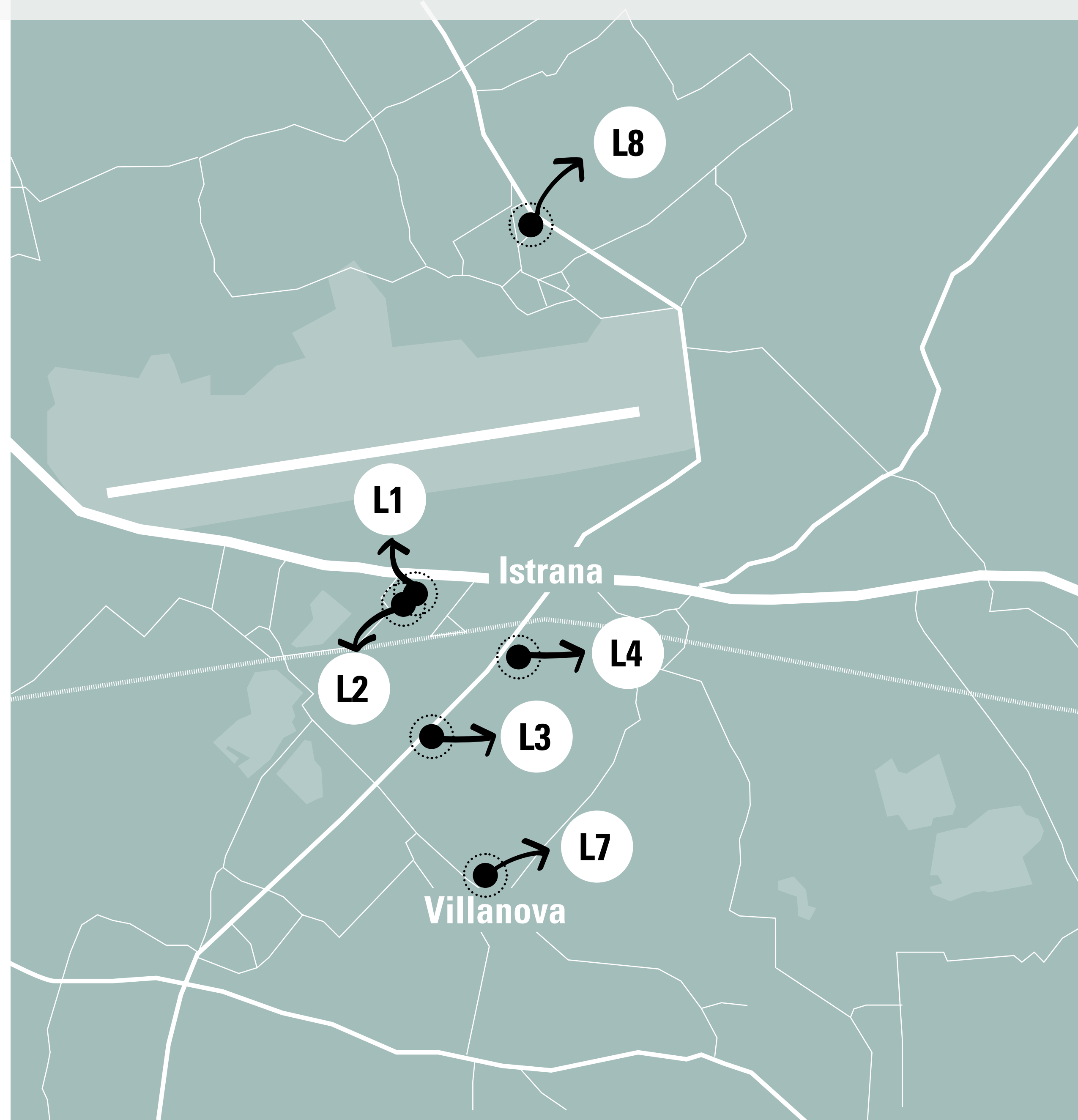
Who we are

[GRI 2-1; GRI 2-6]

Labomar S.p.A. with sole shareholder – Benefit Corporation is a highly innovative industrial company, specialized in the development and third-party production of food supplements, medical devices, foods for special medical purposes, and cosmetics.

The company provides a comprehensive service that ranges from the selection of raw materials to the delivery of the finished product. The heart and soul of its business is the Labomar Research department dedicated to Research and Development, ensuring the highest quality with constant innovation.

All facilities are located in Istrana (Treviso). Below is a detailed description of the geographical location of the Organization’s operational sites.



- L1** Via Nazario Sauro, 35/I, 31036 Istrana TV
- L2** Viale Brigata Marche, 1C, 31036 Istrana TV
- L3** Via F. Filzi, 55/A, 31036 Istrana TV
- L4** Via F. Filzi, 33, 31036 Istrana TV
- L7** Via Monte Santo, 6A, 31036 Ospedaletto TV
- L8** Vla don Giovanni Bosco, 26/A, 31036 Istrana TV



L1

At the legal headquarters L1 in via Nazario Sauro, the offices are spread across three floors. In the wing dedicated to offices, there are also laboratories for chemical, physical, and microbiological analysis, employee services, and a cafeteria for staff. The remaining part of the headquarters is occupied by the warehouse and production facilities.

L2

The L2 headquarters is entirely occupied by warehouses and production facilities.

L3

The L3 headquarters consists of a modern industrial complex recently built. Inside, there are the offices of the Management and other offices dedicated to management activities of the plant, including the Quality department. The majority of the plant houses production departments and warehouses.

L4

The L4 headquarters comprises the “office” wing spread over three floors and is currently occupied by R&D laboratories and warehouse facilities for storing materials necessary for testing and analyzing new products.

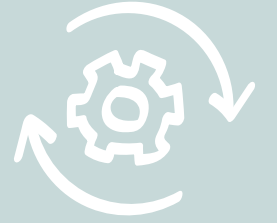
L7

The L7 headquarters consists of a small non-industrial building entirely occupied by the IT function.

L8

Lastly, the L8 headquarters, recently established, consists of an industrial building occupied by the raw materials warehouse and the offices of the Operations area.

FOCUS ON



Towards the L6 headquarters

In 2022, construction began on a new logistics hub aimed at internalizing a significant portion of the flows. The logistics platform, equipped with refrigerated cells, will manage storage (7,000 pallet spaces), incoming and outgoing goods with a gravity warehouse on three levels. In the adjacent area to this structure, on land already owned by Labomar, the new facility called L6 will also be established, which will be part of a larger project including office and production areas.





The company operates in the food sector under the ATECO code 10.89.09, which identifies the activity of producing other food products. Its corporate purpose includes: processing various food products on its own behalf and on behalf of third parties; processing natural products, phytotherapeutic products, herbal products, and dietary supplements on its own behalf and on behalf of third parties.

Labomar is a CDMO (Contract Development and Manufacturing Organization), specializing in third-party development and production, with a broad portfolio covering numerous therapeutic areas through various pharmaceutical forms (tablets, capsules, powders, liquids, gels).

The company offers comprehensive services to support its clients, from raw material selection to delivery of the finished product, advancing projects with ethics and responsibility, and promoting innovative products and high-value scientific services. It stands out as an advanced and research-driven CDMO, capable of offering its clients the control of the entire value chain. In addition to typical CDMO activities, Labomar can provide complex internal research activities, offering proprietary formulas and technologies with a proactive market approach. Additionally, Labomar provides consultancy services in Research and Development and regulatory affairs.

A distinctive feature of Labomar compared to other companies in the same sector lies in its control over the entire production process: from raw material procurement and research of new formulations to the release of the finished product and the proactive proposal of “ready-to-market” products. The procurement of raw materials is carried out through carefully selected and highly qualified third-party suppliers, most of which have established supply relationships over time.

Regarding the served markets, approximately 60% of Labomar’s turnover is generated in the domestic market, which represents the main reference market for this type of product in Europe. The remaining 40% is generated almost entirely in the EU market, mainly in France, Spain, and Germany.

Labomar, with its commitment to being a “One-stop-shop CDMO,” capable of providing almost all different galenic forms currently on the market across various therapeutic areas, and thanks to a strong inclination towards innovation - supported by a dedicated R&D department - has consistently been ranked in the top 5 among Italian CDMOs. Dietary supplements, medical devices, foods for special medical purposes, and cosmetics are produced by the company following rigorously controlled processes, aligned with the highest industry standards, with the aim of offering effective products.

Labomar’s main customers are large companies in the pharmaceutical and nutraceutical sectors operating in the Italian and international markets, which market products under their own brand. Listening, professionalism, reliability, and transparency guide Labomar’s daily activities, with the aim of satisfying customers’ needs promptly, establishing effective relationships, and seeking better solutions and services. Many of the world’s top OTC and nutraceutical players, both European and Italian, have chosen Labomar: among the top 10 best performers, 5 are already customers¹.

¹The source used is IQVIA CH GLOBAL DATABASE, November 2022

FOCUS ON

The solutions offered by Labomar to its customers Dietary Supplements, Probiotics, Medical Devices, and Cosmetics



Short term | Ready to sell

Portfolio comprising over 100 formulations conceived and developed in line with the industry’s leading trends.

This solution enables rapid entry into the market with one’s own brand.



Medium term | Tailor Made

Scientific know-how and experience to support the client in all stages of development.












A solution that enables the launch of new, unique, and distinctive products into the market.

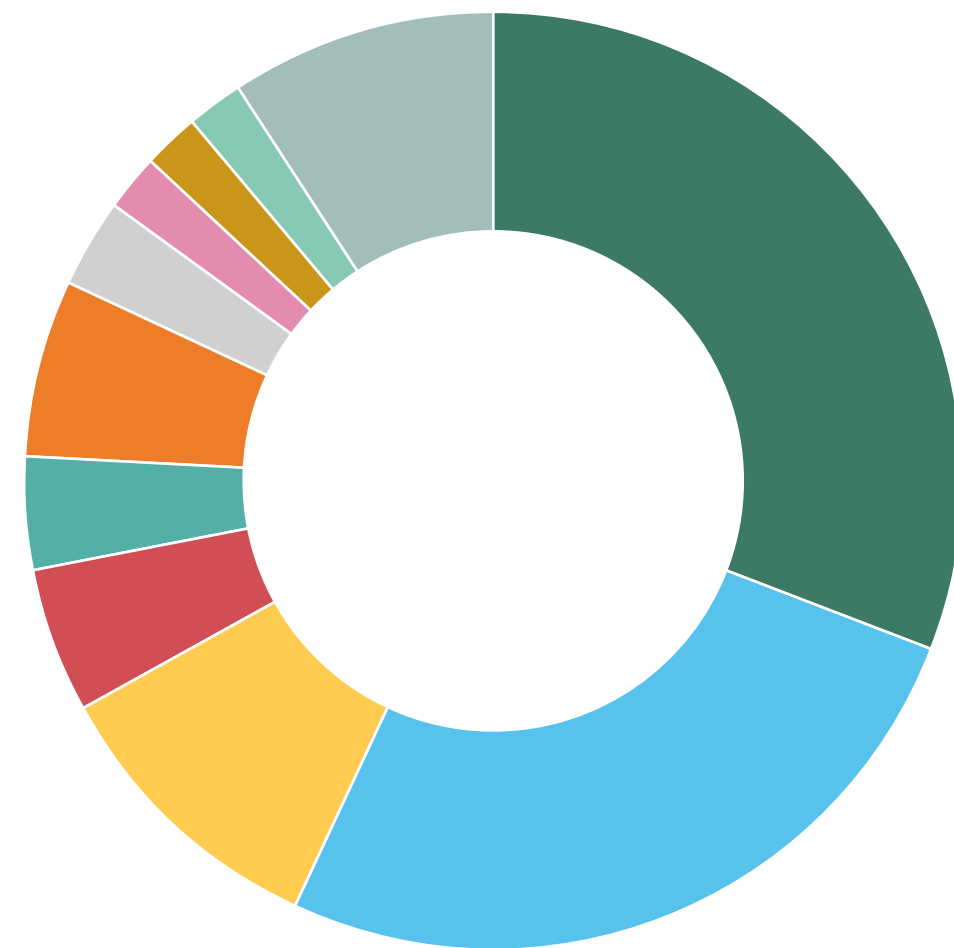


ONE-STOP-SHOP CDMO







Labomar is capable of providing nearly all pharmaceutical forms currently available on the market across various therapeutic areas.

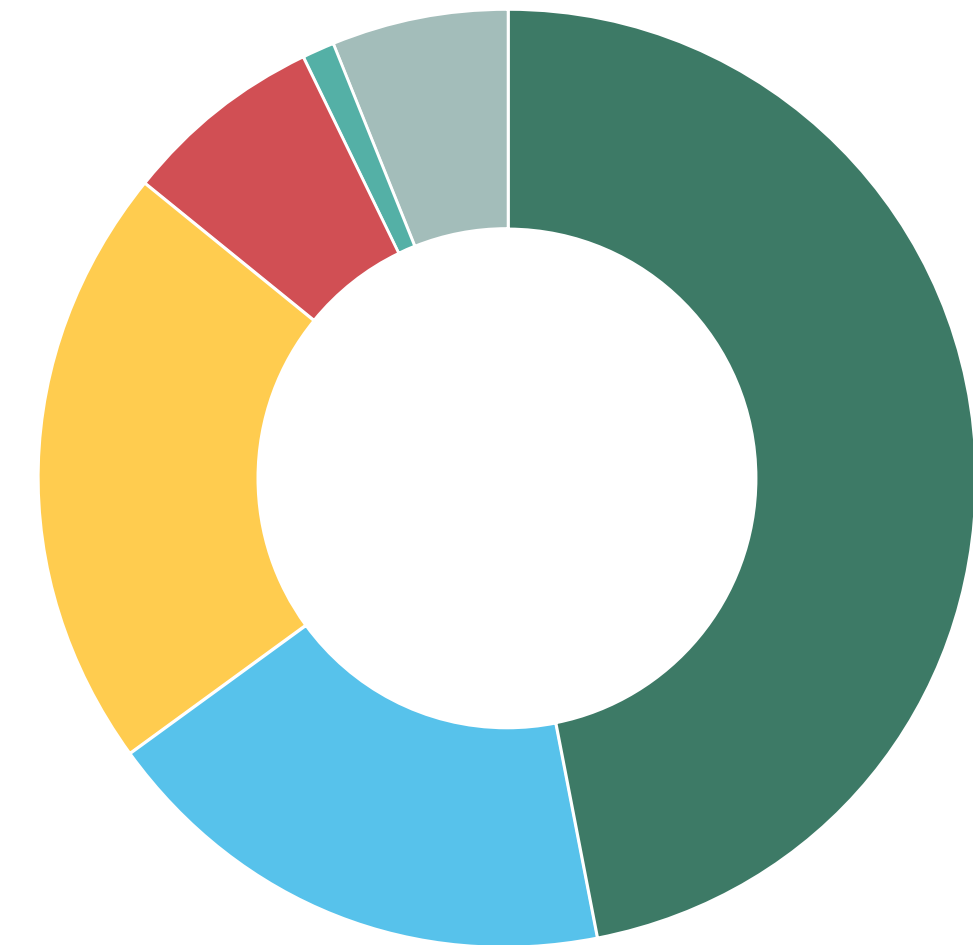
Therapeutic areas

-  **31%** Gastroenterology
-  **26%** Cough and cold
-  **10%** Vitamins, minerals, and antioxidants
-  **5%** Cardiovascular health
-  **4%** Neurology
-  **6%** Energy
-  **3%** Urology
-  **2%** Gynecology
-  **2%** Immunity
-  **2%** Orthopedics
-  **9%** Other (Beauty, Dermatology, Detox)



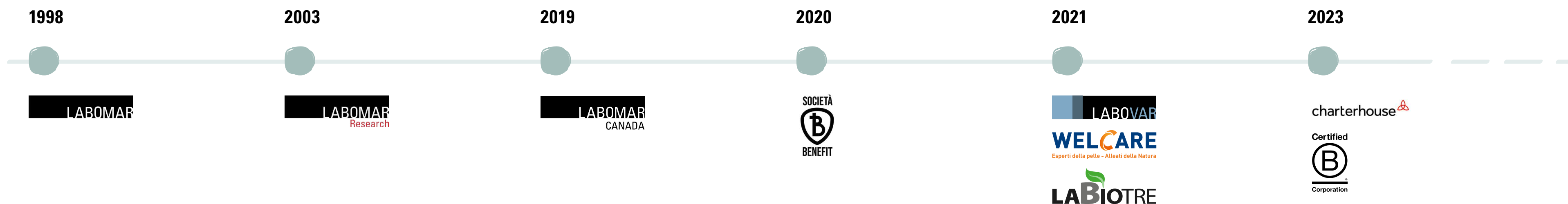
Pharmaceutical forms

-  **47%** Liquids (liquid, drops, spray)
-  **18%** Powders
-  **21%** Tablets
-  **7%** Capsules
-  **1%** Topical formulations
-  **6%** Other (soft gels and mixed forms)





History



The history of Labomar begins in 1917 when the Bertin family acquired the pharmacy in Istrana, a small town near Treviso. Walter Bertin, a third-generation pharmacist, has always been passionate about natural raw materials and interested in understanding the secrets of pharmaceutical formulations. He joined the family business immediately after completing his university studies. His innate curiosity and entrepreneurial spirit led him to explore the field of herbal medicine. He began studying, experimenting, and eventually creating small lines of dietary supplements, which he made available to his customers, receiving immediate positive feedback. He decided to expand his space, and on November 27, 1998, Labomar was born with the implementation of the first production line.

In 2003, Labomar Research was founded, an avant-garde center that allows the company, through constantly evolving technologies and internally developed patents, to improve product effectiveness and design unique formulations. Ten years after the founding of Labomar Research, the new R&D center was inaugurated.

Today, Labomar's strategy involves directing its investments both internally, consolidating its production structure, and externally through strategic operations

aimed at maintaining two key factors particularly relevant to the industry: a focus on innovation and the quality of products produced.

In October 2019, Labomar acquired the Canadian company Enterprises Importfab Inc., based in Montreal, now known as Labomar Canada. This operation allows the company to benefit from direct access to the North American market, the world's leading market for the nutraceutical sector. In early October 2020, the Company was listed on the AIM market of Borsa Italiana. The listing is the result of a long and challenging process that, over more than 20 years, has led the Company to grow rapidly and steadily, both internally and in production capacity, also through the development of new technologies and internationalization. In the same year, Labomar achieved an important milestone by converting into a Benefit Company, as an integral part of a path that fully expresses and makes central the commitment to sustainability inherent in its DNA. Through the change in status, the commitment to creating value and positive impact on people and the environment is made explicit and formalized. 2021 was a year characterized by new operations of high strategic value: the acquisition of Welcare Research S.r.l. and its subsidiary Welcare Industries S.p.a., an excellence of Made in Italy that develops, produces, and markets medical devices for

the prevention and treatment of infections and for the management of skin lesions of various origins, based in Umbria, and Labiotre Srl, specialized in the production of plant extracts with innovative techniques, titrated in active principles with documented physiological action, based in Tuscany. Finally, the establishment of the Newco LaboVar, thanks to a partnership with the Sesa Group, for the sale of nutraceutical products through e-commerce platforms in the Chinese market. In 2023, Charterhouse - one of the oldest private equity firms in Europe, entered the company's capital. Through a bilateral off-market agreement with Labomar's founder and CEO Walter Bertin and with Cleon Capital, the current minority shareholder, on September 6, 2023, it officially delisted Labomar S.p.A's shares from the Milan Stock Exchange. The partnership between Charterhouse and Labomar will allow the company to pursue its ambitious development strategy with greater speed and flexibility, seizing new opportunities for innovation and expansion. Also, in 2023, Labomar obtained B Corp certification.





Mission, Vision and Values

The increasing global awareness regarding climate change, natural resource scarcity, and social challenges has significantly transformed the context in which companies operate. In this evolving landscape of social responsibility, corporate governance is called upon to critically examine its business model, placing sustainability at the core of strategic decision-making. Revising the business model through the lens of sustainability becomes imperative as it allows companies to address emerging societal needs, anticipate environmental and social challenges, and solidify their position as responsible and innovative actors.

In 2021, Labomar embarked on a strategically significant project, concluded in 2022, aimed at reviewing and sharing its core Values, while also redefining its Vision and Mission through a sustainability-oriented approach.

MISSION

We work together with passion, to conceive and manufacture products and services for well-being, in respect of the environment.

We innovate with courage, proud to belong to a great family.

VISION

We improve well-being and the quality of People life.

VALUES



Customer orientation

Listening, professionalism, reliability, and transparency guide all our activities, with the aim of promptly meeting our customers' needs, establishing an effective relationship with them, and seeking better solutions and services.



Team spirit

Collaboriamo, condividiamo informazioni attraverso una comunicazione sempre onesta e la volontà di sostenersi reciprocamente. Ogni nostro piccolo passo ci spinge ad essere un team sempre più coeso e capace di crescere, con coraggio e dedizione, per raggiungere i traguardi prefissati.



Passion for Excellence

Con costanza e consapevolezza ci impegniamo ogni giorno a migliorare prodotti e processi, per generare valore. Il nostro forte senso di responsabilità favorisce un elevato standard qualitativo dei risultati e della professionalità, incoraggiando così la condivisione e l'espressione di idee innovative da parte di ognuno.



Consistency

Essere coerenti, concreti e trasparenti è alla base dello sviluppo di relazioni di fiducia. La capacità che abbiamo di agire, la determinazione con cui raggiungiamo i risultati e l'allineamento degli obiettivi aziendali, funzionali e personali sono il motore di ogni nostra azione interna ed esterna.



Well-being and sustainability

We firmly believe in a corporate system founded on product safety and respect for the environment and people, fostering enduring relationships that value diversity. Promoting sustainable actions, initiatives, and projects from all angles is a crucial step towards collective well-being.



Corporate Governance

[GRI 2-9; 405-1; 2-10; 2-11; 2-19; 2-20; 2-15; 2-16]

Labomar is a joint-stock company incorporated in Italy registered with the Treviso Chamber of Commerce; appropriate allocations of responsibilities and powers, as well as balance between management and control functions, are the guiding principles of the company's corporate governance.

To effectively address the interests of its stakeholders, Labomar has adopted a traditional Administration and Control structure; as of December 31, 2023, the structure of corporate bodies includes:

- The Board of Directors: invested with full powers for the ordinary and extraordinary management of the company, with the authority to adopt all measures deemed necessary for the achievement of the corporate purpose, except for matters reserved by law to the shareholders' meeting;
- The Board of Statutory Auditors: responsible for ensuring compliance with the law, the articles of association, and the principles of proper administration;
- The Supervisory Body: established pursuant to Legislative Decree 231/01, responsible for overseeing the effectiveness, efficiency, maintenance, and updating of the organizational, management, and control model pursuant to Legislative Decree 231/01;
- The Independent Audit Firm: responsible for the statutory audit of the financial statements

The members of the Board of Directors, in office until the Shareholders' Meeting convened for the approval of the financial statements as of December 31, 2025, are represented in the following table.

BOARD OF DIRECTORS AS OF DECEMBER 31, 2023 ²			
Member	Appointment	Gender	Executive or not
Walter Bertin ³	Chairman and CEO	♂	Executive
Sabrina Gasparato	Vice Chairman	♀	Not executive
Claudio De Nadai	Director	♂	Executive
Alberto Baban	Director	♂	Executive
Lorenzo Zambon	Director	♂	Not executive
Antonio Di Lorenzo	Director	♂	Not executive
Leone Pattofatto	Director	♂	Not executive

² With reference to the composition of the highest governing body, it is specified that no committees are in place.

³ It is noted that the Chairman of the Board of Directors is not a senior executive of the organization.

♂ Man ♀ Woman



The commitments made by each member of Labomar's Board of Directors are referred to what is published in the Companies Register in relation to each member. Regarding underrepresented social groups, stakeholder representation, and primary competencies regarding the organization's impacts, reference is made to the profiles of each member published in the "Governance/Corporate Bodies" section of Labomar's institutional website.

It is noted that the Board of Directors is also responsible for decision-making processes and for controlling the company's impacts on the economy, the environment, and people. This responsibility includes annually approving the Annual Report related to pursuing the common benefit under Law 208/2015 (Article 1, paragraphs 376-384), which is attached to the financial statements.

Board members are appointed by the ordinary assembly, which resolves according to the statutory majorities. They serve for a period of three financial years each, expiring at the date of the ordinary assembly convened for the approval of the financial statements for the last financial year. In the event that one of the directors ceases to hold office for any reason, their replacement must occur in accordance with the procedures set out in Article 2386 of the Civil Code. If two or more directors cease to hold office for any reason, the Board of Directors is considered to have lapsed, and an urgent meeting of the shareholders' assembly for the appointment of the new Board of Directors must be convened by the Board of Statutory Auditors. Regarding the appointment of the current directors, both the viewpoints of stakeholders, including shareholders, were considered to understand their perspectives and opinions, and the presence of important competencies possessed by the directors regarding the organization's

impacts. In this regard, consider the presence of the shareholder Charterhouse Capital Partner.

Directors are entitled to reimbursement of expenses incurred in the performance of their duties and to the compensation determined by the shareholders' meeting. The remuneration of directors holding particular offices is the responsibility of the Board of Directors, after consulting the Board of Statutory Auditors. The assembly may determine an overall amount for the remuneration of all directors, including those holding particular offices, to be allocated by the Board of Directors.

Labomar operates to avoid situations of conflict of interest, whether real or potential, that may interfere with the ability to make impartial decisions in the best interests of the company and in full compliance with the provisions of the Company's Code of Ethics. In general, the organization is committed to maintaining an ethical and transparent working environment where conflicts of interest are effectively managed in line with the best practices of corporate governance.

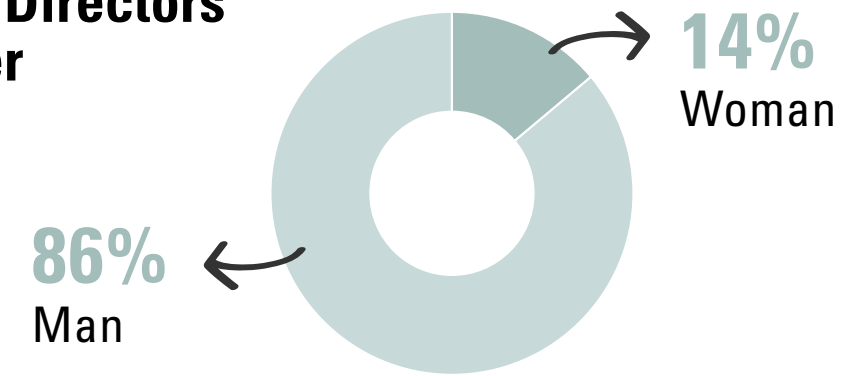
Communications regarding critical issues are conveyed to the highest governing body by the executive directors, who have the duty to fully inform the board about the adequacy of the organizational and administrative structure of the company and its overall performance⁴.

⁴ During the reporting period of 2023, no critical issues were reported to the highest governing body.

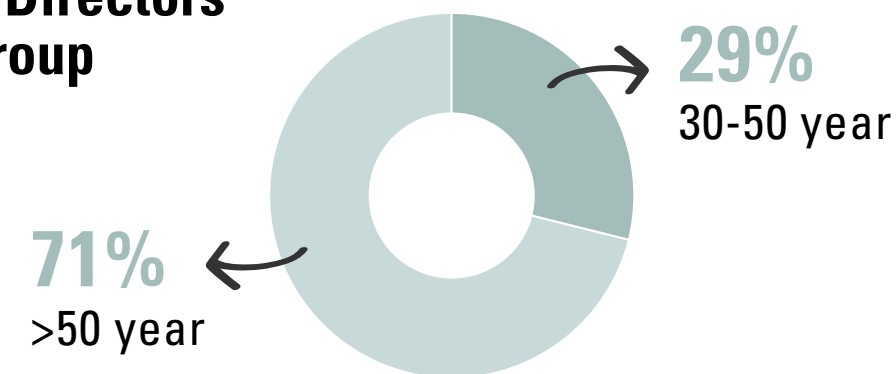




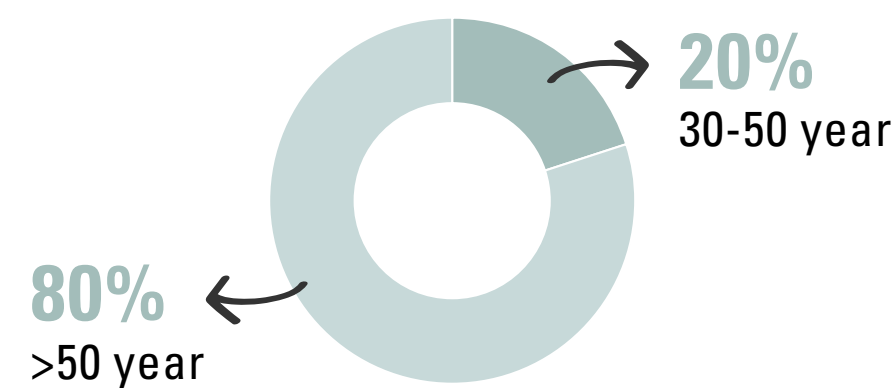
Composition of the Board of Directors by gender



Composition of the Board of Directors by age group



Composition of the Board of Statutory Auditors by age group



The Board of Statutory Auditors represents a fundamental part of Labomar's Corporate Governance system, as it plays a crucial supervisory and control role to ensure transparency, integrity, and compliance with regulations. It consists of a chairman, two regular auditors, and two alternates. All members of the Board of Statutory Auditors meet the eligibility, integrity, and professionalism requirements established by law.

The current members of the Board of Statutory Auditors, in office until the Shareholders' Meeting convened for the approval of the Financial Statements as of December 31, 2025, are represented in the following table.

Board of Statutory Auditors as of December 31, 2023	Appointment
Michele Graziani	Chairman
Tiziano Cenedese	Full member
Mirko Pozzobon	Full member
Giuseppe Bacchin	Alternate Auditor
Lorenzo Fracasso	Alternate Auditor





Ethics, Business Integrity, and Anti-Corruption

[GRI 2-23; 2-24; 2-25; 2-26; 2-27; 205-3; 206-1]

Ethics, integrity in business, and anti-corruption constitute essential pillars of Labomar’s organizational culture. The company recognizes that acting with honesty, transparency, and accountability is crucial to building and maintaining stakeholder trust and ensuring long-term success.

Labomar adopts an Organization, Management, and Control Model (hereinafter also referred to as “Model 231” or “Model”) in accordance with the provisions of Legislative Decree No. 231/01, and has appointed its own monocratic Supervisory Body composed of an external subject possessing the required professionalism, integrity, and independence, capable of ensuring the necessary continuity of action. The Supervisory Body annually prepares a report on its activities, which it presents to the Board of Directors and the Board of Statutory Auditors. The adoption of Model 231 followed a risk assessment project related to the offenses envisaged by the decree. Model 231 aims to prevent the commission of specific types of crimes that, alongside the criminal liability of the individuals involved, also entail the administrative liability of the company and is periodically updated by the Board of Directors. In this regard, it is noted that the updated revision of Model 231 was submitted for approval at the Board of

Directors’ meeting on March 27, 2024. For the currently valid version, reference is made to the “Governance/Corporate Bodies” section of the institutional website.

Labomar continues to work to identify and address ethical challenges, adapting to the changing dynamics of the business landscape and the growing expectations of stakeholders. In view of this, and considering internal training as an indispensable tool for effective implementation of the Model, a session was held on May 17, 2023, to strengthen the knowledge of the Organization and Management Model adopted by the Company. During this training session, the principles of Legislative Decree No. 231/2001 were explained, as well as the Model adopted by the Company, and, in particular, the rules of conduct that employees must adhere to for the reasonable prevention of offenses under Legislative Decree No. 231/2001.

FOCUS ON

Labomar has obtained the Rating of Legality

Obtained in accordance with the Implementing Regulation on legality rating Resolution AGCM No. 24075 of November 12, 2012, Labomar has achieved the rating **★★++**.

This important recognition underscores the Company’s commitment to conduct its activities in compliance with laws and regulations: it represents a significant step in Labomar’s willingness to operate ethically and responsibly.

The Company is aware that respect for legality is a fundamental aspect for reputation and long-term sustainability.



Labomar also adopts an Ethical Code, which is an integral part of the Company's organizational, management, and control model provided for by articles 6 and 7 of Legislative Decree no. 231/2001.

It is a tool for implementing ethical, social, and environmental responsibility and outlines the set of rights, duties, and responsibilities towards all stakeholders. Specifically, Labomar's Ethical Code delineates the principles of behaviour that must be followed in all company activities by every stakeholder. Furthermore, it contributes to creating and maintaining a corporate culture based on integrity, ethics, and responsibility. It serves as a beacon for all organization actors, emphasizing the importance of mutual respect, fairness, and commitment to sustainability. The Ethical Code is available on Labomar's website in the "Company/About Us" section and is distributed during the onboarding phase to all new company employees.

Moreover, through the Procedure for reporting violations, Whistleblowing, the methods for reporting any violations of national or European Union legislative provisions that harm the public interest or Labomar's integrity, as well as relevant unlawful conduct under Legislative Decree 231/2001, by anyone who becomes aware of it within the scope of the employment, collaboration, or professional relationship with the Company or in the work context, are regulated.

In line with Legislative Decree no. 24/2023, which transposes EU Directive 2019/1937 concerning the protection of persons reporting breaches of national and EU legislation, Labomar has adopted a new online platform capable of ensuring the whistleblower receives acknowledgment of receipt of the report within 7 days and complete confidentiality.

Labomar has also adopted a Whistleblowing Procedure available on the website in the "Company/About Us" section, where all information concerning who can report, how to report, what can be reported, how reports are handled, what protection measures are guaranteed, and how personal data provided is treated.

Labomar actively communicates its policies to all employees, business partners, and other stakeholders through a variety of communication channels, both online and offline. This ensures that everyone is aware of the adopted standards and the expectations the Company has set for responsible business conduct. In this regard, communication of the Organization's commitments to ethics and integrity is active and ongoing through:

- Sharing informative slides on the Labomar Channel, through which all Labomar collaborators can stay updated and constantly informed about the activities carried out;
- Posting Policies on company bulletin boards;
- Publishing the document within Ufficio Web, the portal where each employee can manage their requests, check time stamps, and view published documents;
- Training and information activities for employees.





With reference to the last point just presented, it is noted that on October 20, 2023, the Legal & Corporate Affairs Manager also conducted a brief training session on the new Whistleblowing and the new procedure for reporting violations to all Labomar managers.

All business ethics practices outlined and adopted apply fully to all Labomar's business activities and relationships without exceptions; this ensures that the commitments made are effectively incorporated into the company's daily operations.

Labomar confirms full compliance with applicable laws and regulations during the reporting period. No significant cases of non-compliance with laws and regulations were identified during 2023. The Company is committed to operating in compliance with current regulations and maintaining high standards of legal compliance in all its activities. This commitment reflects the constant focus on integrity, transparency, and corporate ethics, as well as dedication to serving customers in compliance with laws and regulations. Labomar will continue to actively monitor compliance with regulations and adopt corrective and preventive measures when necessary to ensure ongoing compliance.

Labomar adopts a zero-tolerance policy towards corruption, illegitimate favors, and collusive behavior. It is strictly prohibited to solicit, directly or through third parties, personal benefits for oneself or others, contrary to the principles of fairness, honesty, respect, and professionalism. Acts of business courtesy, such as gifts or hospitality, are allowed only if of modest value and do not compromise the integrity or reputation of the parties involved, avoiding any interpretation of impropriety by an impartial observer. These provisions

are governed within the company's Ethical Code and Model 231. During 2023, Labomar further strengthened its control and corruption prevention mechanisms by establishing two new procedures: the first aims to regulate representation expenses, donations, and sponsorships, while the second concerns expense reimbursement management. During the reporting period, Labomar confirms that no episodes of corruption were identified. No employees were disciplined or dismissed for reasons of corruption, and it was not necessary to terminate or not renew contracts with business partners due to violations related to corruption events. Additionally, no public legal cases regarding corruption against the organization or its employees were initiated during this reporting period.

As emphasized in the Ethical Code, Labomar recognizes free and fair competition as a determining factor for business growth and continuous improvement, further confirming that during the reporting period, no legal actions were initiated regarding anti-competitive behaviour and violations of antitrust laws in which Labomar was identified as a participant.



WHISTLEBLOWING



CODE OF ETHICS



ORGANIZATIONAL MODEL



Economic Performance

[GRI 201-1]

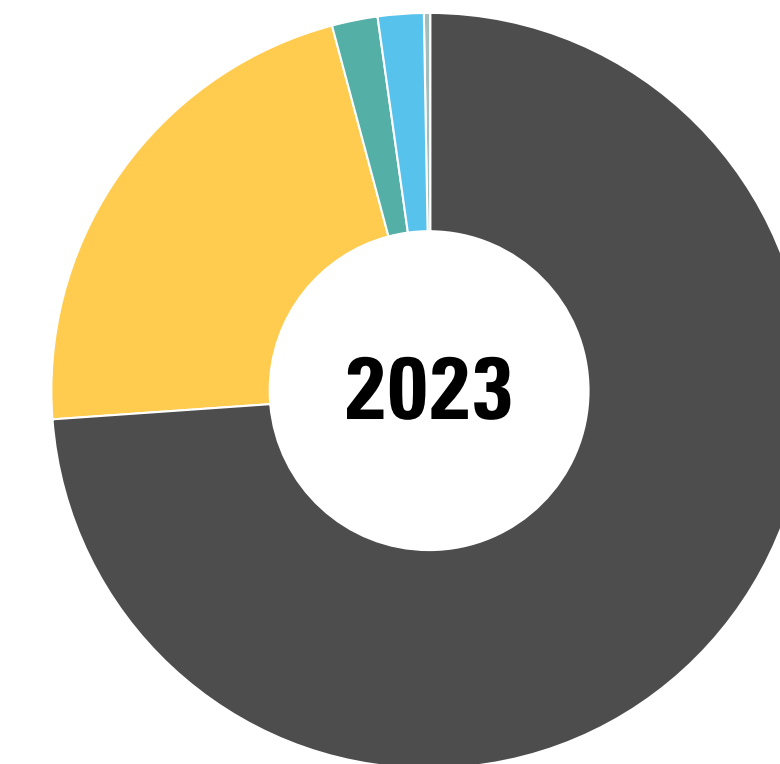
The creation of economic value is a crucial element of the company's vision, as it aims to generate tangible benefits for both dimensions: shareholders on one hand and the Company as a whole on the other. The following overview is in line with the GRI Standards 201-1 criteria and constitutes a key tool for measuring the value generated towards stakeholders.

The performance of the management in 2023 shows a positive outcome for Labomar, driven by double-digit revenue growth compared to the previous fiscal year. The economic value generated and distributed allows interpreting the main economic data contained in the separate financial statements from the stakeholders' perspective.

For further insights into Labomar's economic performance and its financial and asset situation, please refer to Labomar S.p.A.'s Separate Financial Statements as of December 31, 2023.

Direct economic value generated and distributed

€	2023	2022	Δ
Direct economic value generated	79,919,232.42	71,747,252.70	11.39%
Economic value retained	7,078,712.90	7,689,800.19	-7.95%
Economic value distributed	72,840,519.52	64,057,452.51	13.71%
<i>Distribution of the value</i>			
● operating costs	53,945,789.05	47,477,655.58	13.62%
● employee wages and benefits	15,985,973.88	13,853,053.35	15.40%
● payments to providers of capital	1,475,749.02	699,800.33	110.88%
● payments to government	1,348,533.14	1,951,816.96	-30.91%
● community investments	84,474.43	75,126.29	12.44%



- **74.06%** operating costs
- **21.95%** employee wages and benefits
- **2.03%** payments to providers of capital
- **1.85%** payments to government
- **0.12%** community investments



Cybersecurity and privacy protection

[GRI 418-1]

In line with the company's growth and expansion, Labomar initiated a significant project in 2023 aimed at enhancing cybersecurity, defending against potential cyber threats, and preserving the integrity of systems and data security.

Labomar's L7 headquarters now serves as the strategic core of the company, where an experienced and qualified team in the fields of cybersecurity and IT infrastructure, with knowledge of production and ERP management software, ensures the protection of IT systems and sensitive data for all users.

Among the initiatives implemented are:

- Fine-tuning of the XDR (Extended Detection and Response) system, which quickly detects abnormal behaviors and reports them to the security operations center, active 24/7;
- Implementation of the SIEM (Security Information and Event Management) service, capable of promptly reporting anomalies in systems;
- Setting up the CTI (Cyber Threat Intelligence) service for continuous monitoring of web activities and digital platforms to recognize potential threats and intervene promptly;
- Addition of firewalls to implement network traffic security rules;

- Replacement of antivirus with a new NGAC (Next-Generation Antivirus and Anti-Malware) solution and technology to prevent all types of known and unknown attacks, providing an effective response;
- Implementation of the JIRA Service Management ticketing system, available to all company employees;
- Regular deployment of security patches for all company assets.

Overall, Labomar is committed to continually updating its hardware and software infrastructure, including the purchase of new updated solutions available on the market.

The company, along with the entire IT team, has further strengthened the initiatives described by offering on-demand training during the onboarding phase, focused on the use of tools such as SharePoint, Teams, and OneDrive within the Microsoft ecosystem. This targeted approach ensures that new employees are adequately prepared to use these platforms, thus contributing to the overall security of company data.

Furthermore, the cybersecurity team regularly sends suggestions and advice via email on suitable behaviours that all employees must adopt to avoid potential security issues. This constant flow of information helps raise awareness among staff and promote a corporate culture attentive to data protection.

Regarding privacy, it is important to note that each employee subscribes to an information document compliant with Article 13 of Regulation (EU) 2016/679 (GDPR) concerning the protection of personal data. This document provides clear and transparent information on the processing of personal data, ensuring respect for the rights and fundamental freedoms of each individual.

As of December 31, 2023, no valid complaints regarding violations of customer privacy have been reported, nor have any incidents of data leakage, theft, or loss of customer data been identified. This outcome reflects the effectiveness of the systems and procedures implemented by the organization to protect customer privacy and ensure the security of the personal data processed.





FOCUS ON

New printers at Labomar: a sustainable choice

The protection of the planet is a key factor for Labomar, which chooses to do so through important commercial choices that impact everyone's daily work. In 2023, an agreement was signed for the supply of state-of-the-art multifunction printers from Sharp, which are more advanced and, above all, more sustainable. Among their features: a new titanium dioxide-free toner, supporting the new Blue Angel standard, and reduced energy consumption thanks to the new low-temperature fusion system, ensuring lower energy consumption and a consequent reduction in emissions. The printers only activate during predefined hours and offer the option of eco-friendly printing and the Eco Scan function, which prevents unnecessary functions from starting. In the initial phase, these machines were installed at the L8 headquarters in Pezzan di Istrana.

With reference to the total prints made during the period 2023 (January 1st - December 31st), it is noted that the total copies amount to 686,626⁵, corresponding to approximately 8 trees⁶. The new sustainable printers were installed in the second half of the year, thus contributing to 5% of the total prints made. Regarding environmental conservation and in response to the large number of prints made in 2023, Labomar, through the "Life" project implemented with Treedom, details of which will be described in the last chapter of this Report, planted 8 trees.

⁵ Prints generated by multifunction devices managed by external suppliers; it is noted that the total number of copies does not include personal printers and printers owned in production.

⁶ From an average-sized tree, 79,500 sheets of paper can be obtained.





02

Sustainability

- Labomar's Sustainability Governance
- Labomar is a Benefit Corporation
- Labomar is B Corp
- Stakeholders
- The materiality process
- SDGs
- Sustainability Ratings



Labomar's Sustainability Governance

[GRI 2-12; GRI 2-13; GRI 2-14; GRI 2-17]

Labomar has established a governance structure dedicated to outlining the sustainability strategy and pathway to pursue sustainable development.

The Board of Directors of Labomar recognizes the importance of sustainability as an integral part of the company's strategy.

The Annual Impact Report is developed through a participatory process that involves multiple internal business functions and corporate stakeholders. This process includes the collection, through the Sustainability Reporting Package, and analysis of data related to activities, business relationships, and internal initiatives, as well as the engagement of stakeholders to ensure an inclusive view of impacts.

This document is prepared by the Company in line with the provisions of the legislation provided for by the Law establishing Benefit Corporations (L. 208/2015) and approved by the Board of Directors jointly with the Financial Report, constituting in all respects an annex to it. During this approval meeting, the Board of Directors carefully evaluates the results presented in the Report and also uses them to guide strategic decisions. This review

and approval process reflects the commitment of the highest governing body to integrate sustainability into the company's business model, with the aim of creating long-term value for all stakeholders involved.

Also, to confirm this commitment by the Board of Directors, Labomar has become a Benefit Corporation, which has a significant impact on the company's governance, considering that:

- Labomar is legally required to balance its economic activities with the pursuit of one or more social and environmental objectives. This requires greater transparency in business decisions and increased responsibility towards stakeholders;
- Labomar's governance considers the interests of stakeholders in addition to those of shareholders, making it a more inclusive and stakeholder-oriented version;
- Labomar's statute, as an act governing the internal life and functioning of the Company, incorporates social and environmental objectives and aligns the company's mission.





The Board of Directors of Labomar has delegated the responsibility for managing sustainability impacts to two key roles:

- The Impact Manager, a crucial figure for both pursuing social objectives and ensuring transparency and accountability towards the community and environment in which the Company operates, is responsible for reporting, improving, and implementing sustainability goals connected to common benefit purposes, identifying monitoring methods and criteria. In terms of role and function, the Impact Manager also has the task of defining tasks that enable the company to be administered in the right balance between the interests of shareholders, common benefit, and stakeholder interests. They are also responsible for the periodic preparation of the Impact Report. As of December 31, 2023, the Impact Manager is represented by the CEO of Labomar and an external consultant expert in sustainability.
- The Sustainability Manager oversees the implementation of sustainability initiatives, collaborates with internal and external stakeholders to ensure the achievement of the Organization's sustainability goals, and monitors performance trends. The incorporation of this role within the Company, which occurred in 2023, represents a further strengthening of Labomar's sustainability governance.

The sharing of information with the highest governing body regarding the management of the Company's sustainability impacts occurs regularly, in accordance with Labomar's monitoring and evaluation needs. These delegates inform the Board of Directors about the results achieved, the

challenges, and opportunities related to sustainability impact management, thus enabling the highest body to make informed and strategic decisions.

Labomar believes that active involvement of the Board of Directors in matters related to sustainable development is essential to guide the organization towards responsible and sustainable long-term growth. Therefore, Labomar's sustainability governance has been an integral part of the Company since its foundation over 25 years ago. The founder and President of Labomar strongly supports the sustainability paradigm and constantly ensures that the Board of Directors is kept up-to-date and actively involved in the initiatives undertaken. This commitment, transmitted from the top down, characterizes Labomar's growth journey and permeates all functions, involving a multitude of stakeholders. Furthermore, it is worth noting that Labomar's sustainability governance is further strengthened by the presence of Charterhouse Capital Partners within the Board of Directors. The Fund has an expert in sustainability who, in the role of ESG Director, supports Labomar and other companies in its portfolio in sustainable development and updates them on best practices and potential developments.

The BECIRCULAR Sustainability Operating Committee is governed by a specific procedure, developed in 2023, which defines its appointment, composition, operating methods, tasks and functions, as well as the powers and means available. This regulation provides a solid foundation to ensure the effectiveness and coherence of the Committee's activities in pursuing corporate sustainability objectives. The BECIRCULAR team is an important resource in Labomar's continuous improvement journey of its social

and environmental profile and is committed to advancing the company's sustainability agenda, contributing to the significant progress made so far. The BECIRCULAR Sustainability Operating Committee is a key body for overseeing sustainability topics and interactions with stakeholders. Alongside the CEO and General Manager, the heads of the internal functions involved in the collection and processing of the Impact Report participate in meetings. The Committee ensures broad representation and an integrated view of sustainability topics. The CEO's presence during Committee sessions provides important support to the Board of Directors in defining and implementing the sustainability strategy, enabling active monitoring and effective assessment of progress made.





Labomar is a benefit Corporation



Benefit Corporations define a new way of doing business with the aim of generating a positive impact on the environment and society in which they operate. Specifically, a Benefit Corporation is a new legal form of enterprise introduced in Italy through the Stability Law of December 28, 2015, articles 376-384, which is characterized by pursuing a dual purpose: economic-profitable and creating a common benefit or one or more positive impacts on people, society, and the environment.

Labomar deeply believes in a corporate system based on sustainability, care for people, the environment, and the community, which is why it changed its status to become a Benefit Corporation. In compliance with the regulatory requirements provided by the aforementioned Law and Appendices 4-5, the Company has decided to measure its impacts using the B Impact Assessment tool.

Taking care of people's well-being by implementing a path of continuous, ethical, and sustainable improvement represents Labomar's main objective, accompanied by the desire to contribute to making the world a better place. As a Benefit Corporation, Labomar aims to pursue one or more common benefit purposes and operate responsibly, sustainably, and transparently towards individuals, communities, territories, and the environment, as well as cultural and social goods and activities, entities and associations, and other stakeholders.

The Company has the specific common benefit purposes described below:

FIRST COMMON BENEFIT PURPOSE

- ETICS
- QUALITY
- EFFICIENCY

The constant focus on sustainable innovation of processes to create products that are ethical, of quality, safe, and effective, meeting the needs of our customers and, consequently, of end consumers.



SECOND COMMON BENEFIT PURPOSE

- COMMITMENT
- TRANSPARENCY
- ENVIRONMENT

A concrete and transparent commitment to environmental protection through monitoring the generated impacts, the implementation of virtuous practices within the company, the selection of safe and sustainable raw materials, and the pursuit of valuable partnerships with customers and suppliers.



THIRD COMMON BENEFIT PURPOSE

- WELL-BEING
- COMMUNITY
- RESPECT

Ensuring the well-being of workers, their families, and the community through the development of initiatives that promote skill growth, awareness, and the dissemination of healthy lifestyles and principles of respect and diversity.



FOURTH COMMON BENEFIT PURPOSE

- BEAUTY
- CULTURE
- SOCIAL
- TERRITORY

Promoting the culture of beauty, supporting cultural and social initiatives, and enhancing the territory.



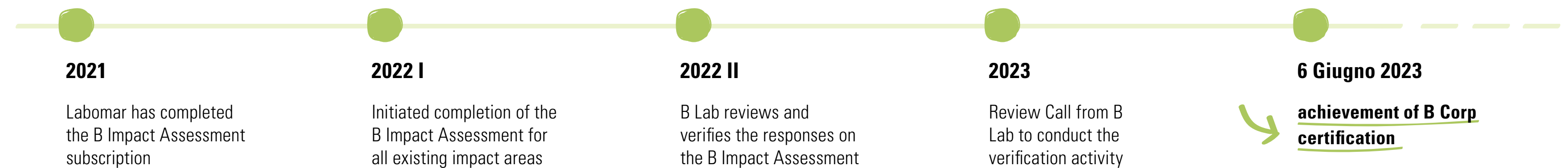


Labomar is B Corp

Being B Corp certified means being part of a global movement of companies that adhere to high standards of social and environmental impact in favour of an inclusive, fair, and regenerative socioeconomic model. This achievement, reached in 2023, once again attests to Labomar's strong commitment to the well-being of people, customers, communities, and the environment, and it is an important initial result that makes tangible the work carried out through the BECIRCULAR Sustainability Operating Committee, which promotes a path of corporate change by turning common benefit goals into concrete actions. With the attainment of this certification, Labomar has embarked on a journey that sees it enthusiastically pursuing even more ambitious horizons because sustainability is an ongoing value creation journey that never stops.

Sustainability is more than an abstract concept; it is a daily commitment that involves all stakeholders, in various aspects.

Labomar B Corp Journey



LABOMAR'S 5 B CORP IMPACT AREAS

Certification as of December 31, 2021

Overall score:

87.6

Breakdown by area



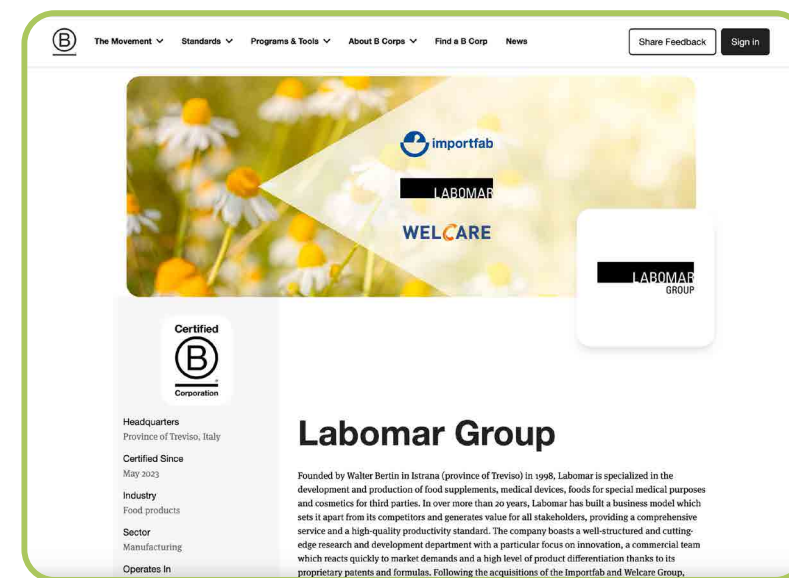


“We have always believed in a business model based on transparency, respect for the environment, people, and the care and passion for well-being. That’s why the journey towards B Corp certification has been stimulating for our entire team. With this result, we embark on a concrete path of continuous improvement, guided by our commitment to enthusiastically pursue even more ambitious goals, because sustainability is a journey of value creation that never stops”.

Walter Bertin
Presidente e CEO Labomar

Go to international portal

On the international portal, the total score of Labomar Group is reported, considering that the companies within the Group that have obtained certification, surpassing the threshold score of 80, are, besides Labomar, Welcare and Importfab.



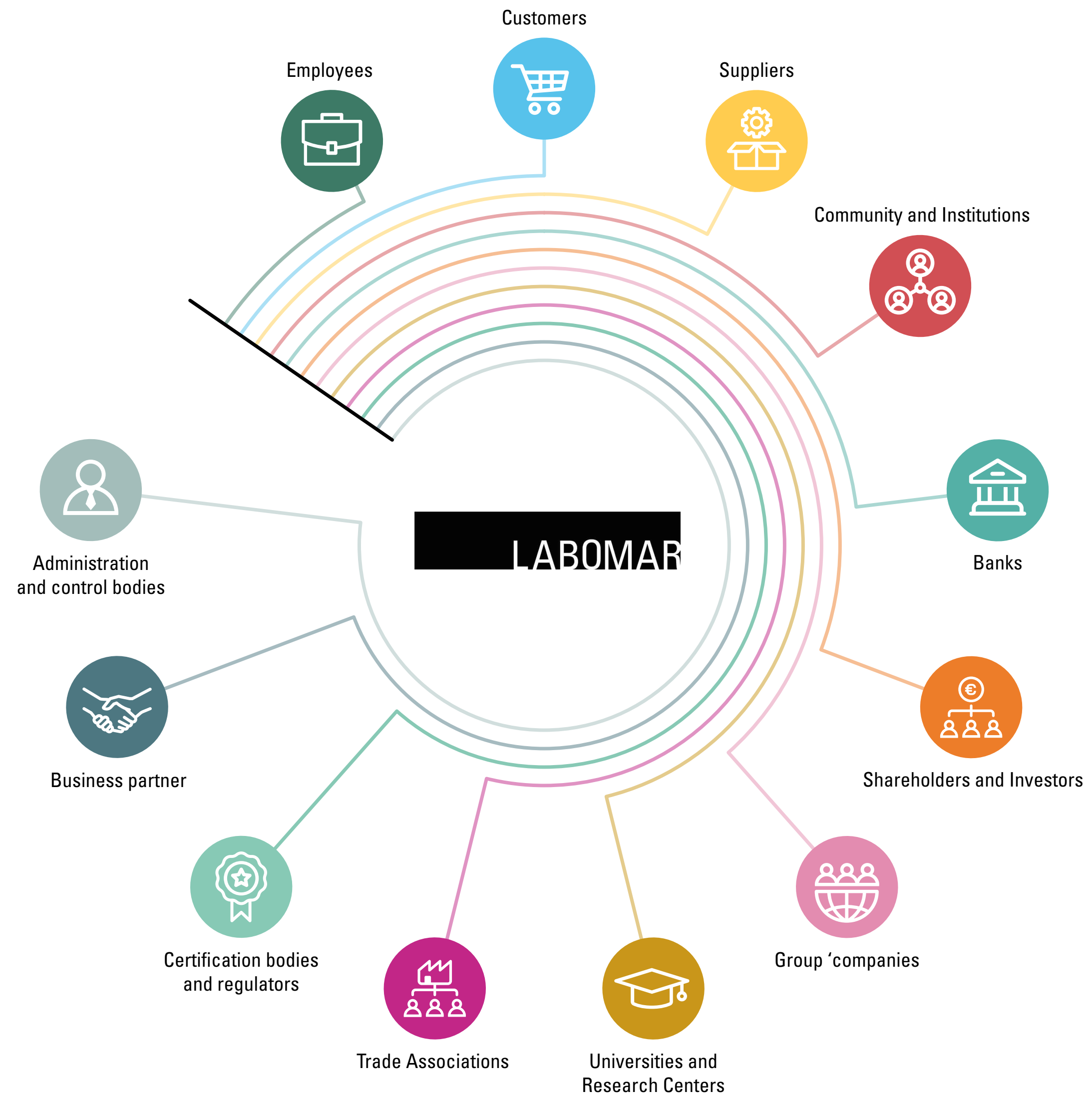


Stakeholders







[GRI 2-29]

The constant dialogue and active involvement of internal and external stakeholders reflect Labomar's responsibility towards the social and economic context in which it operates. Engaging internal stakeholders allows for a full understanding of the needs and perspectives within the organization, while involving external stakeholders such as customers, suppliers, institutions, and communities helps understand market dynamics and social and economic challenges.







Through this constant dialogue and active involvement, Labomar can identify emerging opportunities and potential risks, adapting development and market strategies accordingly. This approach promotes transparency, trust, and long-term sustainability of Labomar's operations, contributing to its success in the corporate context and society as a whole. The categories of stakeholders have been identified through a detailed analysis of Labomar's context, including stakeholder mapping and assessment of the organization's activities' impact on them. The analysis conducted is twofold: on one hand, benchmarking activities were carried out on key peers, while on the other hand, an internal documentary analysis was conducted regarding the context documents of the ISO 9001 standard. All of this has allowed for evaluating industry best practices and comparing policies and procedures with internationally recognized standards.





Stakeholder	Purpose of involvement	Methods of involvement
Employees 	Promoting the well-being, engagement, and satisfaction of employees, as well as fostering an inclusive and collaborative work environment	<ul style="list-style-type: none"> • Web Office • On-boarding program • BE Labomar Magazine • BE Labomar Channel • Internal communication (meetings, emails) <ul style="list-style-type: none"> • News on major social media platforms • Institutional website • Participation in company events • Shared server folders
Customers 	Customer satisfaction improvement, gathering feedback to enhance service and maintaining positive and constructive relationships	<ul style="list-style-type: none"> • Institutional website • Participation in trade shows • Events • Voice of Customer (marketing) • Interaction with KAMs and Customer Service
Suppliers 	Maintain collaborative relationships, ensure the quality and reliability of supplies, promote sustainable and responsible practices	<ul style="list-style-type: none"> • Events • Audits • Interaction with Quality Control • Code of conduct • ESG assessment
Community and Institutions 	Contributing to the well-being of the local community, building positive relationships with institutions, supporting social and environmental initiatives.	<ul style="list-style-type: none"> • Support for social initiatives • Presence in the territory • Meetings with institutions
Banks 	Maintaining solid financial relationships, ensuring access to credit and financial resources necessary to support business operations.	<ul style="list-style-type: none"> • Periodic meetings to assess financing opportunities • Involvement in financial negotiations and discussions • Financial reporting • Rating
Shareholders and Investors 	Transparent information on the financial and strategic performance of the company, ensuring effective communication, and building trust relationships with investors	<ul style="list-style-type: none"> • Shareholders' meetings • Board of Directors • Press releases • Institutional website • Conference calls



Stakeholder	Purpose of involvement	Methods of involvement
Group companies 	Promote collaboration and knowledge sharing among the various companies within the group, coordinate common strategies and actions to achieve shared business objectives.	<ul style="list-style-type: none"> • Group Labomar integration activities • Management meetings • BE Labomar Channel • BE Labomar Magazine • Internal communication (meetings, emails) <ul style="list-style-type: none"> • News on major social media platforms • Institutional website and those of subsidiaries
Universities and Research Centers 	Promote collaboration in research and development of new technologies and innovative solutions, access specialized resources and expertise to support the growth and innovation of the company.	<ul style="list-style-type: none"> • Collaborations in scientific research • Participation in academic conferences or workshops • Sponsorship of academic programs • Internships and post-graduate programs
Trade Associations 	Representing the company's interests within the industry, participating in initiatives and discussions aimed at influencing the definition of standards, regulations, and sectoral policies.	<ul style="list-style-type: none"> • Participation in events, conferences, and meetings organized by industry associations to discuss relevant sectoral topics • Collaboration with technical committees or working groups to influence the definition of sectoral standards and regulations • Contribution to studies and research conducted by the association to share knowledge and best practices.
Certification bodies and regulators 	Ensure compliance with industry regulations and standards, collaborate with certification bodies to obtain and maintain necessary certifications, actively participate in validation processes.	<ul style="list-style-type: none"> • Participation in audits and regulatory reviews • Collaboration in defining industry standards • Updates on regulations
Business Partner 	Facilitating strategic collaboration and mutually beneficial partnerships with business partners, developing and implementing joint projects, sharing resources and expertise to achieve shared goals.	<ul style="list-style-type: none"> • Organizing regular meetings with business partners to discuss strategies, objectives, and performance • Collaborating on joint projects or product development initiatives • Sharing information and knowledge relevant to the success of the partnership
Administration and control bodies 	Ensure effective and transparent governance of the company, ensure compliance with regulations and internal policies, provide oversight and support for the management and control of business activities.	<ul style="list-style-type: none"> • Board of Directors meetings • Regular reports and updates on company activities • Involvement in audits and reviews to assess the effectiveness of business processes and compliance with regulations



The materiality process

[GRI 3-1; GRI 3-2; GRI 3-3]

With the transition to a Benefit Corporation, Labomar developed its first materiality matrix in 2020. The process involved a detailed internal mapping to identify relevant sustainability topics. An external survey was then conducted to determine the importance of each of these topics to company stakeholders. Based on this initial panel of topics, 14 material themes were identified and approved by the CEO and the Board of Directors. These sustainability topics guided the Organization's strategy until the end of the previous fiscal year, as it was considered aligned with strategic guidelines and did not require updating. During 2023, Labomar conducted a new materiality analysis in response to the update to the 2021 version of the GRI Standards, which brought significant changes in the collection and presentation of sustainability information. One of the key aspects of these changes relates to the materiality analysis process: Labomar determined material information on sustainability impacts, risks, and opportunities, establishing a list of prioritized material topics compliant with the new reporting standards. In detail, and in order to prepare the 2023 Impact Report, the following are the four phases of the process conducted:

- **Phase 1. Understanding the Sustainability Context**
A preliminary benchmark analysis was conducted to compare Labomar's main sustainability impacts against a panel of peers. This involved a desk analysis of available documents and a review of key sustainability publications relevant to the industry, with a focus on trends.
- **Phase 2. Identification of Impacts**
In this phase, the main actual and potential impacts on the economy, environment, and people, including human rights impacts, within Labomar's business activities and relationships, were identified.
- **Phase 3. Assessment of Impact Significance**
As impact significance assessment is the sole criterion for determining whether a topic is relevant for reporting, a stakeholder engagement activity was conducted. This activity yielded over 117 responses from Management, Investors, Group Companies, Employees, Suppliers, and Industry Associations.
- **Phase 4. Prioritization of Most Significant Impacts for Reporting**
The impacts were ranked from most to least important, and a cutoff threshold was established to determine which impacts would be the focus of reporting. To facilitate prioritization, impacts were grouped into themes. Determining priority allowed Labomar to identify the list of material topics for reporting. The results were processed and analyzed by Labomar's Sustainability Manager and presented and discussed during the first 2024 session of the BECIRCULAR Sustainability Operating Committee. Furthermore, the prioritized list of material topics for reporting, presented below, was approved by the Board of Directors during the meeting on February 22, 2024.

FOCUS ON

Stakeholder engagement activities: listening and perspectives for sustainability-driven growth

Stakeholder	Engagement Methods
Management	Management meeting and survey
Investors	Explanatory slide support and survey
Group Companies	Explanatory slide support and survey
Employees	Sharing via BELabomar Channel and Survey
Suppliers	Interactive and participatory materiality workshop
Trade Associations	Supportive email and survey

It is specified that for the years 2024 and 2025, an internal stakeholder engagement strategy has been developed to allow Labomar to listen to the opinions of all stakeholders identified from a sustainability perspective. It has been deliberately chosen to engage selected stakeholders year by year, so that the materiality analysis will represent a comprehensive and dynamic tool reflecting the evolving strategy of the Organization over the years, with an increasingly stakeholder-oriented approach.

CPHI and Sustainability

During the CPHI industry fair on October 25, 2023, Labomar's Sustainability Manager participated in a Focus Group titled "Sustainability within the Pharmaceutical Industry." In this session, attended by 18 Sustainability Managers, perspectives on sustainability within the sector were analyzed. This occasion was valuable for cross-referencing the results obtained in Labomar's materiality analysis update process, focusing on understanding the sustainability context.



Prioritized list of material topics

Material Topic ⁷	Impact	Type	ESG Area	Shared Benefit Goal
Health and Safety	Implementation of rigorous safety policies to protect workers, minimizing potential health risks in production operations.	✓	S	3 rd
Cybersecurity and privacy protection	Protection of company data and sensitive customer information from cyber threats, resulting in increased trust and satisfaction while simultaneously avoiding damage to the company's reputation.	✓	G	Transversal
Product quality and safety	Risk of damaging the company's reputation due to continuous and repeated product quality issues, as well as the issuance of new regulations and/or regulatory publications requiring increased compliance or product quality with a concurrent increase in costs.	✗	S	1 st
R&D and Innovation	Investments in research and development, coupled with strong sustainable innovation in processes, foster the development of new products and services that are ethical, high-quality, safe, and effective, meeting the needs of customers and protecting innovations through licenses, patents, trademarks, and confidentiality agreements. All of this should be accompanied by a proactive approach by the R&D team, serving as a promoter and guide of the concept of sustainable innovation.	↘	S	1 st
Employee well-being and corporate welfare	Presence of competitive benefits aimed at increasing employee satisfaction, improving their morale, and commitment. Happy employees tend to be more productive and contribute positively to the work environment.	↘	S	3 rd
Employee management and development	Opportunities for training and professional development aimed at ensuring increased satisfaction through targeted development programs.	↘	S	3 rd
Utilization of raw materials and waste management	Risk of raw material shortages due to climate change or catastrophic extreme events; as well as failure to adopt practices that minimize raw material waste and reduce the environmental impact of products (Life Cycle Assessment), resulting in excessive and uncontrolled use of resources in the production process.	✗	E	2 nd
Attraction and retention of talents	Inability to consolidate processes due to high turnover and, at the same time, difficulty in attracting talent due to the lack of flexible policies (such as smart-working) and/or low remuneration.	✗	S	3 rd
Collaboration and partnerships with universities.	Collaborations with research institutes to enhance the scientific foundation of nutraceutical products, as well as seeking new technical roles to be integrated into the R&D and Regulatory areas.	↘	S	4 th
Economic performance	The organization, through its expansion into international markets and the increase in market share, significantly contributes to the development of the economy and the well-being of stakeholders and the community, generating value through its activities.	↘	G	Transversal
Water resource management	Chemical discharge into water due to the production process and the lack of water recycling practices resulting in irresponsible water usage in production operations.	✗	E	2 nd
Fight against climate change and efficient energy use	Concrete and transparent commitment to environmental protection through monitoring of generated impacts and the introduction of virtuous practices in the company, with the development of new technologies or green production practices to reduce environmental impact.	↘	E	2 nd

⁷ Compared to the previous reporting period, it should be noted that the topics have completely changed, considering that a new process has been carried out in line with the reporting standards currently in use.



Material Topic	Impact	Type	ESG Area	Shared Benefit Goal
Sustainable Packaging Management	Despite the pressures from green policies and ongoing regulations on packaging, there's a failure to utilize packaging with verified sustainability performance, resulting in environmental impact issues related to non-sustainable packaging.	✗	E	2 ^a
Diversity, Equal Opportunities, and Human Rights	Promotion of an inclusive and fair working environment for all, as well as certifications attesting to gender equality and social inclusion. Additionally, listening to the needs arising from diversity.	↘	S	3 ^a
Ethics, business integrity, and anti-corruption	Adoption of ethical policies and responsible business practices as well as consistency, concreteness, and transparency in developing relationships with various stakeholders.	✓	G	1 ^a
Integration of sustainability into the business	Strong integration of sustainability into the business, creating excellent prospects for corporate stakeholders. Additionally, this integration complies with the legal requirements of Benefit Corporations.	✓	G	Transversal
Sustainable management of the supply chain ⁸	Adoption of sustainable criteria and/or standards in supplier selection, while promoting responsible practices to mitigate the risk of potential social (anti-discriminatory practices and/or human rights violations) and environmental violations in contractor-subcontractor relationships.	↘	G	Transversal
Involvement of the local community and social commitment ⁸	Promotion of actions, cultural initiatives, and sustainable projects aimed at fostering collective well-being and the community in which the organization operates; as well as strong social commitment linked to contributing to the growth of the local economy through job creation for the enhancement of the territory.	✓	S	4 ^a

⁸Although below the cutoff threshold, this topic is considered material due to its strategic importance.

It is noted that the topics “stakeholder engagement and involvement” and “biodiversity” were not considered material for the purposes of the analysis conducted. It is worth noting that during the engagement strategy and with reference to future reporting years, the perspective on these topics could change, especially in line with the principles of CSRD (Corporate Sustainability and Responsibility Disclosure).

In the process of updating the materiality analysis, Labomar also conducted an initial exercise of double materiality, integrating the perspective of Impact Materiality with that of Financial Materiality. This involved engaging the finance department and assessing the contribution of identified risks and opportunities to financial effects in the short, medium, and long term. The output will be presented in the next reporting cycle.



SDGs

In the global context of the 2030 Agenda for Sustainable Development, Labomar is firmly committed to promoting a responsible and sustainable business model that resonates with the ideals and goals of the United Nations Sustainable Development Goals (SDGs). With a clear recognition of the challenges and opportunities defining our time, Labomar embraces the mission of making the world a better place for present and future generations, thanks also to the sector in which it operates.

Through the analysis of initiatives, projects, and impacts generated by Labomar, this paragraph will provide an overview of the progress made by the company in contributing to the achievement of the SDGs. With a deep commitment to excellence and sustainability, Labomar positions itself as a positive catalyst for change, demonstrating that business success and social impact can go hand in hand.

SDG 3: Good Health and Well-being

Labomar contributes to the promotion of health and well-being through the development and production of high-quality food supplements.

“**LABOMAR’S VISION**
We improve well-being and the quality of People life.”



- **Disease prevention**
- **Immune system support**
- **Improvement of cognitive performance**

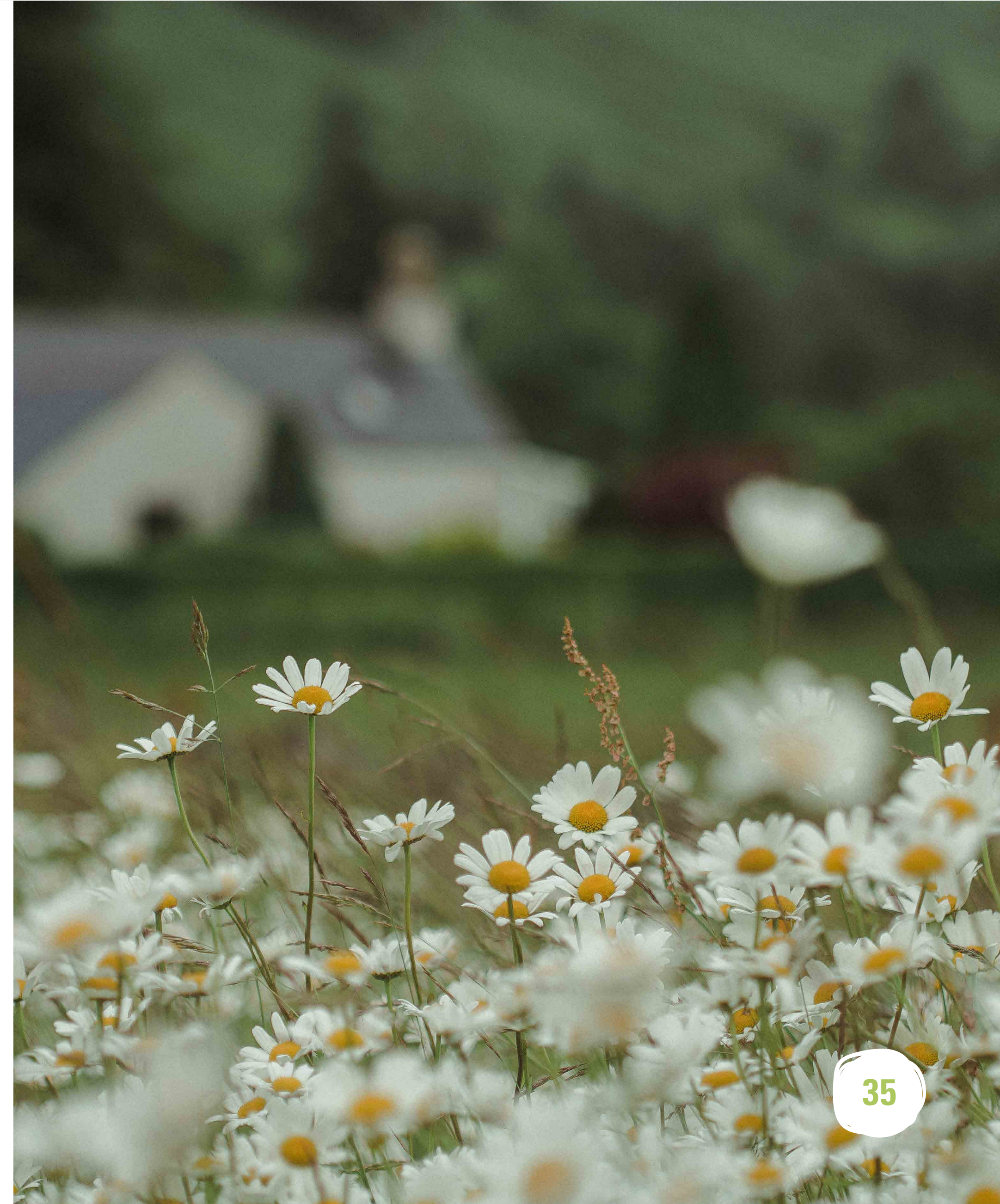


Material Topic	ESG Area																	
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
Health and Safety	S			✓				✓										
Cybersecurity and privacy protection	G															✓		
Product quality and safety	S															✓		
R&D and Innovation	S			✓					✓									
Employee well-being and corporate welfare	S			✓		✓		✓										
Employee management and development	S							✓										
Utilization of raw materials and waste management	E			✓		✓		✓			✓	✓						
Attraction and retention of talents	S					✓		✓		✓								
Collaboration and partnerships with universities	S				✓												✓	
Economic performance	G							✓	✓									
Water resource management	E					✓						✓						
Fight against climate change and efficient energy use	E			✓			✓	✓					✓	✓	✓			
Sustainable Packaging Management	E			✓								✓						
Diversity, Equal Opportunities, and Human Rights	S					✓		✓										
Ethics, business integrity, and anti-corruption	G															✓		
Integration of sustainability into the business.									✓								✓	
Sustainable management of the supply chain ⁸	G							✓										
Involvement of the local community and social commitment ⁸	S	✓	✓															

⁸ Although below the cutoff threshold, this topic is considered material due to its strategic importance.



Sustainability Ratings





03

People

- Employee management and development
- Employee well-being and corporate welfare
- Attraction and Retention of Talent
- Diversity, Equal Opportunities, and Human Rights
- Health and Safety
- The third shared benefit goal



Employee management and development

[GRI 2-7; GRI 2-8; GRI 2-30; GRI 402-1; GRI 404-1]

Putting people at the heart is among the guiding principles of Labomar's strategy. In 2023, Labomar welcomed a new human resources team that initiated a series of targeted initiatives to fully understand the company's context and deepen its internal culture. Specifically, the team conducted a detailed analysis to gather expectations and needs from all internal functions. This process allowed for the mapping of initial HR processes, which were then translated into a series of activities focused on various organizational aspects. The guiding star of every HR project reflects the desire to make Labomar a sustainable, attractive, and long-term desired workplace.

The activities of the HR department encompass several crucial areas for the company's success, including:

- Organizational structure, to optimize the organization and promote efficiency and collaboration among different business units.

- Administration, to ensure the accuracy and validity of administrative practices related to personnel, ensuring compliance with current regulations.
- Talent attraction, to select high-level talents that reflect Labomar's values and objectives.
- Training and development, to enhance and strengthen internal skills through targeted training programs and professional growth opportunities.
- Compensation, to assess and implement competitive compensation policies and incentives that recognize and reward each employee's contribution and commitment.
- Well-being, to improve and safeguard it through targeted initiatives and dedicated support for employees.
- Internal relations, to aspire to an inclusive and respectful work environment, fostering open communication.





Each of these activities represents Labomar's strong commitment to valuing its human capital, recognizing that the strength and prosperity of the company directly depend on investing in the talent and well-being of its employees.

In line with this, Labomar actively commits to ensuring the availability of adequate and competent human resources to support the implementation of business strategies and the achievement of set objectives. To address this, the company has a human resources management procedure in place, ensuring planning in line with the organization's industrial evolution, customer needs, and regulatory framework.

Regarding the meticulous management of human resources, Labomar commits to managing human resources with the utmost accuracy, adopting policies and practices that respect the fundamental rights of its employees. This commitment translates into strict compliance with working hours established by current regulations, ensuring that they comply with the laws of the country in which it operates. Labomar is active in ensuring that the needs of workers are respected in all stages of their employment relationship, including various aspects of life such as maternity, paternity, and personal and family health issues. Furthermore, the company is committed to ensuring adequate remuneration, at least equal to the mandatory national minimum wage, to ensure that employees are fairly and competitively rewarded for their contribution, respecting each individual's level of competence and responsibility.

Labomar provides each employee with the company regulations, a fundamental document that establishes guidelines and expectations for professional conduct and behaviour in the workplace. This regulation

provides a clear overview of company policies, including provisions regarding working hours, employee rights, and responsibilities. Labomar recognizes the importance of transparent communication and shared understanding of company rules to ensure a harmonious and respectful work environment. In line with this, an internal project to revise the company regulations was launched in July, which will be published in the first months of 2024. Within this, new flexibility policies and attention to parenthood have been planned, in line with the company's values and vision.

As a benefit corporation, Labomar intends to operate responsibly, sustainably, and transparently, considering the significant strategic value of its people. The sharing of values, objectives, best practices, and behavioural norms is seen as a growth driver for all stakeholders involved.

FOCUS ON

InfoPoint HR Labomar

Since July 2023, Labomar has launched the new HR "InfoPoint," designed with the primary objective of being an accessible reference point to address the needs and questions of employees within the company. This initiative has been entirely conceived, activated, and managed by Labomar's HR team, which is committed to being close to people and their needs. Twice a week, the HR team is available to listen, resolve doubts, and address any issues, providing not only administrative support but also valuable assistance. Thanks to this service, employees have the opportunity to obtain detailed information on a wide range of topics. Among the most common requests are consultation of payslips, clarifications on specific items in the paycheck, as well as practical matters such as the correct address to send medical certificates or notifications of change of residence.

The HR InfoPoint serves as an effective channel to bring colleagues closer and facilitate internal communication, promoting transparency and sharing of information useful for all Labomar employees.



Employees

Employees ⁹	31.12.2023						31.12.2022					
	M	%	W	%	Total	%	M	%	W	%	Total	%
Permanent	141	95.9%	146	96.1%	287	96.0%	124	96.9%	128	95.5%	252	96.2%
Temporary	6	4.1%	6	3.9%	12	4.0%	4	3.1%	6	4.5%	10	3.8%
Total	147	49.2%	152	50.8%	299	100.0%	128	48.9%	134	51.1%	262	100.0%

Employees	31.12.2023						31.12.2022					
	M	%	W	%	Total	%	M	%	W	%	Total	%
Full-time	146	99.3%	140	92.1%	286	95.7%	126	98.4%	122	91.0%	248	94.7%
Part-time	1	0.7%	12	7.9%	13	4.3%	2	1.6%	12	9.0%	14	5.3%
Total	147	49.2%	152	50.8%	299	100.0%	128	48.9%	134	51.1%	262	100.0%

Employees	31.12.2023						31.12.2022					
	M	%	W	%	Total	%	M	%	W	%	Total	%
< 30 years	26	17.7%	22	14.5%	48	16.1%	19	14.8%	18	13.4%	37	14.1%
30-50 years	90	61.2%	106	69.7%	196	65.6%	86	67.2%	95	70.9%	181	69.1%
> 50 years	31	21.1%	24	15.8%	55	18.4%	23	18.0%	21	15.7%	44	16.8%
Total	147	49.2%	152	50.8%	299	100.0%	128	48.9%	134	51.1%	262	100.0%

⁹ It is noted that the total number of employees per region is not provided because the data in this Impact Report 2023 refer only to Labomar S.p.A.

It is highlighted that there were no employees on non-guaranteed hours in the reporting years 2022 and 2023. Additionally, it is clarified that the above data is in headcount, at the end of the reporting period.



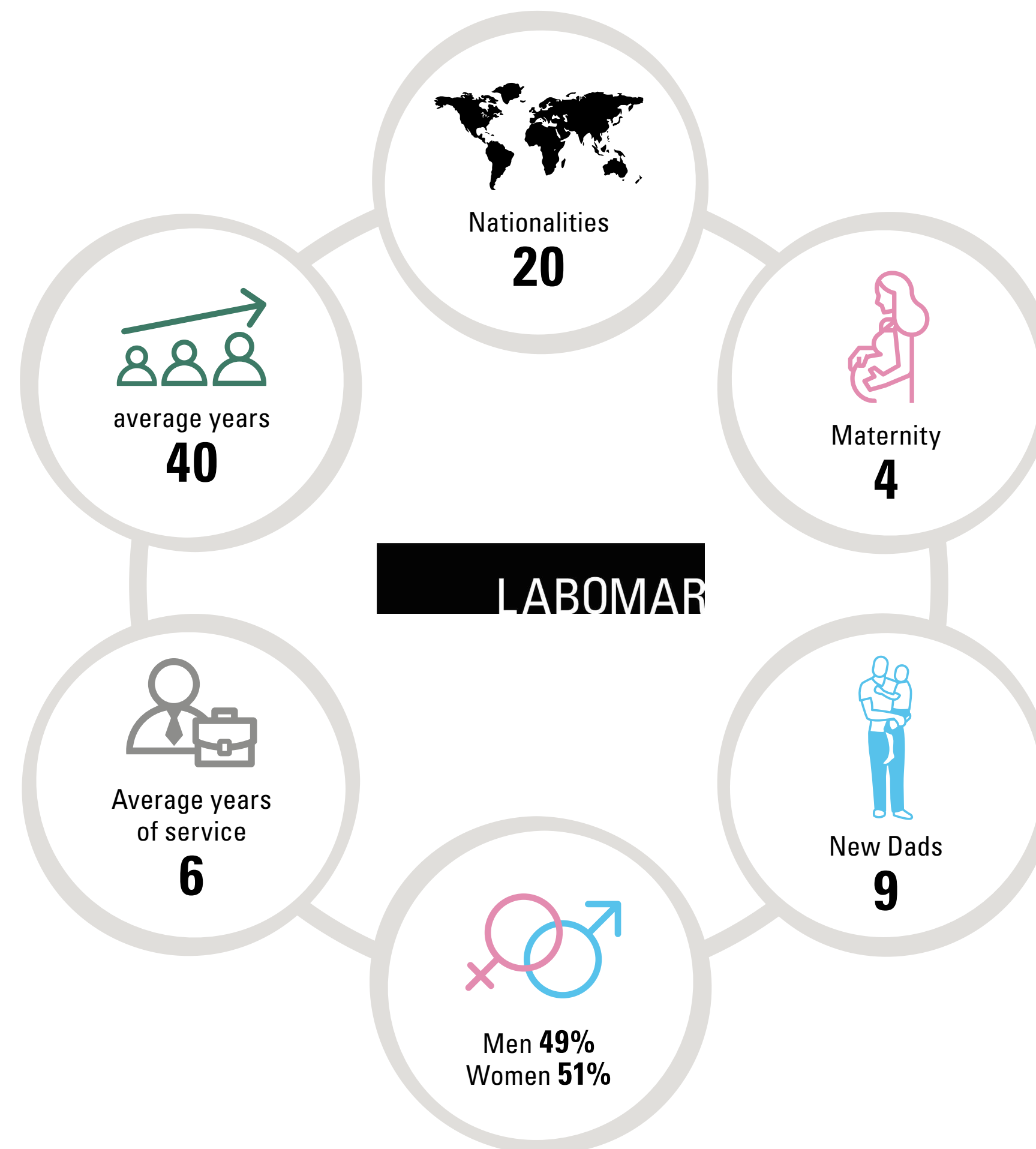
The variations in the number of employees between the reporting periods of 2022 and 2023 mainly reflect the growth of Labomar's business.

All Labomar employees are covered by collective bargaining agreements for the food industry, ensuring fair working conditions consistent with sector regulations. This commitment reflects Labomar's desire to ensure the well-being and rights of its employees, maintaining a working environment compliant with standards.

In all company locations, Labomar has always guaranteed the right to freedom of association in trade unions, recognizing the fundamental value of individual rights enshrined in major international conventions and national regulations. This commitment is a testament to Labomar's respect and commitment to promoting an inclusive work environment where employees can express their opinions and defend their interests through membership in recognized trade unions.

Labomar is committed to providing employees with reasonable notice in case of significant operational changes within the organization, always in line with collective bargaining agreements and internal company regulations¹⁰. This commitment aims to ensure transparency and fairness in the decision-making process and the implementation of changes that may affect the work and conditions of employees.

Before communicating any significant operational changes to employees, the subject of such changes is discussed and deliberated among company management, worker representatives, and recognized trade unions. This decision-making process ensures consideration of various perspectives and ensures that changes result from thorough evaluation and constructive dialogue among all stakeholders.



Over time, Labomar has developed a solid relationship with temporary work agencies, considering them not only as suppliers but as true business partners. This shift in perspective has been made possible through close collaboration and continuous communication. Temporary work agencies are no longer mere intermediaries but actively contribute to the company's success by providing qualified resources and contributing to Labomar's operational flexibility. Thanks to this partnership, Labomar can effectively manage production peaks and quickly adapt the workforce to market needs.

The most common type of non-employee workers at Labomar are temporary workers who have a temporary relationship with the company, whose tasks are supervised and coordinated by the organization itself. These workers are often employed to meet production needs.

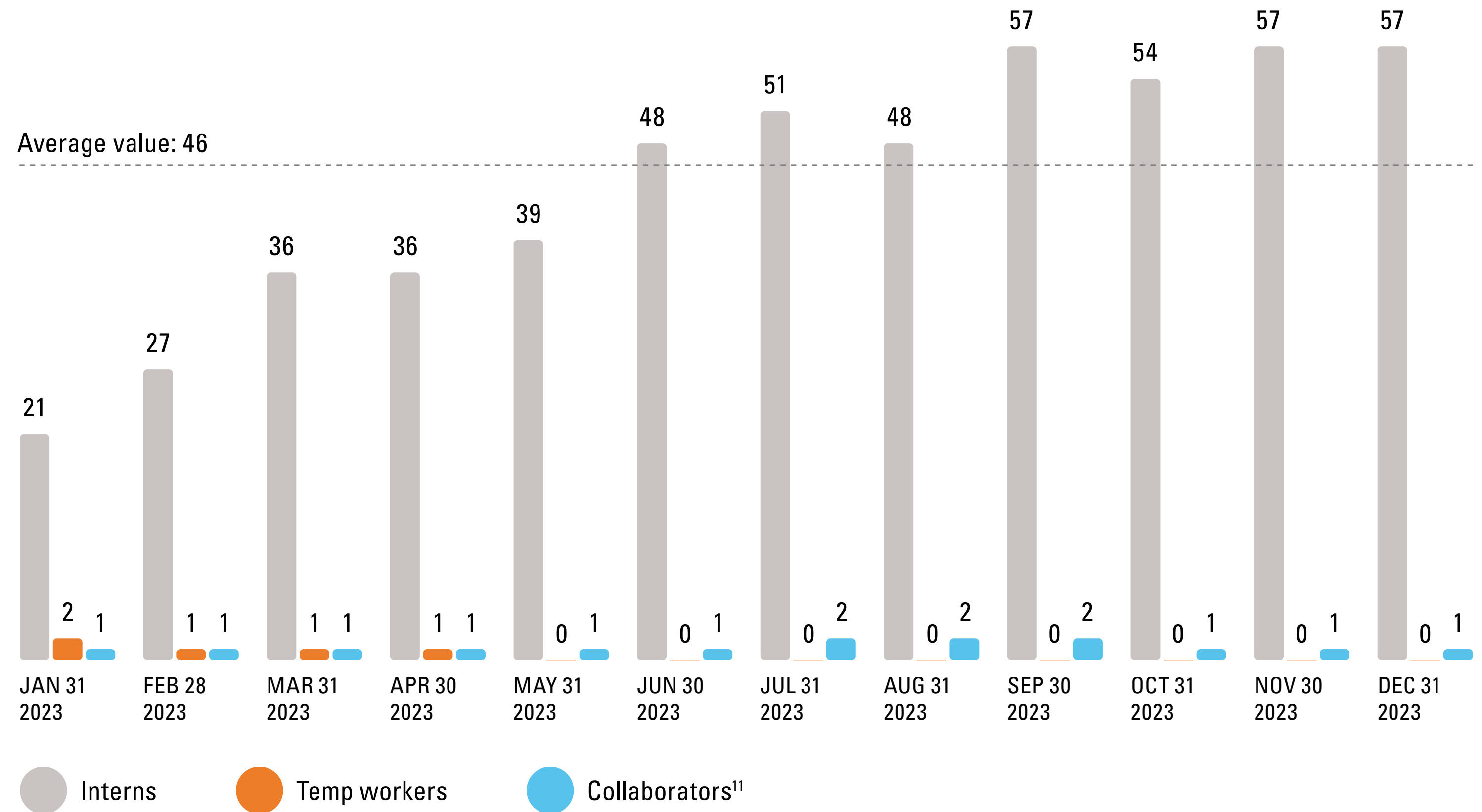
In addition to temporary workers, Labomar also welcomes interns within its offices, who perform specific tasks according to the relevant company functions, contributing to the success of daily activities. In this way, the company provides an opportunity for growth and learning for young talents.

¹⁰ For the minimum number of weeks of notice typically communicated to employees and their representatives before implementing significant operational changes that could substantially affect them, reference is made to the relevant collective bargaining agreements.



Below are the data regarding non-employee workers whose tasks are under Labomar’s control. Workforce data is presented monthly to accurately convey the total extent of the jobs involved. This approach has been adopted because capturing data only at the end of the reporting period would be unrepresentative of the complexity and dynamism of the workforce employed by Labomar.

Labomar recognizes the importance of employee qualification as a determining factor for business success. Providing professional development plans and offering training to improve individual skills is key to increasing participation in Labomar’s team and also productivity. Therefore, in 2023, the company introduced a figure within the HR team dedicated entirely to skills development and employee training. This figure works closely with managers and supervisors to assess the current skills of the staff and identify areas for improvement. In light of this, the second half of 2023 was a year dedicated to collecting training needs from managers, which allowed for the definition of a structured training plan to be carried out during 2024. Additionally, procedurally, the management of the training flow has been completely revised together with the Quality Assurance area, with the aim of aligning it as much as possible with internal practice but consistently with the quality management system in place within the company.



¹¹ It is noted that within the category of collaborators, contracts for ongoing collaboration projects are included.



In 2023, Labomar initiated a project on managerial skills training dedicated to organizational well-being, involving seven participants in eight sessions for a total of 28 hours of training. This project was launched following an internal analysis of company challenges, which highlighted the high organizational complexity of the company. The training program was designed based on the following assumptions:

- The company exhibits various levels of organizational complexity, requiring appropriate organizational cultures and technologies.
- The company's size, grown over time, implies the need to integrate technical and relational functions, requiring internal managers to utilize both leadership and management skills.

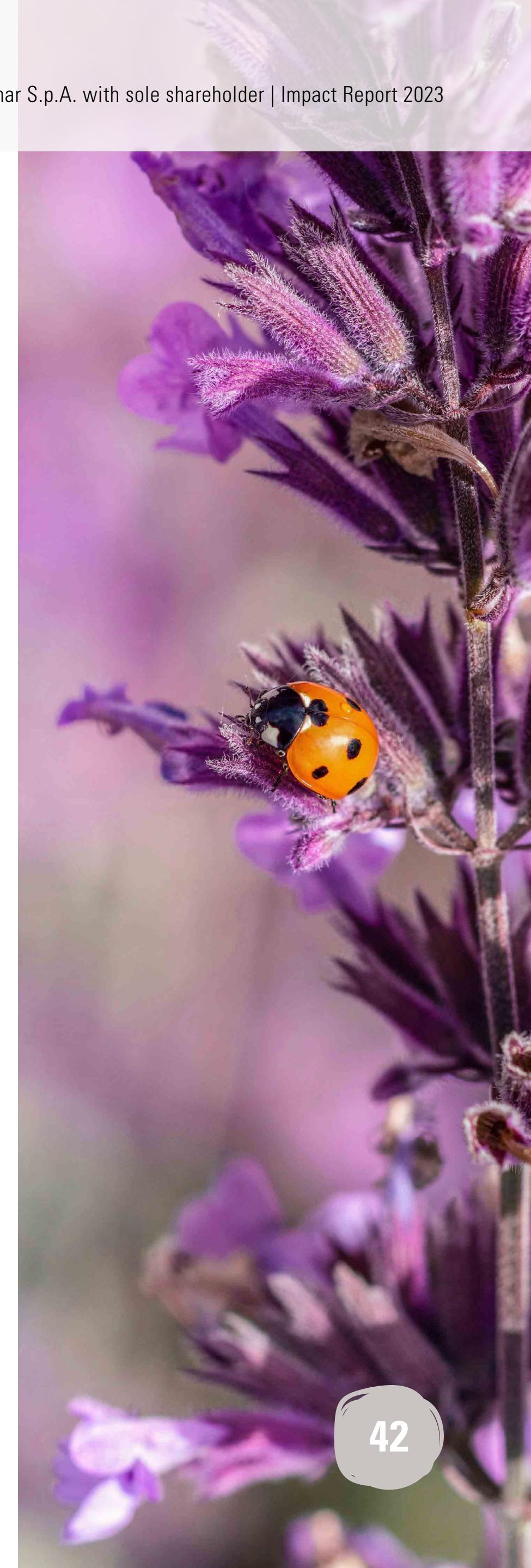
The main objective of the project is to increase company performance, improve organizational climate, reduce costs and inefficiencies, and possibly decrease turnover. This will be achieved by developing teamwork, valuing diversity among individuals, and constructively managing internal conflicts within workgroups and between groups. The training program will continue into 2024 and will be expanded to a larger audience, with the aim of consolidating the progress made and promoting a company culture oriented towards organizational well-being and effective collaboration among all Labomar employees.

Training and skills development must be the cornerstones of individual growth, a path aimed at helping each person to harness their potential, identifying their specific inclinations and motivational drives. In this way, the goal is to transform the workplace into a space where everyone can feel fully realized and valued as individuals with their own uniqueness.

	2023			2022		
	♂	♀	Total	♂	♀	Total
Average hours of training provided						
Director	18.0	-	18.0	17.3	-	17.3
Manager	7.9	10.7	8.4	11.3	8.7	10.7
White collar	6.0	10.2	8.7	14.2	12.3	13.1
Intermediate	10.8	-	10.8	7.0	-	7.0
Apprentice	49.6	2.0	22.4	-	24.7	24.7
Blue collar	20.1	9.4	15.1	22.0	12.3	17.3
Total	15.8	9.6	12.7	18.6	12.7	15.6

	2023			2022		
	♂	♀	Total	♂	♀	Total
Total training hours by type						
HS	480.0	308.0	788.0	575.0	404.0	979.0
Sustainability	59.0	45.0	104.0	30.0	26.0	56.0
Quality	1,286.2	911.9	2,198.1	1,709.0	1,198.0	2,907.0
Other type	499.5	193.7	693.2	70.0	70.0	140.0
Total	2,324.7	1,458.5	3,783.2	2,383.0	1,698.0	4,081.0

♂ Man ♀ Woman





During 2023, training activities were conducted, focusing on providing both job-specific skills and cross-cutting competencies. Training is mainly divided into 3 main areas, namely On the Job training, training on cross-cutting skills, and mandatory health and safety training.

Additionally, it is noted that towards the end of 2023, Labomar conducted a sustainability training session dedicated to the Customer Service team. During this session, team members had the opportunity to delve into sustainability-related topics and the key role of sustainability for Labomar. Topics covered during the training included the importance of sustainability in the corporate context, the environmental and social impacts of Labomar's activities, as well as specific actions undertaken by the sustainability department to support the company's efforts towards sustainable development. This training session represents a significant step forward in Labomar's commitment to sustainability and sets the stage for a series of training sessions that the internal sustainability function will undertake in 2024 with the aim of training the majority of the company's function.

FOCUS ON

Sustainability at the Centre of the Mindset Innovation Contest 2023

In 2023, the "Mindset Innovation Contest" project was realized, a program aimed at promoting integration and teamwork within the company, with the goal of enhancing synergies and growing together. It was the second project of the Group and for Labomar Group, involving each of the workers in the development of innovative ideas and solutions related to the sector and the context in which Labomar operates, with a focus on sustainability in the three different dimensions: environmental, social, and governance. Labomar believes that innovation is both a challenge and an opportunity for rich growth: listening to and involving people, understanding needs, simplifying processes, and practical solutions. The cross-fertilization of ideas, sharing of resources, and collaboration among teams are fundamental to creating positive change, which can prove useful within the group and beyond, with a fundamental goal: every idea, even the simplest, can be a valuable contribution. The project was organized as follows: a dedicated Team Leader within Labomar, Welcare, Importfab, and Labiotre, supported and worked

alongside people in their tasks and in presenting proposals to participate in the competition. Once the projects were submitted, whether they were carried out as a team or individually, an internal jury was tasked with selecting the best proposed projects. The metrics for evaluating the best projects included originality, teamwork, and applicability. The winners, honoured at the summer event at Labomar, were awarded a lunch with a visit to the Antinori wineries.





Employee well-being and corporate welfare

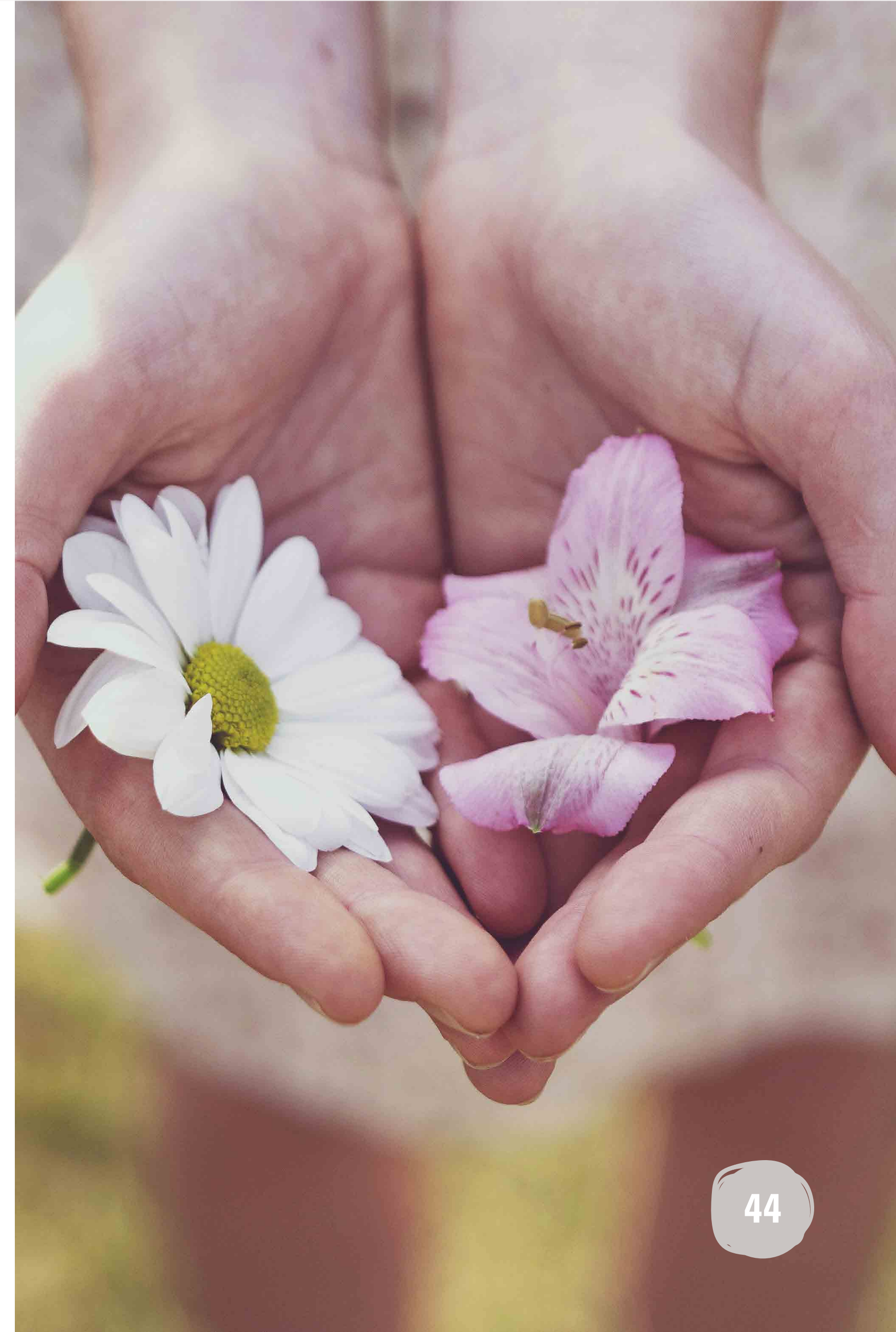
[GRI 401-2]

Labomar sees well-being as a mission that involves all its stakeholders, as outlined in its Corporate Bylaws and Code of Ethics. People and their well-being have always been at the core of Labomar's product offerings, customer relationships, production and organizational processes, and even extend beyond the company's boundaries to include the families of its employees and the local community with which it has a historical relationship. Corporate well-being is fostered through collaboration and participation of all involved actors, following the logic of continuous personal and collective improvement.

Labomar promotes the dissemination and education of healthy lifestyles, as described within its third common benefit purpose. Exercise and healthy habits are part of the LABOFIT project, which provides Labomar employees and the local community with access to sports facilities and training programs led by dedicated personal trainers.

In order to promote work-life balance, Labomar has formalized a Smart Working agreement effective from November 1, 2023, for all compatible positions, subject to positive assessment by managers. This policy allows for one day of remote work per week within a specified time frame, with the guarantee of the right to disconnect.

To better meet the needs of its personnel, Labomar provides an on-site cafeteria service for all employees – both permanent and temporary – offering a variety of meal options to accommodate everyone's preferences, starting from the end of 2022. Additionally, Labomar offers a car wash service, allowing all employees to have their vehicles fully washed without water usage directly at the workplace. This convenient option helps save valuable time and preserves water resources.





In 2023, Labomar implemented the Corporate Benefit platform, providing employees with access to a wide range of exclusive benefits and discounts to enhance their financial and personal well-being. Through their credentials, employees can access a variety of offers on products and services, including discounts on consumer goods, travel services, recreational activities, healthcare assistance, and more.

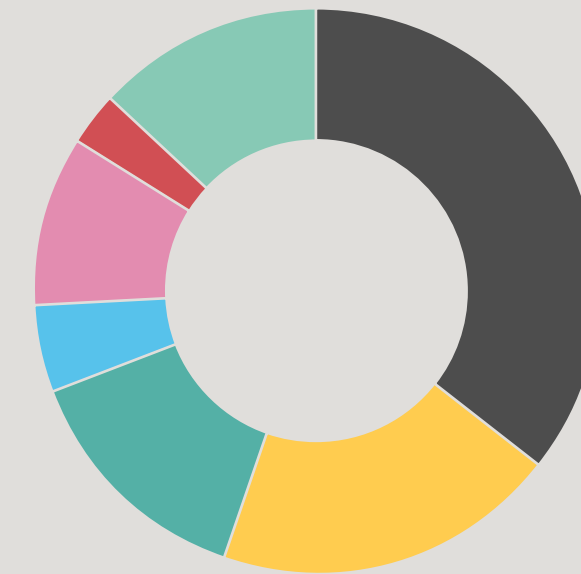
Labomar also introduced the **TreCuori** welfare platform, offering employees who receive performance bonuses the option to convert these bonuses into services tailored to their needs and those of their families, in support of the local community.

Regarding the 2023 Management by Objectives (MBO), it was integrated with a specific yet common sustainability objective. Additionally, an internal monitoring and evaluation system was implemented to measure the degree of achievement of this objective, which is now considered in the evaluation process for performance bonuses. This integration allows for the assessment of not only traditional objectives related to the company's financial performance but also individual contributions to sustainability. It enables the evaluation of Labomar employees, and their performance based on sustainability metrics, reflecting the importance placed on sustainability as an integral part of the company culture.



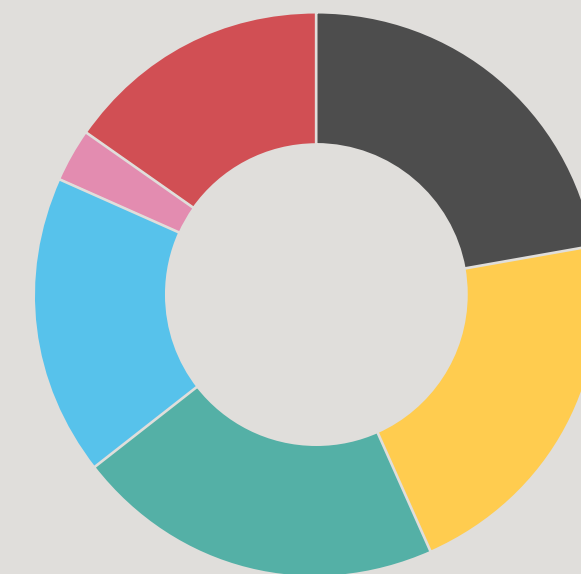
69% of employees who received the Performance Bonus (Italian PDR) converted it into corporate welfare. Below are the main categories of expenditure.

Utilizzo di spesa del PDR

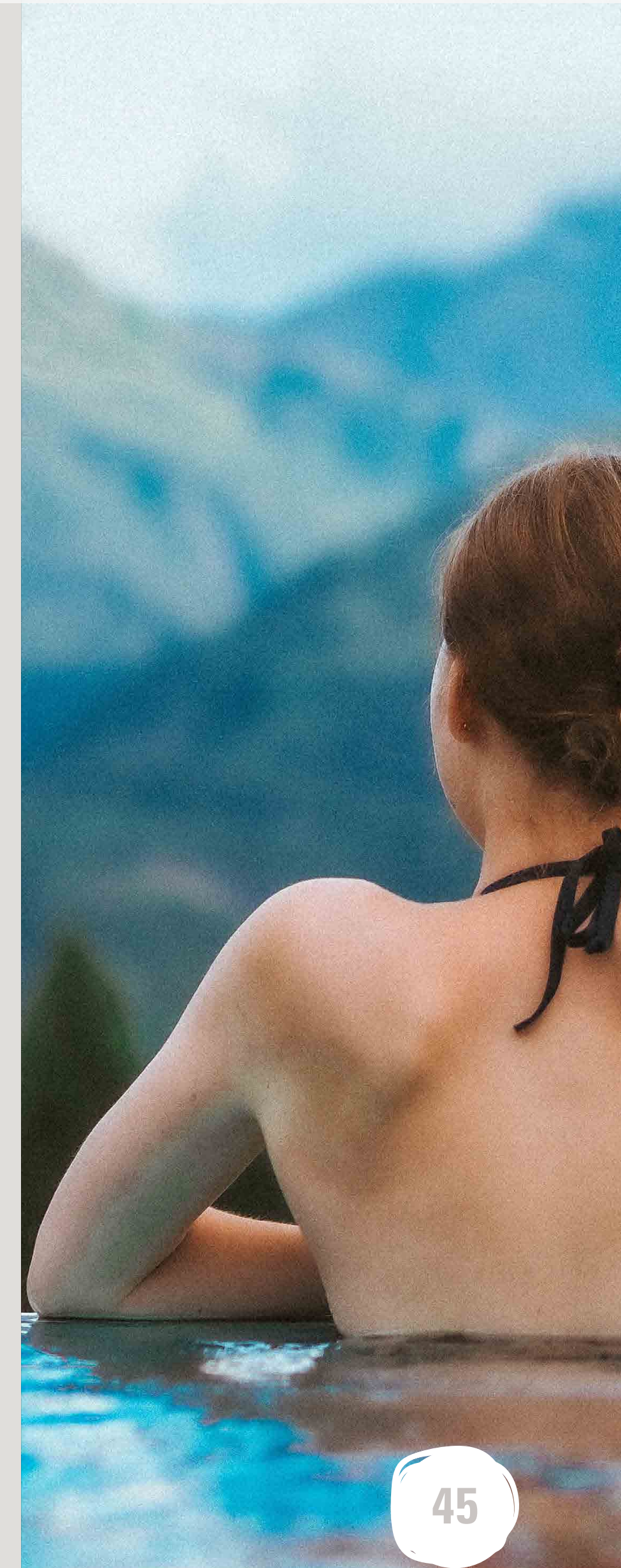


- 36% Supermarket
- 20% Fuel
- 14% Education for family members
- 5% Travel and holidays
- 10% Welfare and health
- 3% Culture, Entertainment, and Worship
- 12% Other

The top 5 provinces where expenditure was concentrated



- 22% Padua
- 21% Treviso
- 21% Milan
- 17% Rome
- 3% Vicenza
- 14% Other





The care at the center

Starting from 2022, Labomar has partnered with Intesa San Paolo RBM Salute to subscribe to a collective insurance policy for the benefit of its employees. This initiative aims to protect those who work within the company, offering them significant health and safety benefits, including the opportunity to use a voucher for a free specialist medical visit at affiliated facilities. This service provides a valuable opportunity to monitor and preserve one's health, ensuring timely access to necessary specialist care. Additionally, the policy also provides for the payment of a cash benefit in case certain serious illnesses occur, providing additional protection to employees and their families in case of difficult and unforeseen health-related situations.

Furthermore, referring to the collective contract for the food industry applied, every employee has access to the FASA Fund (assistance fund for food industry workers), an assistance fund that offers health insurance policies to employees and their families in the food sector. It is noted that the standard benefits granted to full-time contract organization employees have also been extended to part-time or fixed-term contract personnel.

FOCUS ON

International Women's Day Celebration at Labomar with Hydralayer

On March 8th, in celebration of International Women's Day, Labomar honored all employees with the product Hydralayer to commemorate the well-being and importance of its team. This cream, introduced by the R&D department during the Christmas event, represents a gesture of gratitude and attention towards all colleagues. Hydralayer is an innovative product with a patent filed by Labomar, which not only serves a "well-ageing" function but also offers a powerful moisturizing effect lasting at least 10 hours after application. Formulated with botanical extracts that promote collagen regeneration, Hydralayer gives tone to the skin of the face, contributing to personal well-being and care. In line with Labomar's commitment to corporate welfare and employee well-being, this initiative aims to promote an organizational culture focused on mutual attention and support, recognizing the importance of taking care of oneself and others.





Attraction and Retention of Talent

[GRI 401-1]

In an increasingly competitive and dynamic job market, attracting and retaining talent represents a fundamental pillar for the success of any company. Labomar is committed to adopting strategies that ensure a constant flow of qualified talent and retaining its most valuable resources. Ultimately, the company's goal is to create a corporate culture focused on recognizing individual value and skills development, where everyone can excel and contribute to achieving corporate objectives. It's important to emphasize that individuals are recruited based on their experience, attitude, and competence, with recruitment solely based on the alignment between expected profiles and required profiles.

Throughout 2023, Labomar focused on launching a new and improved onboarding process designed to provide a more effective and engaging integration experience for all new hires. This new approach aims to facilitate a smooth transition into the team and ensure that new members feel welcomed and integrated from the outset.

Key features of the enhanced onboarding process include:

- New format for Job Descriptions: Providing a clearer and more detailed description of the role to offer a comprehensive view of responsibilities and expectations associated with the position;

- Candidate Evaluation Grid: A structured tool for objectively assessing candidates' skills and qualifications during the selection process;
- Format for Probation Period Evaluation: Standardized procedure for evaluating the performance of new employees during the probation period, to provide timely feedback and necessary support;
- Onboarding Agenda: Sharing a detailed agenda that allows new hires to receive primary basic training from managers to guide them through the integration process.

Additionally, in November, a new onboarding method was introduced for production entries, aiming to improve the efficiency and effectiveness of the integration process for this category of employees. These improvements to onboarding reflect Labomar's ongoing commitment to providing a welcoming work environment where every employee has the resources and support needed to succeed in their role. It's also worth noting that the HR department worked in synergy with the IT department in the last months of 2023 to formalize a procedure for the entry, modification, and termination of a collaborator, with a focus on the delivery of IT equipment, issuance, modification, and closure of authentication credentials.





New employee hires¹²

Employees	2023					2022						
	♂	%	♀	%	Total	%	♂	%	♀	%	Total	%
<30 year	14	40.0%	7	26.9%	21	34.4%	10	29.4%	7	23.3%	17	26.6%
30-50 year	18	51.4%	18	69.2%	36	59.0%	21	61.8%	21	70.0%	42	65.6%
>50 year	3	8.6%	1	3.8%	4	6.6%	3	8.8%	2	6.7%	5	7.8%
Total	35	57.4%	26	42.6%	61	100.0%	34	53.1%	30	46.9%	64	100.0%

Employees	2023			2022		
	♂	♀	Total	♂	♀	Total
<30 year	53.8%	31.8%	43.8%	52.6%	38.9%	45.9%
30-50 year	20.0%	17.0%	18.4%	24.4%	22.1%	23.2%
>50 year	9.7%	4.2%	7.3%	13.0%	9.5%	11.4%
Total	23.8%	17.1%	20.4%	26.6%	22.4%	24.4%

¹² For the calculation methods that allowed determining the percentages shown in the table, reference is made to the Reporting Standard GRI 401-1

♂ Man ♀ Woman



Employee turnover¹²

Employees	2023					2022						
	♂	%	♀	%	Total	%	♂	%	♀	%	Total	%
<30 year	6	35.3%	1	11.1%	7	26.9%	2	12.5%	3	23.1%	5	17.2%
30-50 year	10	58.8%	6	66.7%	16	61.5%	10	62.5%	5	38.5%	15	51.7%
>50 year	1	5.9%	2	22.2%	3	11.5%	4	25.0%	5	38.5%	9	31.0%
Total	17	65.4%	9	34.6%	26	100.0%	16	55.2%	13	44.8%	29	100.0%

Employees	2023			2022		
	♂	♀	Total	♂	♀	Total
<30 year	23.1%	4.5%	14.6%	10.5%	16.7%	13.5%
30-50 year	11.1%	5.7%	8.2%	11.6%	5.3%	8.3%
>50 year	3.2%	8.3%	5.5%	17.4%	23.8%	20.5%
Total	11.6%	5.9%	8.7%	12.5%	9.7%	11.1%

¹² For the calculation methods that allowed determining the percentages shown in the table, reference is made to the Reporting Standard GRI 401-1



Diversity, Equal Opportunities, and Human Rights

[GRI 405-1; GRI 405-2; GRI 406-1]

Labomar believes that diversity and inclusion are not issues to manage, but opportunities to invest in. A diversified work team founded on the value of inclusivity is richer and more performant than one where conformity prevails. As stated in the Code of Ethics, Labomar is committed to ensuring full and productive employment and decent work for all, while promoting the diversity and inclusion of its employees. Therefore, Labomar has set the goal of monitoring a series of metrics related to these issues, which has led to the decision to report and publish a series of related information.

% of Employees by Category and Gender	31.12.2023			31.12.2022		
	♂	♀	Total	♂	♀	Total
Director	2.0%	0.0%	1.0%	1.6%	0.0%	0.8%
Manager	9.5%	2.0%	5.7%	8.6%	2.2%	5.3%
White collar	25.2%	44.1%	34.8%	27.3%	39.6%	33.6%
Intermediate	1.4%	0.0%	0.7%	1.6%	0.0%	0.8%
Apprentice	2.0%	2.6%	2.3%	0.0%	3.7%	1.9%
Blue collar	59.9%	51.3%	55.5%	60.9%	54.5%	57.6%
Total	49.2%	50.8%	100.0%	48.9%	51.1%	100.0%

% of Employees by Category and Age range	31.12.2023				31.12.2022			
	<30	30-50	>50	Total	<30	30-50	>50	Total
Director	0.0%	1.1%	1.6%	1.0%	0.0%	1.1%	0.0%	0.8%
Manager	2.1%	7.7%	1.8%	5.7%	0.0%	7.2%	2.3%	5.3%
White collar	31.3%	41.1%	18.0%	34.8%	27.0%	37.6%	22.7%	33.6%
Intermediate	0.0%	0.5%	1.6%	0.7%	0.0%	0.6%	2.3%	0.8%
Apprentice	14.6%	0.0%	0.0%	2.3%	13.5%	0.0%	0.0%	1.9%
Blue collar	52.1%	51.0%	74.5%	55.5%	59.5%	53.6%	72.7%	57.6%
Total	16.1%	65.5%	18.4%	100.0%	14.1%	69.1%	16.8%	100.0%

♂ Man ♀ Woman



Labomar recognizes the importance of its employees and collaborators as one of the fundamental factors for achieving company goals and adopts practices to ensure maximum fairness and equal opportunities without discrimination based on gender, race, age, sexual orientation, religious beliefs, or any other factor. The company is committed to offering all its collaborators the same opportunities, ensuring that everyone receives fair treatment based on strictly professional merit criteria for any decision regarding their professional life, without any discrimination. Precisely because of the above, Labomar acknowledges the importance of pay equity and is currently committed to ensuring fair and equal treatment for all collaborators. One of the company's initial goals in this regard is to report gender pay diversity, with the intention of highlighting transparency as a criterion, and then implementing supportive initiatives if critical situations arise.

Labomar is committed to conducting pay analyses to identify and correct any gender disparities, ensuring that every employee is adequately compensated for their work and responsibilities.

Average annual basic salary ¹³	31.12.2023	31.12.2022
Ratio woman / man		
Director	-	-
Manager	0.9	1.1
White collar	1.0	1.0
Intermediate	-	-
Apprentice	-	-
Blue collar	0.9	0.9

Average annual remuneration ¹³	31.12.2023	31.12.2022
Ratio woman / man		
Director	-	-
Manager	0.9	1.0
White collar	0.9	0.9
Intermediate	-	-
Apprentice	-	-
Blue collar	0.9	0.9

¹³Note: The calculation included all full-time employees who worked from January 1st to December 31st.



FOCUS ON

Treviso in Rosa

During 2023, Labomar promoted the “Treviso in Rosa 2023” initiative on its social channels, a recreational sporting event that took place on May 7th, covering a distance of 7 km. An event dedicated to all women, who playfully took possession of the city, coloring it with smiles and a desire to be together for a good cause. Treviso in Rosa is an initiative that Labomar feels closely aligned with its core values because it combines health, wellness, and inclusion in the spirit of solidarity. For this reason, Labomar decided to donate the registration fee to the female employees who wanted to participate. The event contributed to financing a project by the LILT of Treviso, as well as raising awareness and reflecting on important issues related to health and proper lifestyle.

24
of Labomar's female employees participated in the initiative.



Furthermore, Labomar is committed to respecting and defending fundamental human rights, following national and international regulations and adopting policies and procedures aimed at preventing any form of human rights violation. In line with the principles of its own Code of Ethics, Labomar believes in fundamental human rights and respects the dignity of every individual, according to the Universal Declaration of Human Rights defined by the United Nations. For this reason, Labomar commits to:

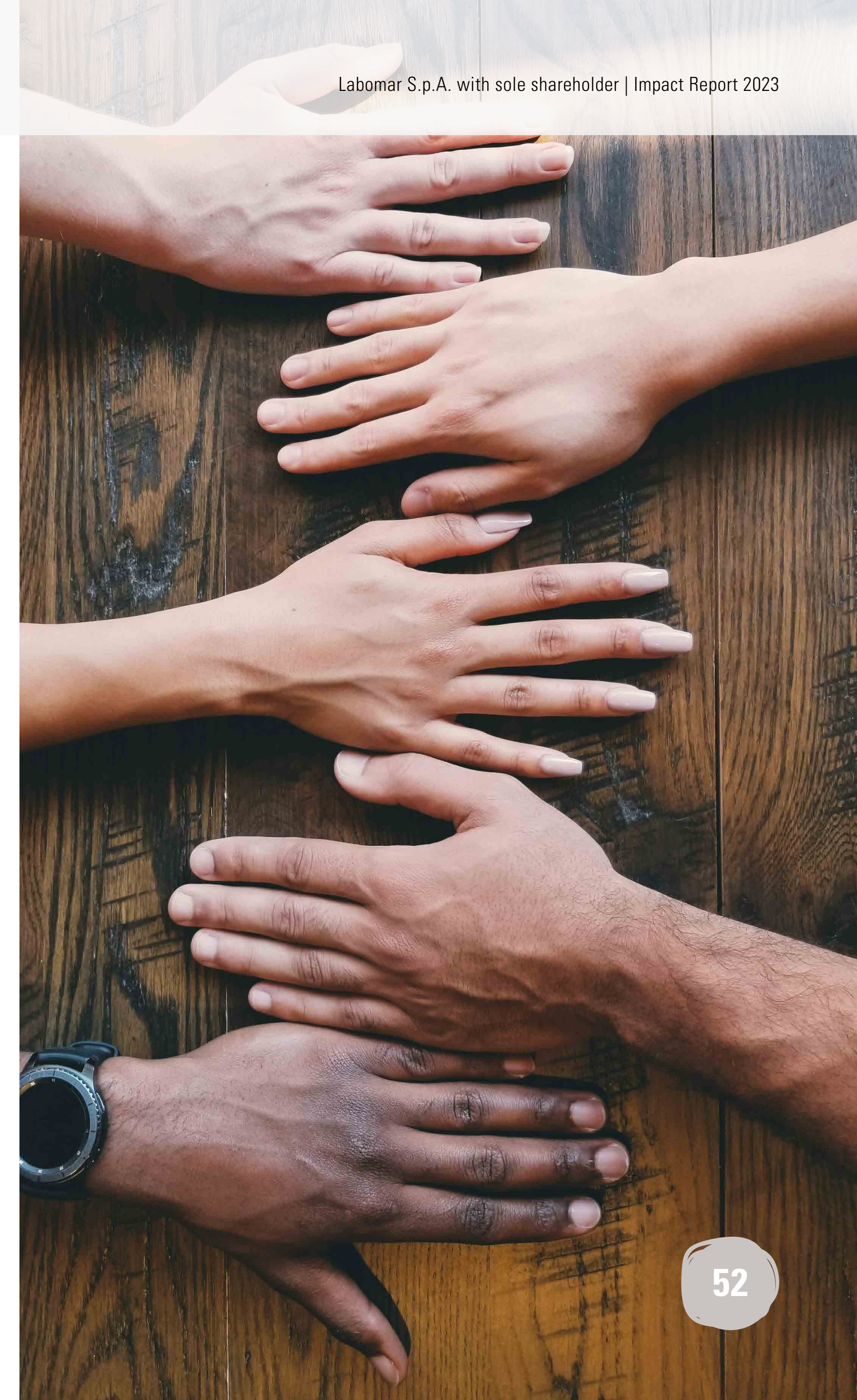
- Not using or promoting child labor. Child labor is defined as any form of work carried out by minors below a minimum age established by law, which may vary from country to country.
- Not engaging in any form of forced labor, bonded labor, or contract slavery, and refraining from any behavior involving threats, the use of force, or any form of coercion, abduction, intimidation, retaliation, or abuse of power for the purpose of exploiting any person.
- Avoiding any form of discrimination based on age, ethnic and racial origin, nationality, political opinion, religion, gender, union membership, or health status.
- Complying with applicable legislation regarding working hours and remuneration, adhering to the provisions related to the national minimum wage and respective sectoral contracts, including terms of work, overtime, and allowances prescribed by law.
- Respecting the right of employees to join any trade union without fear of retaliation.

During the reporting period, no episodes of discrimination based on race, color, gender, religion, political opinion,

nationality, or social origin, nor other forms of discrimination involving internal and external stakeholders of the organization, have been identified.

Labomar's commitment to diversity, inclusion, and respect for human rights remains a cornerstone.

Labomar believes that diversity is a valuable resource and that promoting a work environment free from discrimination is essential for the success and sustainability of the company.





Health and Safety

[GRI 403-1; 403-2; 403-3; 403-4; 403-5; 403-6; 403-7; 403-9]

Labomar aspires to be a reference point for its stakeholders, firmly committed to protecting the health and safety of its employees.

The company is dedicated to promoting a safety culture where prevention is paramount, continuously striving to identify and mitigate risks in the workplace.

At the forefront of health and safety in Labomar is a dedicated department known as Health, Safety, and Environment (HSE), reporting directly to the management. A coherent structure has been organized with the presence of Managers and Supervisors in various areas of the company considered to be at higher risk, including production, logistics, and laboratories. In 2023, with the appointment of a new CEO and the company's reorganization, the safety structure was modified following the appointment of the new Employer.

Among the main roles and responsibilities carried out by the Health, Safety, and Environment (HSE) department are:

- Coordinating activities and individuals involved in managing related aspects.
- Ensuring the proper updating of risk assessment.

- Conducting health surveillance and worker training.
- Ensuring regulatory compliance and liaising with authorities.
- Promoting a safety culture within the company among all stakeholders.
- Managing environmental aspects.

The Health and Safety Management System (HSMS) has been developed and implemented to ensure a safe working environment for all employees and collaborators. Policies and procedures have been designed in accordance with current legislative provisions, complying with the requirements of Legislative Decree 81/2008 and the standards currently in force.

Every report of an incident, near-miss, or workplace accident is systematically recorded in the management system. This includes the collection and detailed documentation of each event, along with the related investigations and corrective actions taken to prevent similar situations from recurring in the future.





Labomar is committed to continually improving its occupational health and safety management system, carefully monitoring reports and implementing necessary measures to ensure a safe and secure working environment for all its employees and collaborators. The presence of the Health and Safety Management System demonstrates the correct and careful application of the provisions of the organizational management and control model pursuant to Legislative Decree 231, with reference to the protocol related to health and safety in the workplace. It is noted that the Management System undergoes revision whenever necessary, in response to significant changes in business processes and related legislative updates.

Labomar has an updated Risk Assessment Document in accordance with current legislation, identifying all possible sources of risk for its collaborators through a detailed risk analysis and implementing appropriate actions to prevent, reduce, and where possible, eliminate such risks. This includes proper management of chemicals and processes, as well as the correct operation, maintenance, and control of facilities. External figures are involved in the process when necessary to support the company in conducting instrumental investigations, such as assessing physical risks like noise levels. Once the risks are identified, they are placed on a risk assessment scale to determine the level of risk and priority for control actions. This document is developed by the employer in collaboration with the Prevention and Protection Service Manager (RSPP), the competent physician, and the worker safety representatives (RLS).

Labomar adopts a proactive strategy in risk management and prevention of workplace incidents, aiming to eliminate hazards and minimize risks. Hazard identification, risk assessment, and incident investigations are rigorously and competently managed, ensuring maximum safety for all workers.

Throughout 2023, Labomar's HSE team completed several projects aimed at ensuring the health and safety of its collaborators. Key initiatives include:

- Continuous updating of risk mapping, providing employees with appropriate personal protective equipment for various tasks.
- Review of risk assessment related to noise, vibrations, and manual handling of loads.
- Mapping of raw materials and chemicals in use.
- Preparation of risk assessment document following the opening of the new L8 headquarters, dedicated to warehouse and operations offices.
- Safety measures for facilities and equipment, based on a program defined according to previous activities.

All these activities demonstrate Labomar's constant commitment to ensuring a safe and protected working environment for all its employees, promoting a culture of safety and prevention.

In compliance with Legislative Decree 81/08, Labomar conducts mandatory periodic medical examinations for employees by the competent physician to assess their fitness for the job role. It is noted that in 2023, over 260 visits were conducted.

Labomar actively promotes the participation and consultation of workers in health and safety programs, ensuring direct and constant involvement of all staff.

Every week, the HSE office holds a meeting with supervisors, during which any safety and environmental issues in the workplace are discussed. From these meetings, a detailed report emerges, identifying problems, necessary corrective actions, responsible parties, and deadlines for addressing the issues. The HSE office then constantly monitors the progress and resolution of these reports, ensuring effective

and timely management of identified issues.

The HSE office is always present on the field, with an approach that ensures careful listening to production needs and reports. This allows for direct and immediate communication between workers and the HSE office, facilitating the flow of information and contributing to a safer and more protected work environment.

Relevant information regarding health and safety in the workplace is consistently shared through informative boards placed in production, ensuring that all staff are always informed and aware of the safety procedures and regulations in place.





To prevent accidents as much as possible, Labomar pays particular attention to training and raising awareness among staff regarding health and safety. The company provides specific training modules for managers, supervisors, workers, and specialized personnel, tailored to the role and duties of each employee. These training sessions are scheduled annually and delivered based on legal requirements. In addition to mandatory training, these courses include specific training on manual handling, waste management, the use of lifting platforms for working at heights, emergency and fire plans, as well as training for first aid, fire marshals, and supervisors.

It is noted that safety training in 2023 involved over 150 collaborators, including employees, temporary workers, and interns, totalling over 1500 hours in total between employees and non-employees.

To facilitate access to medical and healthcare services for its workers, the company has developed specific welfare programs and health coverage that include specific health promotion programs for workers. Further details on this matter can be found in the section dedicated to “Employee Well-being and Corporate Welfare”.

FOCUS ON

Labomar chooses WelfareCare for breast cancer prevention!

Labomar is pleased to announce its partnership with WelfareCare to promote the health and well-being of its employees. Through this collaboration, all women are offered free mammograms and ultrasounds for breast cancer prevention, with immediate delivery of the results.

Employee health is a top priority, and concrete measures have been taken with WelfareCare to ensure the prevention and early diagnosis of this disease. We recognize the importance of women’s health and are committed to providing them with access to high-quality medical services to preserve their well-being.





Labomar is actively committed to preventing and mitigating health and safety impacts in the workplace, including those arising from business relationships. In this context, various practices and procedures are adopted to ensure maximum safety for all who operate within the company. Among the initiatives implemented, Labomar verifies the technical-professional suitability of contractors by monitoring subcontracting and adequacy in the documents provided. Regarding the management of external workers whose work takes place within the company premises, they are coordinated and involved in the management of prevention and protection measures through the monitoring of interfering risks in compliance with legal requirements.

With regard to employees, it is noted that the number of reportable workplace injuries between 2022 and 2023 decreased by 43%. The types of injuries that occurred are attributable to falls, collisions, slips, and sensitivities to the raw materials handled. Concerning non-employee workers, the number of injuries that occurred in 2023 is 3, with the main types being related to falls, collisions, and slips. The company has implemented corrective actions aimed at preventing such occurrences, even in situations of potential risk.

Work-related injuries	2022	2023
For all employees		
The number of fatalities as a result of work-related injury	-	-
Rate of fatalities as a result of work-related injury		-
The number of high-consequence work-related injuries ¹⁴ (excluding fatalities)	-	-
Rate of high-consequence work-related injuries (excluding fatalities)	-	-
The number of recordable work-related injuries	7	4
The rate of recordable work-related injuries ¹⁵	3.63	1.74
The number of hours worked	385,961.00	461,046.00
For all workers who are not employees but whose work and/or workplace is controlled by the organization¹⁶		
The number of fatalities as a result of work-related injury	-	-
Rate of fatalities as a result of work-related injury		-
The number of high-consequence work-related injuries (excluding fatalities)	-	-
Rate of high-consequence work-related injuries (excluding fatalities)	-	-
The number of recordable work-related injuries	1	3
The rate of recordable work-related injuries	2.35	7.45
The number of hours worked	84,952.00	80,574.00

¹⁴ Definition of 'high-consequence work-related injury': work-related injury that results in a fatality or in an injury from which the worker cannot, does not, or is not expected to recover fully to pre-injury health status within 6 months

¹⁵ The number of recordable work-related injuries / The number of hours worked * 200,000

¹⁶ Temp workers are considered as workers who are not employees



Third shared benefit goal



B Corp area score



“Guarantee the well-being of our workers, their families, and the community, supporting projects that encourage professional growth, the awareness and promotion of healthy lifestyles and the principles of respect and diversity.”

For the purposes set forth in paragraphs 376 to 384 of Law No. 208/2015, the benefit corporation annually prepares a report regarding the pursuit of the common benefit, which includes:

- a. the description of specific objectives, methods, and actions taken, as well as any circumstances that have hindered or slowed them down;
- b. the assessment of the impact generated using the external evaluation standard B Impact Assessment.

The People program, which places individuals and their well-being at the center, addresses Labomar Benefit Company’s third common benefit purpose and consists of activities already rooted in the company’s history and culture. However, within the logic of continuous improvement, it undergoes further developments towards the enhancement of individuals. It encompasses Labomar’s personnel growth activities and is structured into the following projects.

→ WELL-BEING
→ COMMUNITY
→ RESPECT





Grow at Labomar

Specified objectives	Actions taken to pursue the third shared benefit goal	Status 2023	New objectives 2024
Establishment of a performance management system for all company functions and further enhancement of feedback management	In 2023, the implementation of the performance management system was not possible due to the restructuring of the HR office throughout the year. This objective has been included in the three-year HR activity plan.	✗	
Integration of the job descriptions for managers with aspects related to sustainability.	Continuous collaboration between the Sustainability Manager and the People Development & Talent Acquisition Specialist for the job description review process with sustainability aspects. The activity started in the second half of 2023 and will see its full implementation during 2024.	→	YES
Integration of MBOs (Management by Objectives) with sustainability goals.	During 2023, the Group HR Manager and the Sustainability Manager identified a common sustainability goal, which was incorporated into the MBO (Management by Objectives) framework, as described in the dedicated paragraph.	✓	YES
Investing in training for personnel operating in the production area by creating a structured training program.	It will not be proposed as an objective for 2024. As described in the text, this activity has been completed and has already been included in the three-year HR activity plan.	✓	
In addition to reporting the average training hours, further indicators related to training activities will be created to better evaluate and analyse the performance of training activities in relation to actual needs and predefined objectives.	The Sustainability Reporting Package was shared with the Group HR Manager, who took care of compiling it. The data are presented in the "Employee Management and Development" section. It will not be proposed as an objective for 2024, considering that, also due to the limited review activity of this Report, the GRI KPI will be sufficiently reliable and comprehensive to assess the performance of training activities.	✓	





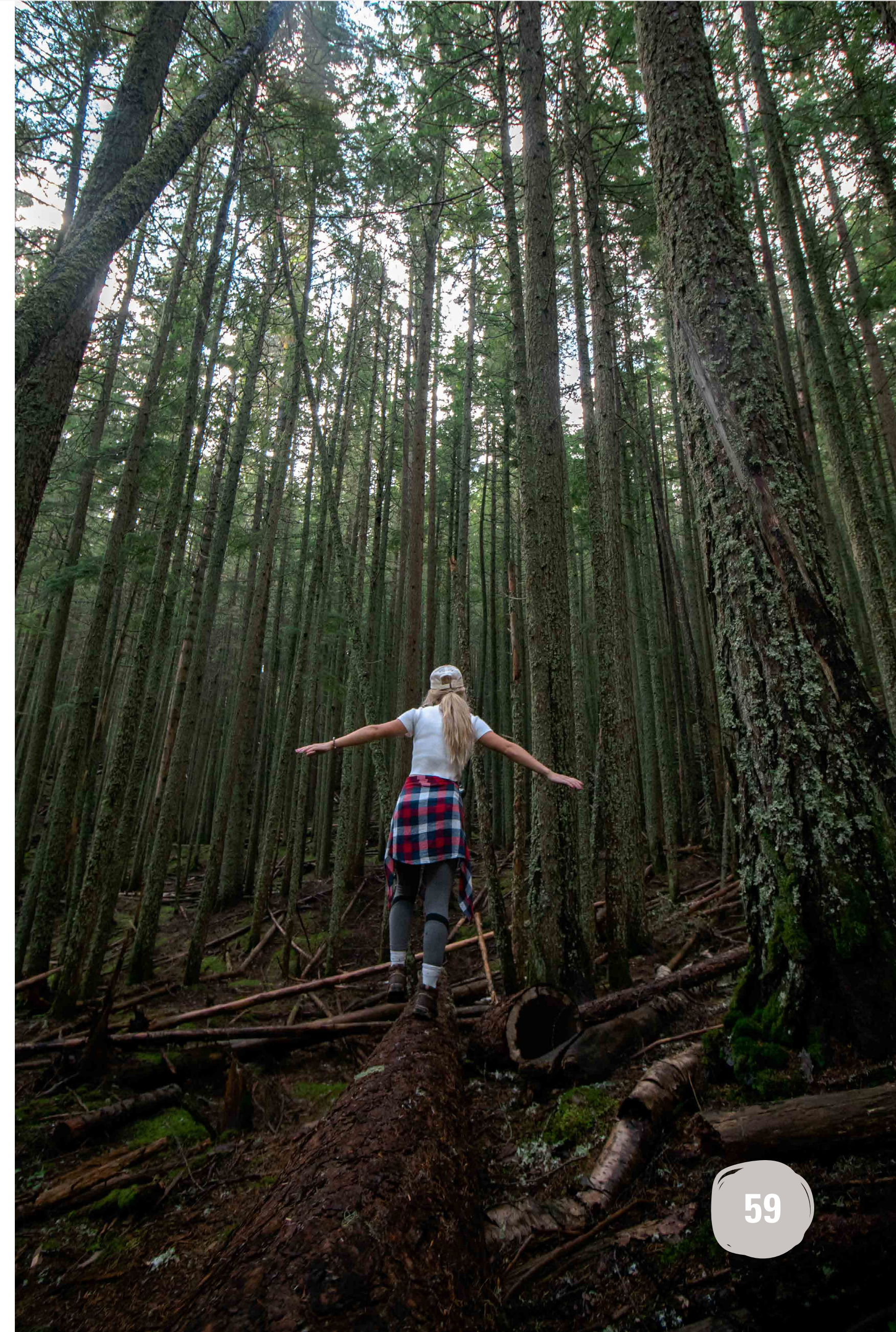
Well-being Project

Specified objectives	Actions taken to pursue the third shared benefit goal	Status 2023	New objectives 2024
Corporate Welfare: Make the platform available to 100% of PDR holders	Labomar has provided all PDR recipients with the opportunity to convert it on the TreCuori platform. Further information is available in the "Employee Wellbeing and Corporate Welfare" section.	✓	YES
At least 18% of employees enrolled in LABOFIT	It will not be proposed as a goal for 2024, considering that the number of enrolments in the year is not significant.	✗	

BeLabomar Project

Sharing values, objectives, and best practices among Labomar team members is a growth driver for everyone. Charting a common path towards sustainability and greater business success through the strength of collectivity wouldn't be sufficient to reach the goal if it weren't shared by the company with those who must walk that path. BeLabomar is the project that promotes employee engagement through clear internal communication about the company's values and activities. BeLabomar is indeed the title of the biannual corporate magazine and the bi-monthly internal newsletter active for over three years.

Specified objectives	Actions taken to pursue the third shared benefit goal	Status 2023	New objectives 2024
91% of company departments contributed to the content of Labomar Channel.	Among the identified company departments, 88% of them contributed with at least one content in the 12 months of 2023. This will not be proposed as an objective for 2024, as it is not considered a strategic sustainability goal within the present shared benefit goal.	✗	
20 published content per month on the Labomar Channel.		✓	Maintain an average of 50 published contents per month on the Labomar Channel.
Launch of 12 Group BE Labomar Newsletters.		✓	YES



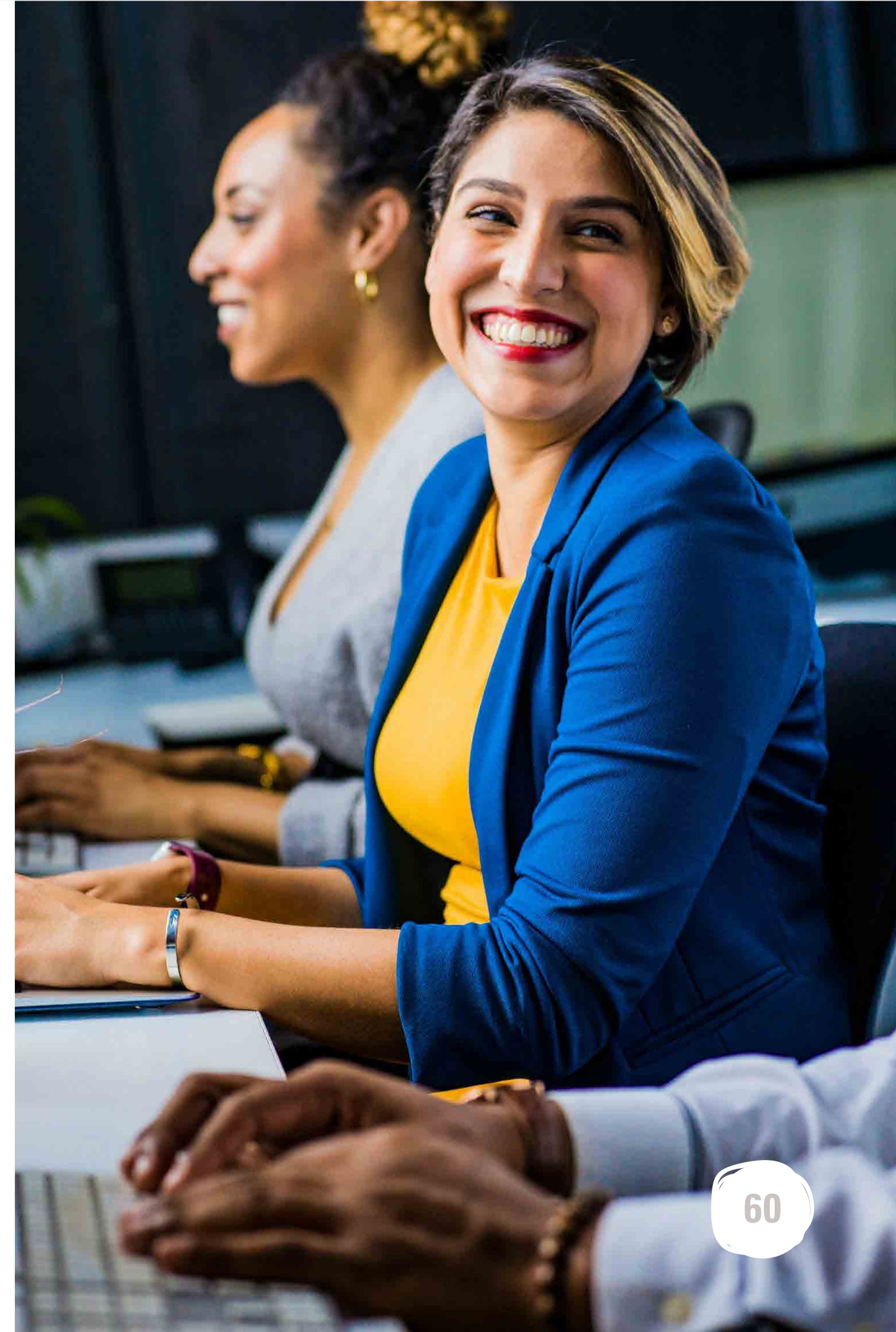


Progetto Diversità e Inclusione

Specified objectives	Actions taken to pursue the third shared benefit goal	Status 2023	New objectives 2024
Continue monitoring a series of metrics related to diversity and inclusion themes.	The Sustainability Reporting Package was shared with the Group HR Manager, who compiled it. The data is presented in the "Diversity, Equal Opportunities, and Human Rights" section.	✓	YES
Start a new project related to diversity, equity, and inclusion.	Genitorialità project approved during the end of 2023. Starting from the year 2024, Labomar will support parenthood with various initiatives.	✓	YES
Conduct a salary analysis by gender across different contractual positions.	The Sustainability Reporting Package has been shared with the HR Manager, who has compiled the data. The information is presented in the section "Diversity, Equal Opportunities, and Human Rights".	✓	YES
Ensure a fair balance of the number of women and men in the company.	The Sustainability Reporting Package has been shared with the HR Manager, who has compiled the data. The information is presented in the relevant section. It is noted that it will not be proposed as an objective for 2024, as the Company aims to promote a work environment where growth opportunities and career advancement are accessible to all employees, regardless of gender.	✓	

Progetto Salute e Sicurezza

Specified objectives	Actions taken to pursue the third shared benefit goal	Status 2023	New objectives 2024
The number of accidents, the main types of accidents that occurred in the workplace, and the number of hours worked will be integrated into the next reporting period.	The Sustainability Reporting Package has been shared with the HS Manager, who has compiled the data. The information is presented in the "Health and Safety at Work" section.	✓	
Promote the involvement, cooperation, and collaboration of all company resources regarding safety and health aspects in the workplace.	Please refer to the "Health and Safety at Work" section for details.	✓	YES
			+ Manual Handling of Loads training, in addition to legal requirements, will be provided to all department heads.





04

Environment

- Uses of raw materials and waste management
- Sustainable Packaging Management
- Climate change mitigation and efficient energy use
- Water resource management
- The second shared benefit goal



Uses of raw materials and waste management

[GRI 301-1; 306-1; 306-2; 306-4; 306-5]

Labomar is committed to promoting sustainable management of natural resources, reflecting its deep respect for the environment and the community in which it operates. In pursuing its mission to provide superior quality products in the health and wellness sector, the company recognizes the crucial importance of a holistic approach that extends from the selection of raw materials to waste management.

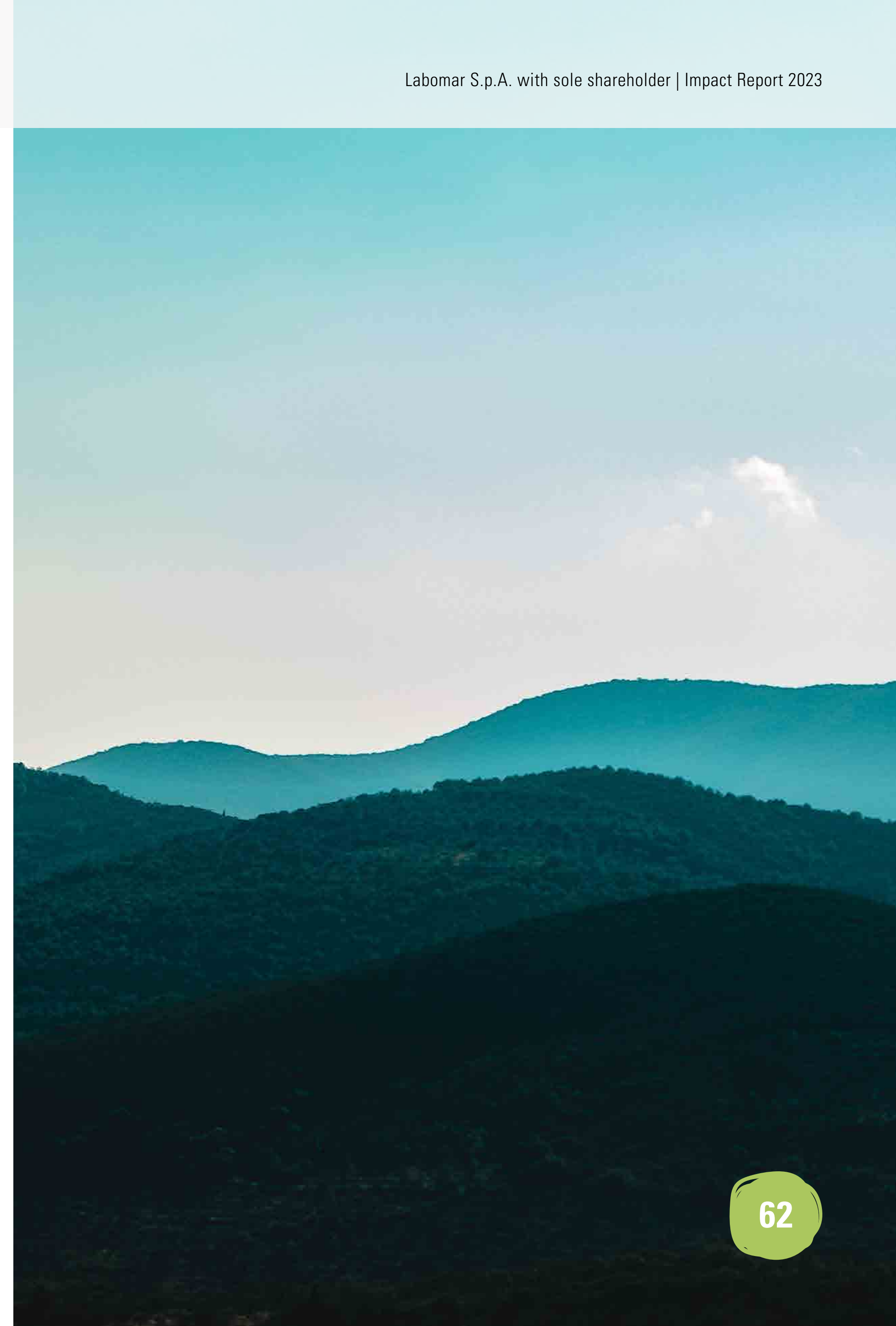
Within its operations, the company is committed to responsibly using all raw materials, associated processing materials, packaging materials, and semi-finished products through an effort that translates into careful selection of raw materials and the adoption of efficient production processes aimed at minimizing waste.

In pursuing this latter goal, Labomar embraces innovation and the search for sustainable solutions and/or processes, going further to increasingly integrate renewable materials into its production lines, seeking to reduce dependence on non-renewable resources and mitigate the environmental impact of its activities.

Below are detailed information on the weight of materials used in three different Labomar products, distinguishing between non-renewable and renewable materials, presented to emphasize differences depending on the pharmaceutical forms present: syrup, tablet, and sachet.

It is important to specify that with reference to the downstream value chain, the Labomar supply chain can be identified by suppliers of raw materials for the (a) formulation part of the product, (b) primary packaging in contact with the product, (c) secondary packaging, and (d) tertiary packaging.

- a.** Ingredients for the formulation part of the product can be identified as raw materials of natural origin such as extracts, polyols, and thickeners, as well as synthetic or other raw materials such as additives, purified water, and flavours.
- b.** Primary packaging in contact with the product: paper for sachets, blister packs, measuring spoons, bottles, and caps.
- c.** Secondary packaging: carton box, label, and leaflet.
- d.** Tertiary packaging: corrugated cardboard.

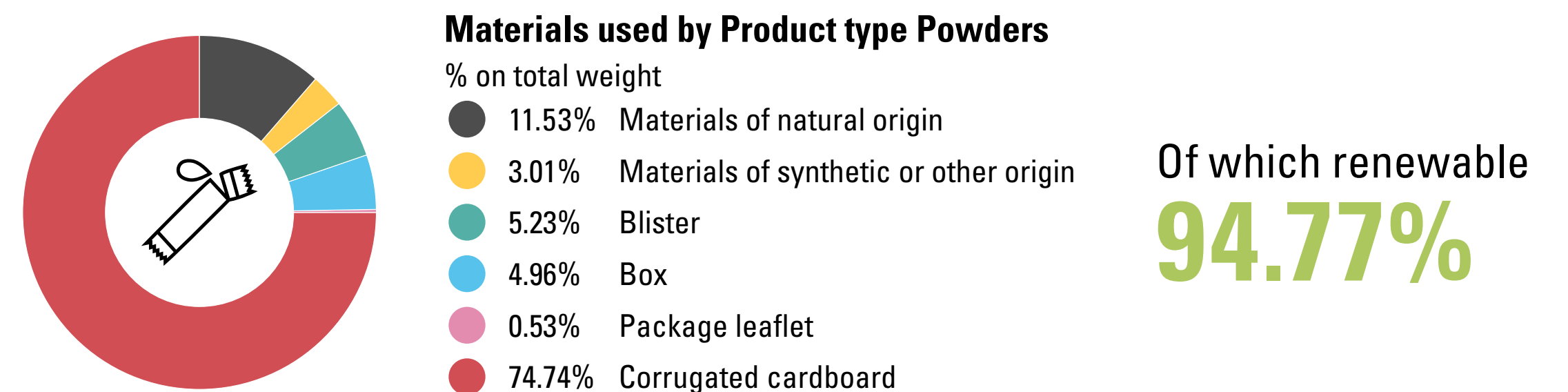
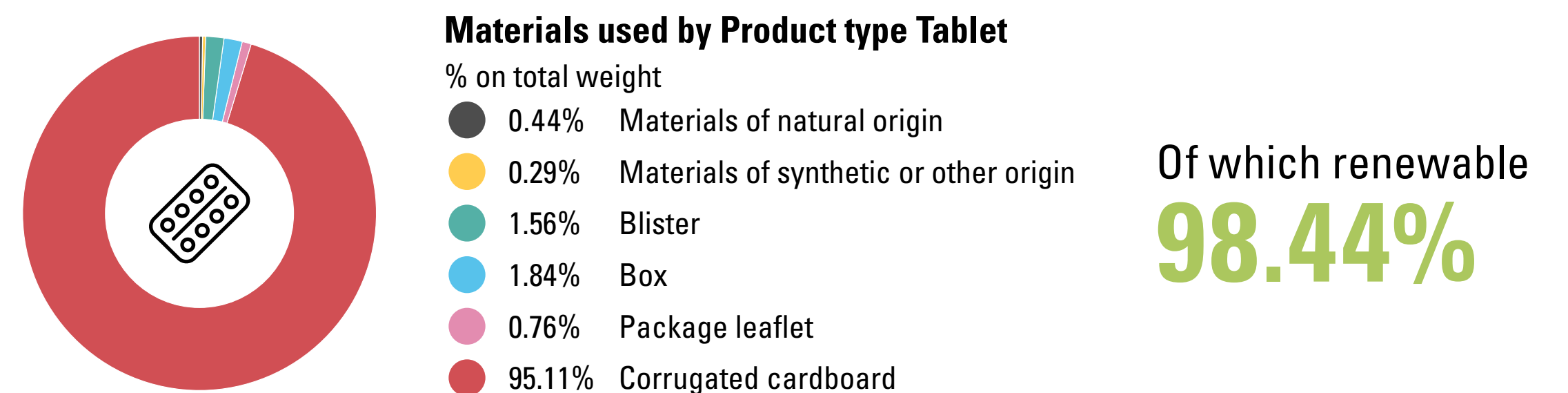
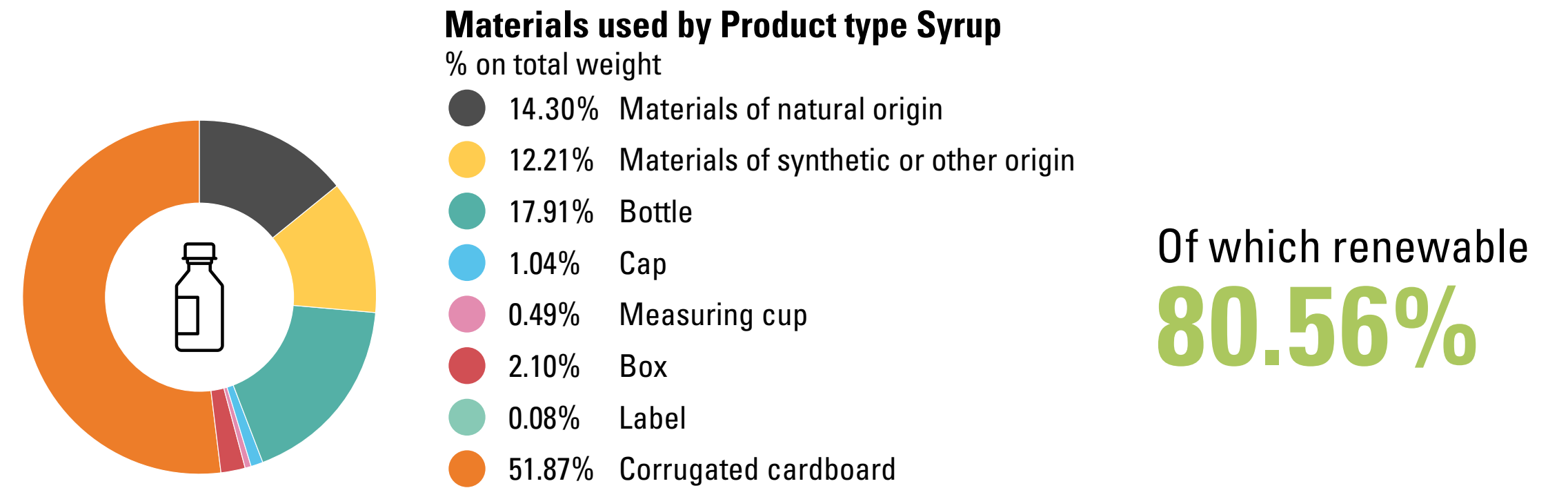




	UoM	Quantità			
Materials used	Weight				Type of material ¹⁷
Materials for the formulation part of the product					
Materials of natural origin	grams	74.42	1.24	41.67	renewable
Materials of synthetic or other origin	grams	63.58	0.83	10.86	renewable
Primary packaging					
Bottle	grams	93.21	-	-	non-renewable
Cap	grams	5.42	-	-	non-renewable
Measuring cup	grams	2.56	-	-	non-renewable
Blister	grams	-	4.44	-	non-renewable
Paper	grams	-	-	18.91	non-renewable
Secondary packaging					
Box	grams	10.94	5.22	17.92	renewable
Label	grams	0.41	-	-	renewable
Package leaflet	grams	-	2.16	1.90	renewable
Tertiary packaging					
Corrugated cardboard ¹⁸	grams	270.00	270.00	270.00	renewable
Peso totale	grams	521.06	283.89	361.26	

¹⁷ Reference to the Organization for Economic Cooperation and Development (OECD) Report on Resource Productivity in the G8 and the OECD – A report in the Framework of the Kobe 3R Action Plan can be found <http://www.oecd.org/env/waste/47944428.pdf>
It is noted that the material type has been defined with reference to three specific Labomar products and may change if different products are considered, as packaging, besides having different formats for different types of products, also uses different materials.

¹⁸ This data is an estimate derived from an average of the different types of corrugated cardboard used, as the weight of each piece varies depending on the percentage of recycled paper (between 70% and 90%).





Through an approach based on innovation, responsibility, and collaboration, Labomar aims to pursue its goal of reducing the environmental impact of its activities and contributing to a more sustainable future for all.

Labomar is committed to responsibly managing the waste generated by its activities, recognizing that the quantity, type, and quality of waste are directly related to the operations necessary for the production of its products.

During 2023, the company's HSE function conducted a comprehensive assessment of the process flow, from the input of elements to their transformation into finished products and the consequent generation of waste. This assessment, once completed, will help understand the causes and significant impacts related to waste. This holistic overview will help identify opportunities for waste reduction and the adoption of internal circularity measures. It is noted that waste reduction has a significant and measurable impact on the Organization's environmental footprint, as well as on that of the sector as a whole.

Where possible, waste is recycled. If recycling or reuse is not feasible, waste is disposed of according to its type. During 2023, Labomar conducted 80 hours of training for its staff, focusing on the important topic of waste management and collection. This activity highlights the company's significant investment in educating and raising awareness among its staff about sustainable waste management practices. The main objective of this training was to provide staff with the skills and knowledge necessary to adopt responsible and conscious behaviours in waste management, thus contributing significantly to Labomar's overall efforts for environmental sustainability. This initiative reflects the company's commitment to promoting a sustainability-oriented corporate culture and encouraging the active involvement of all employees in environmental protection.

The waste generated by Labomar is mainly composed of:

- 1 Exhausted and/or waste raw materials and production residues;
- 2 Wash water;
- 3 Primary, secondary, and tertiary packaging (glass, plastic, cardboard, and packaging);
- 4 Absorbents and filtering materials.

The majority of waste is derived from production processes in the facilities, with the exception of packaging and raw materials, which largely come from the supply chain. The waste management process involves their collection and storage in defined areas and specific containers according to the type of waste. The control of the volumes managed is done by measuring the masses delivered to recovery and disposal facilities; the related data are kept in a register to allow monitoring by the HSE function, and all copies of the related forms (digital or paper) are archived according to legal limits.

Labomar is committed to adopting preventive and management measures to address significant impacts related to waste generated by its activities. These measures partly aim to reduce the environmental impact resulting from waste management upstream and downstream in the company's value chain. In the context of its activities, Labomar's action plan is to prevent waste generation mainly through the adoption of efficient production processes, also considering the company's commitment to lean principles.

To do this, Labomar collects and monitors data related to waste in order to assess the progress of the actions taken, in terms of the effectiveness of preventive and corrective measures implemented. Labomar has actively collaborated with laboratory staff to ensure the correct identification and management of special waste generated by laboratory activities. This commitment has involved training staff on the correct methods of identification, separation, and quantification of special waste, in order to ensure their safe disposal and compliance with environmental regulations.

All waste generated by Labomar is managed by third parties (external sites); the Company ensures that these third parties are qualified and comply with contractual and legal standards and regulations regarding waste management, through the adoption of specific practices that allow annual verification of compliance with these obligations, thus ensuring that waste is managed responsibly and in compliance with regulatory provisions. Finally, Labomar has monitored the correct storage of waste generated during construction work by subcontracting companies. This initiative aimed to ensure that waste is managed safely and in compliance with environmental regulations during all phases of the project.





Waste diverted from disposal

	2022			2023		
	Onsite	Offsite	Tot	Onsite	Offsite	Tot
<i>Total weight of hazardous waste diverted from disposal in metric tons</i>	-	-	1.15	-	4.41	4.41
Preparation for recovery	-	1.15	1.15	-	4.41	4.41
<i>Total weight of non-hazardous waste diverted from disposal in metric tons</i>	-	517.15	517.15	-	513.44	513.44
Preparation for recovery	-	517.15	517.15	-	513.44	513.44
Total weight of waste diverted from disposal in metric tons	-	518.30	518.30	-	517.85	517.85

Waste directed to disposal

	2022			2023		
	Onsite	Offsite	Tot	Onsite	Offsite	Tot
<i>Total weight of hazardous waste directed to disposal in metric tons</i>	-	2.43	2.43	-	12.75	12.75
Preparation for disposal	-	2.43	2.43	-	12.75	12.75
<i>Total weight of non-hazardous waste directed to disposal in metric tons</i>	-	851.06	851.06	-	740.32	740.32
Preparation for disposal	-	851.06	851.06	-	740.32	740.32
Total weight of waste directed to disposal in metric tons	-	853.49	853.49	-	753.07	753.07

Main KPIs on waste

1,271
metric tons of waste in 2023

-7%
of metric tons of waste compared to 2022

41%
of waste diverted from disposal in 2023

99%
of total waste is non-hazardous in 2023



Sustainable Packaging Management

Labomar aims to steer customer choices towards more sustainable horizons, including a particular focus on responsible packaging management. Through proactivity and strong relationships with suppliers, the company is able to provide customers with accurate advice on packaging features that reflect excellent sustainable solutions, ensuring production efficiency standards. This commitment demonstrates the ongoing search for solutions that harmonize environmental needs with business objectives, reflecting Labomar's philosophy oriented towards sustainability and innovation. Since 2021, Labomar has set the goal of developing product lines with sustainable packaging (primary, secondary, and tertiary packaging), which materialized at the end of 2023 with the Laxamov product. For further details, please see the focus box below. This is just the first outcome of Labomar's commitment to applying sustainable solutions at the product level.

Labomar is committed to promoting sustainable packaging management, recognizing the crucial importance of reducing the environmental impact of packaging materials. With a future-oriented vision, Labomar aims to innovate the offering of primary, secondary, and tertiary packaging by adopting green solutions that respect the environment and meet customer needs.

FOCUS ON

Labomar is among the winners of the 2023 Conai tender for eco-design of packaging in the circular economy

The tenth edition of the CONAI Call for Eco-design of Packaging in the Circular Economy, aimed at rewarding the most innovative and environmentally sustainable packaging solutions introduced to the market in the 2021-2022 biennium, sees Labomar among the list of winners thanks to the submission of the Laxamov case.

Key results of the 2023 edition

- 373 cases submitted
- 108 awarded companies, including Labomar
- 219 winning cases, including Labomar's Laxamov

Laxamov is a dietary supplement in syrup form, which helps regulate bowel movements without causing irritation or dependence. Laxamov is based on European Mallow, known for its ancient use, which contributes to achieving the desired soothing activity. Considering the plant-based raw material, Labomar decided to introduce a completely sustainable product into its catalog, also in terms of primary packaging, thus expanding its portfolio of Ready to Market proposals with sustainable products. The primary packaging, made of 50% R-PET, was chosen after 6 months of stress testing, thanks to the obtained qualitative results which confirm that the chemical and physical characteristics of the syrup remain unchanged.

It should be noted that the decision to launch a product with 50% R-PET primary packaging in 2021/22 was made following the constraints imposed by Ministerial Decree No. 113 of May 18, 2010, which guaranteed the presence of at least 50% virgin PET in the bottles. Laxamov, for the sustainability criteria it meets, is launched into the market in line with a corporate vision highly focused on innovation and environmental protection, also in alignment with Labomar's journey towards achieving B Corp certification.





The goal is to offer customers concrete options for sustainable packaging solutions with reduced environmental impact directly within the product portfolio. To date, the solutions implemented by Labomar include

- with regard to primary packaging – bottles made from RPET, and studies are currently underway to validate the effectiveness of blister and pouch solutions.
- with regard to secondary packaging – boxes made from FSC-certified paper, boxes with water-based paint (with reduced environmental impact), FSC-certified leaflets, and eco-friendly labeling solutions using paper and low-impact paint.
- with regard to tertiary packaging – corrugated cardboard shipping boxes made from recycled fiber and FSC-certified.

Furthermore, during 2023, Labomar's Packaging Department proactively worked on proposing environmentally friendly solutions to customers, aiming to increasingly ensure sustainability in packaging solutions. Specifically:

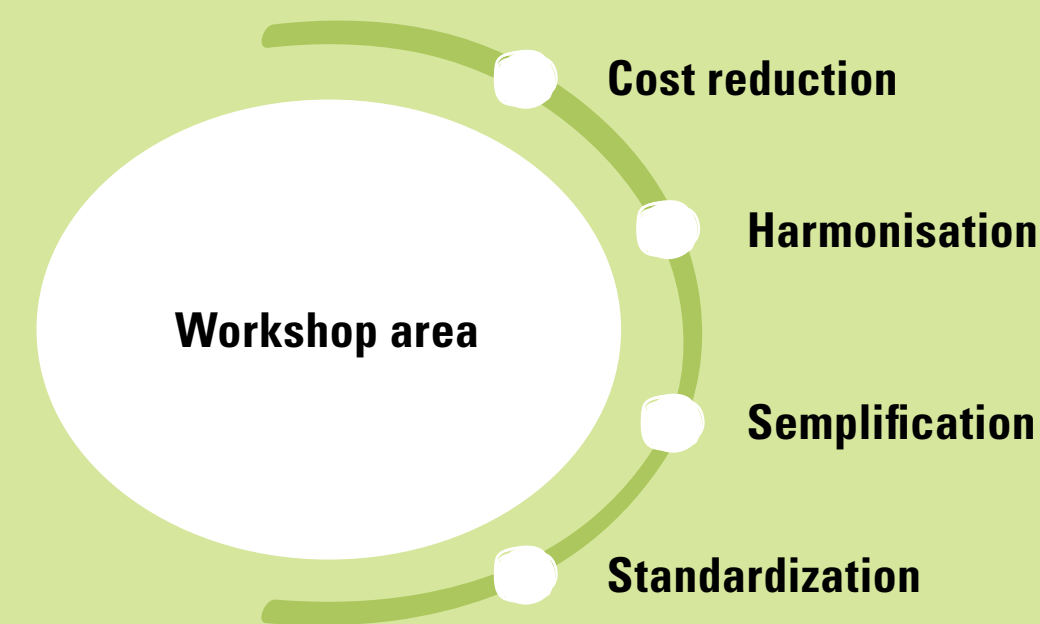
- Alternative solutions to reducing secondary packaging by permanently removing the leaflet;
- Resizing of primary and secondary packaging, allowing for logistics optimization;
- Replacement solutions for UV varnish with water-based paints directly on the box;
- Solutions for reducing the weight of secondary packaging paper while maintaining the same thickness.

Please note that data on these changes will be available in the next reporting period, as they occurred towards the end of the fiscal year under review.

FOCUS ON

Sustainability Co-Design to Value Workshop

During 2023, Labomar was involved in a project with a client aimed at researching alternative packaging solutions, working synergistically as a team. The internal functions involved included Packaging, R&D, Regulatory, Sales, and Sustainability, which, together with the client, focused their attention on:



Among the initial outputs proposed at the packaging level, emerged

- 1 Regarding primary packaging, the identification of sustainable packaging solutions.
- 2 Regarding secondary packaging, resizing and thinning down the outer box and removing UV varnish, replacing it with acrylic varnish.
- 3 With regard to point 2, thanks to the resizing activity, logistical efficiency improvements have emerged.

This collaboration highlights Labomar's commitment to seeking innovative and sustainable solutions, contributing to the company's growth and continuous improvement.



Climate change mitigation and efficient energy use

[GRI 302-1; GRI 302-3; GRI 305-1; GRI 305-2; GRI 305-4]

Safeguarding the environment means respecting the delicate balance of ecosystems, actively and consistently striving to improve the well-being of the people inhabiting those ecosystems. Climate change and the excessive exploitation of our planet's resources pose a threat to Europe and the entire world. Since 2021, initiatives have been launched to monitor and transparently communicate the environmental impact of Labomar's activities, aiming to identify critical issues and define appropriate improvement actions.

For 2023, Labomar continues its exclusive purchase of electricity from renewable sources. Investing in electricity solely from renewable sources is a significant signal of Labomar's commitment to reducing indirect CO₂ emissions. Electricity remains the most utilized energy source by the company for 2023.



Energy consumption within the organization

	2022	2023	Δ
	GJ		
Natural Gas	6,473.23	6,269.28	-3.15%
LPG	408.86	302.89	-25.92%
Diesel	442.62	701.29	58.44%
• For heating purposes	-	-	-
• For company cars (benefit and pool)	442.62	701.29	58.44%
Gasoline	269.53	328.40	21.84%
• For heating purposes	-	-	-
• For company cars (benefit and pool)	269.53	328.40	21.84%
Total fuel consumption within the organization from non-renewable sources	7,594.23	7,601.85	0.10%
Total fuel consumption within the organization from renewable sources	-	-	-
Electricity consumption (purchased) (EECS)	15,615.16	16,890.85	8.17%
Total energy consumption within the organization	23,209.40	24,492.70	5.53%
• from renewable sources	67.28%	68.96%	1.68%
• from non-renewable sources ¹⁹	32.72%	31.04%	-1.68%

¹⁹ There is no consumption of heating, cooling, or steam energy. Additionally, there is no energy sold. The source of the conversion factors used is DEFRA 22 and 23. It is noted that the consumption of the L4 site is not included as it is not owned by the Organization. Finally, the increase in diesel and gasoline energy consumption reflects a higher allocation of vehicles in benefit starting from 2023.



Energy Intensity²⁰

	Unit of measurement	2022	2023
Total energy consumption within the organization as of December, 31	GJ	23,209.40	24,492.70
Pieces produced as of December, 31	N.	44,535,902.00	43,679,427.00
Total number of employees as of December, 31	N.	262	299
Total revenues as of December, 31	€'000	70,697.00	79,443.00
Energy intensity ration on pieces produced	GJ / N * 1000	0.52	0.56
Energy intensity ration on employees	GJ / N	88.59	81.92
Energy intensity ration on revenues	GJ / €'000	0.33	0.31

²⁰ In the total energy consumption, the energy consumption of L4 is not included as it is not a facility owned by the Organization. Additionally, it is noted that the internal energy consumption is used for calculating energy intensity.

During 2023, Labomar made significant strides towards more efficient use of energy resources at its facilities. Among the notable initiatives, it is worth noting:

● At the L8 Plant

- Window replacements were carried out, replacing them with models compliant with the latest regulations. This initiative aims not only to improve the thermal insulation of buildings but also to reduce heat loss, thus contributing to overall energy efficiency.
- A heat pump was installed, representing an advanced energy solution for heating the premises. This system harnesses purchased electricity from renewable sources and reduces the environmental impact associated with the use of fossil fuels.

● At the L3 headquarter

- Targeted interventions were implemented to optimize lighting, particularly through a relamping project in the warehouse, replacing conventional lighting with LED fixtures. Additionally, LED technology was planned for use in the new production department extension. These choices not only ensure high lighting performance but also contribute to reducing energy costs and overall environmental impact;
- Modifications were made to the refrigeration system circuits, implementing a unified and common system. This solution optimizes the energy efficiency of refrigeration systems, reducing consumption and ensuring greater operational reliability with the presence of a backup system.

Main KPIs on energy

100%

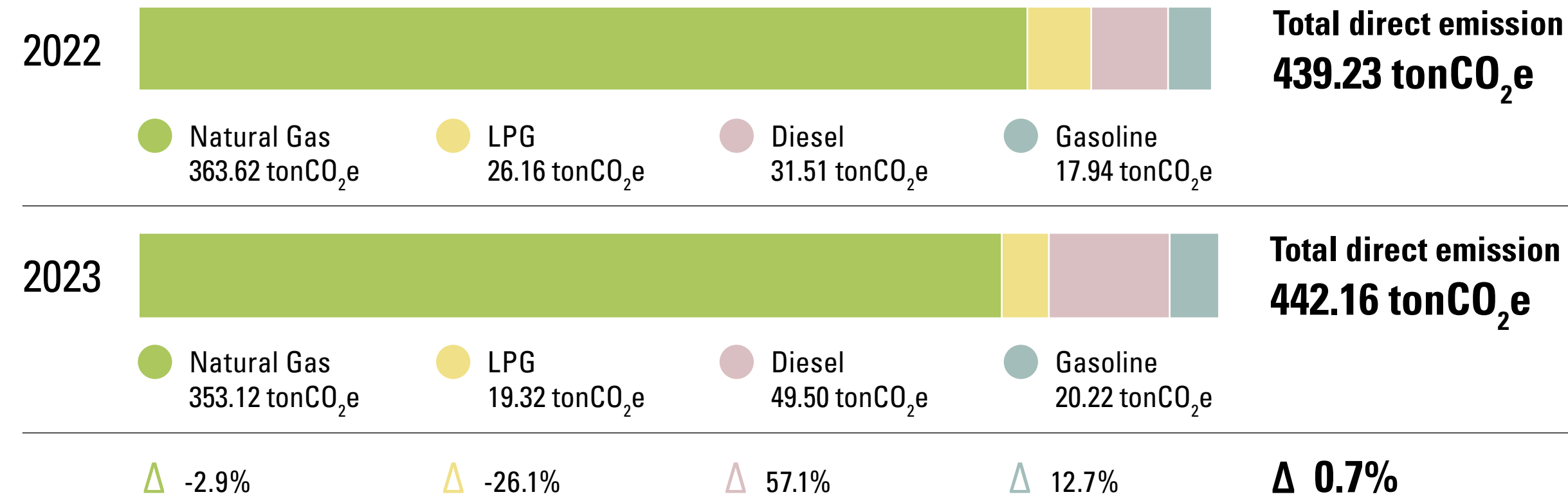
of the consumption of purchased electricity come from renewable sources

69%

of total energy consumption comes from renewable sources in 2023



Direct (Scope 1) GHG emissions²¹



²¹ These data are computed using Defra 22 and 23 emission factors according to the GHG protocol methodology. The emissions consolidation approach is the operational control. The data refer to CO₂ equivalent emissions when available. Emissions data do not include the L4 site because it is not owned by the Organization. There are no biogenic CO₂ emissions. The increase in direct emissions is due to a greater allocation of company cars in benefit.

Energy indirect (Scope 2) GHG emissions²²

Scope 2	UoM	2022	2023	Δ
Location Based	tonCO ₂ e	1,366.33	1,477.95	8%
Market Based	tonCO ₂ e	-	-	-

²² Market-based emissions reported in the table have been calculated using AIB-2022 European Residual 2021 emission factors, while the location-based method uses TERNA 2019 factors. Some data may have been estimated or calculated. The 8% increase in indirect emissions reflects the increase in electricity consumption between 2022 and 2023. Additionally, indirect emissions from the market-based approach are nil as there is a guarantee of origin certifying the renewable source of electricity. The emissions consolidation approach is the operational control.

Total emission in tonCO₂e for Labomar

Scope 1 + Scope 2	2022	2023
Total emission Location Based	1,805.55	1,920.11
Total emission Market Based	439.23	442.16





GHG emissions intensity²³

	unit of measurement	2022	2023
Total emission Location Based	tonCO ₂ e	1,805.55	1,920.11
Total emission Market Based	tonCO ₂ e	439.23	442.16
Number of produced pieces as of 31.12	N.	44,535,902.00	43,679,427.00
Total number of employees as of 31.12	N.	262.00	299.00
Total revenues as of 31.12 for Labomar S.p.A.	€'000	70,697.00	79,443.00
Energy intensity ratio by produced pieces with LB	tonCO₂e / N*10.000	0.41	0.44
Energy intensity ratio by employees LB	tonCO₂e / N	6.89	6.42
Energy intensity ratio by revenues LB	tonCO₂e / €'000	0.03	0.02
Energy intensity ratio by produced pieces MB	tonCO₂e / N*100.000	0.99	1.01
Energy intensity ratio by employees MB	tonCO₂e / N	1.68	1.48
Energy intensity ratio by revenues MB	tonCO₂e / €'000*100	0.62	0.56

²³ The emissions intensity ratio currently does not include other indirect GHG emissions (Scope 3).





Water resource management

[GRI 303-1; GRI 303-2; GRI 303-3]

Labomar recognizes the importance of responsible water resource management as an integral part of its corporate sustainability strategy. In this context, the organization commits to reporting its interactions with water, including water intake methods, as well as the related impacts directly caused by its activities.

In general, water is used for both hygiene-sanitary purposes and production purposes.

In the production process, Labomar generates liquid discharges containing chemicals and organic residues, which are adequately treated and managed by the designated waste disposal entity.

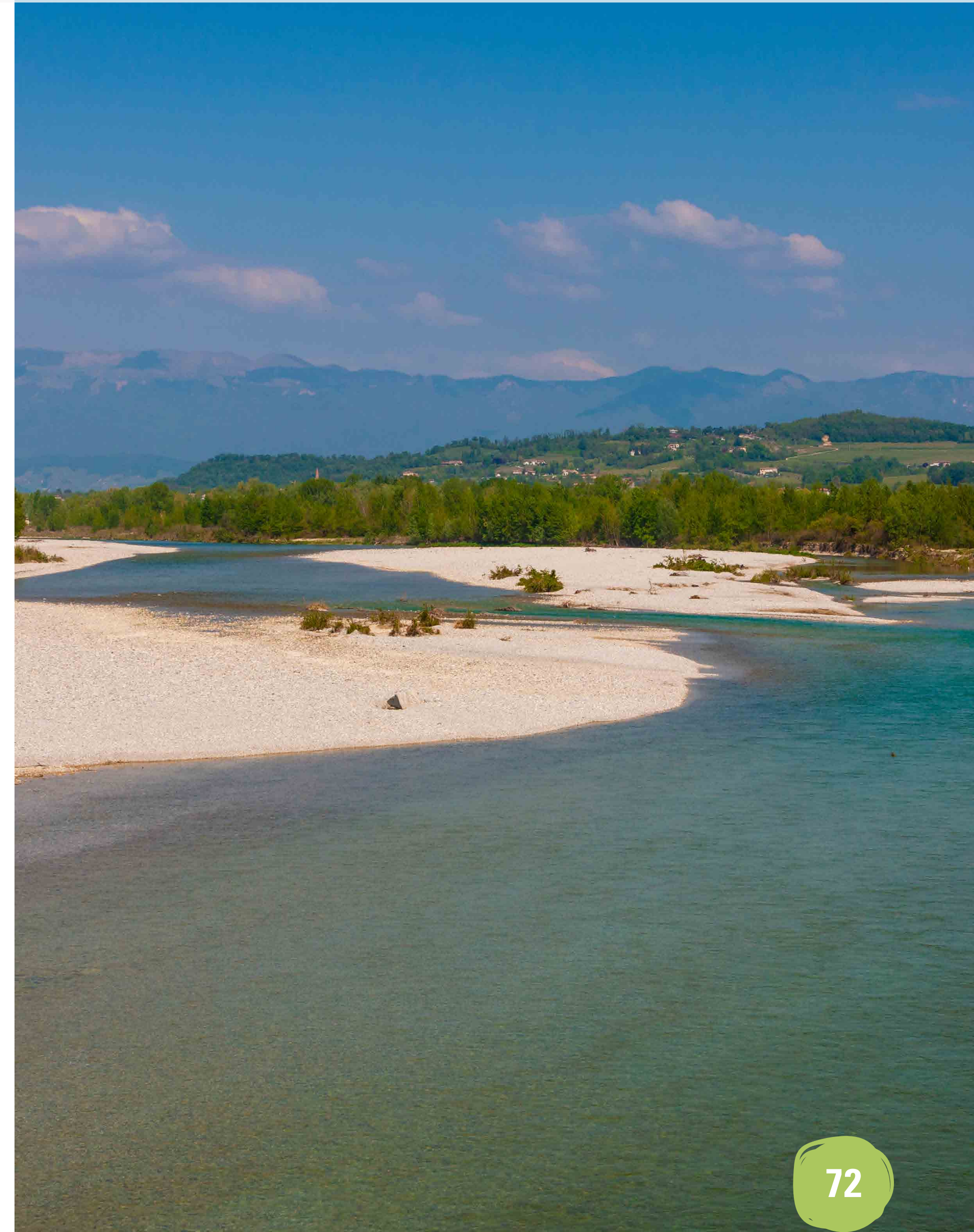
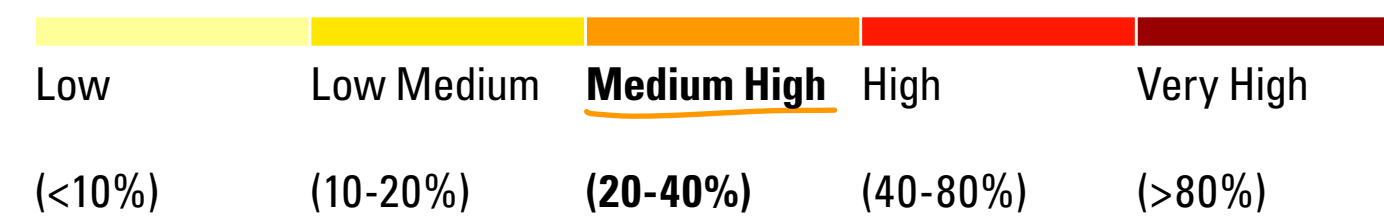
The only source of water intake is the public network.

To assess its impact in sensitive areas, Labomar has utilized the Aqueduct Water Risk Atlas tool from the World Resources Institute. It has been revealed that the different Labomar facilities are located in areas with medium to high water stress levels, with the Piave basin being the reference watershed.

Labomar is committed to pursuing sustainable water resource management practices and will strive to monitor and improve its operations to ensure compliance with

the highest standards regarding water discharge. For the evaluation of effluent discharge quality standards, reference is made to the current regulations in force. These standards take into account the physical, chemical, biological, and sensory characteristics of water, as well as the specific requirements of the sector and the territory in which Labomar operates.

Water stress level





Water withdrawal²⁴

	UdM	2022		2023	
		All areas	Area with water stress	All areas	Area with water stress
Total water withdrawal from all areas	Megaliters	14,773.00	14,773.00	12,394.00	12,394.00
<i>Freshwater ($\leq 1,000$ mg/L Total Dissolved Solids)</i>	Megaliters	14,773.00	14,773.00	12,394.00	12,394.00
<i>Other water ($> 1,000$ mg/L Total Dissolved Solids)</i>	Megaliters	-	-	-	-
Total water withdrawal from third-party water by the following sources	Megaliters	14,773.00	14,773.00	12,394.00	12,394.00
<i>Surface water</i>	Megaliters	14,773.00	14,773.00	12,394.00	12,394.00
Total water withdrawal	Megaliters	14,773.00	14,773.00	12,394.00	12,394.00

²⁴The data on withdrawals does not include the L4 site because it is not owned by the Organization.

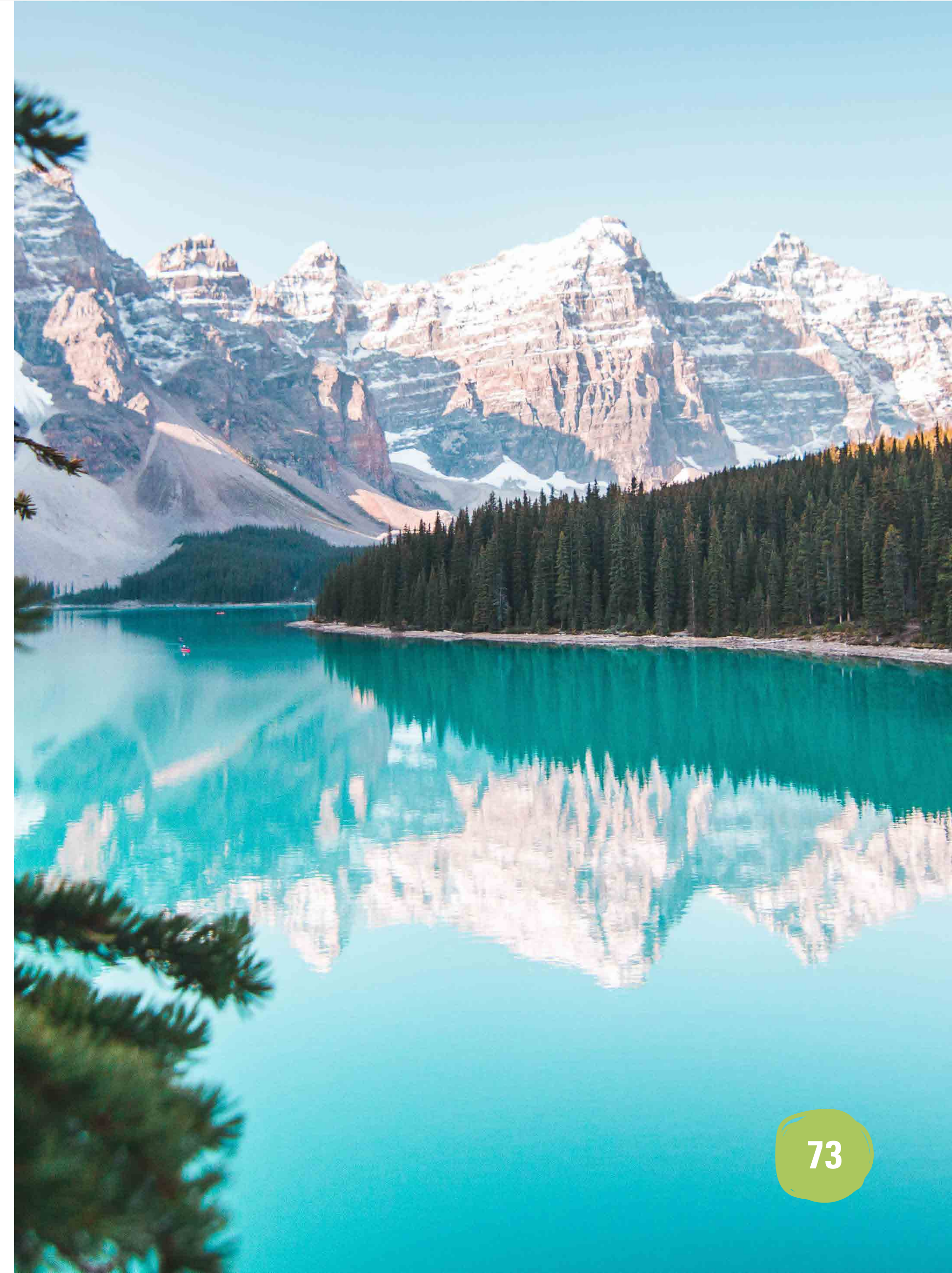
KPI on Water withdrawal

12,394

The megaliters of water withdrawn in 2023

-16%

The megaliters of water withdrawn compared to 2022





The second shared benefit goal



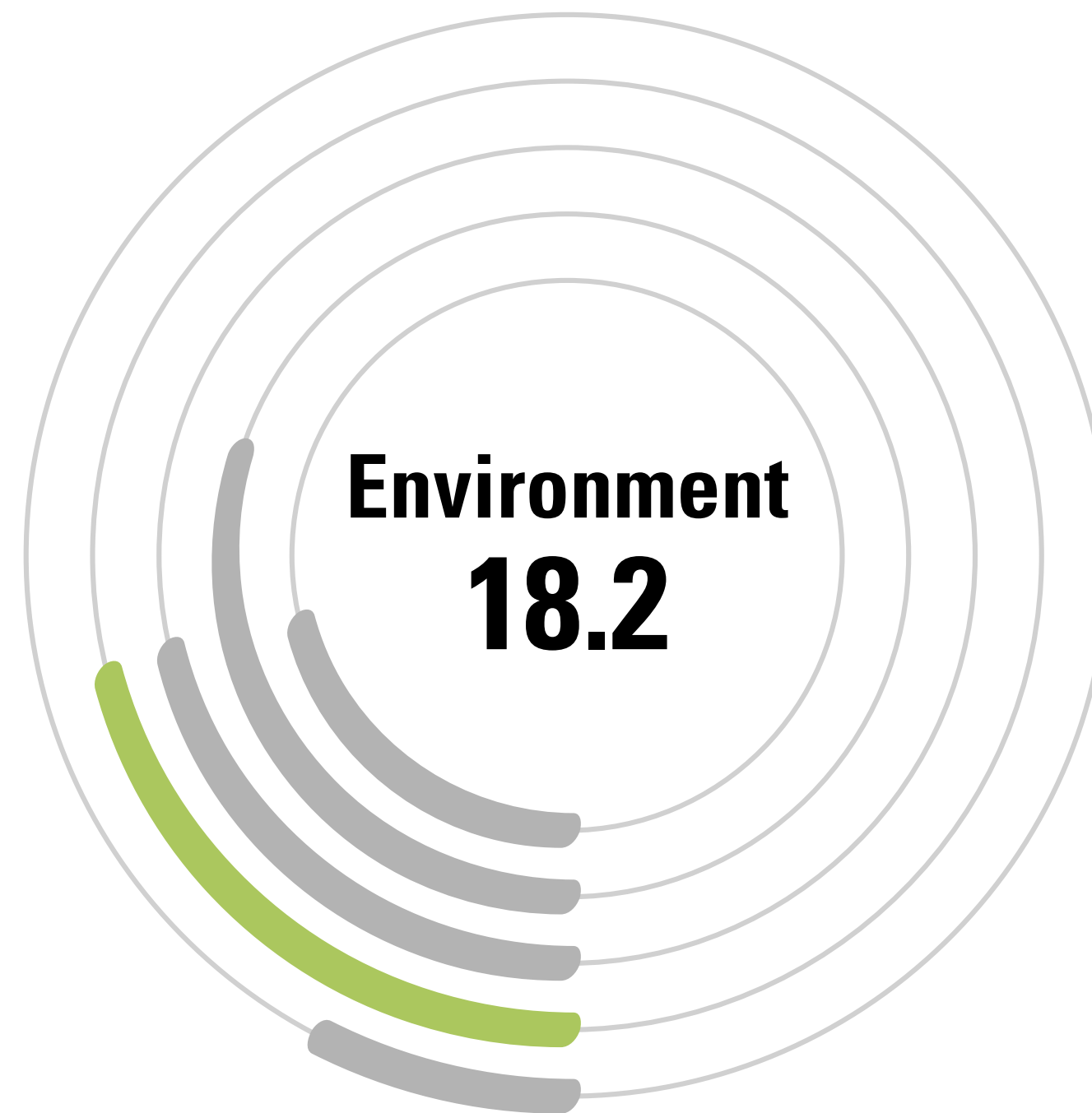
B Corp area score

“A concrete and transparent commitment to protecting the environment by monitoring our impact, introducing beneficial company practices, selecting safe and sustainable raw materials and looking to form valuable partnerships with customers and suppliers.”

For the purposes outlined in sections 376 to 384 of Law No. 208/2015, the benefit company annually prepares a report concerning the pursuit of the common benefit. This report includes:

- a.** a description of specific objectives, methods, actions taken, and any circumstances that may have hindered or slowed progress.
- b.** The evaluation of the impact generated utilizes the B Impact Assessment external evaluation standard.

The Environment program serves as the second purpose of Labomar Benefit Company’s common benefit and consists of activities implemented over the medium to long term. The initial step involves monitoring and measuring environmental impacts. It is structured into the following projects:

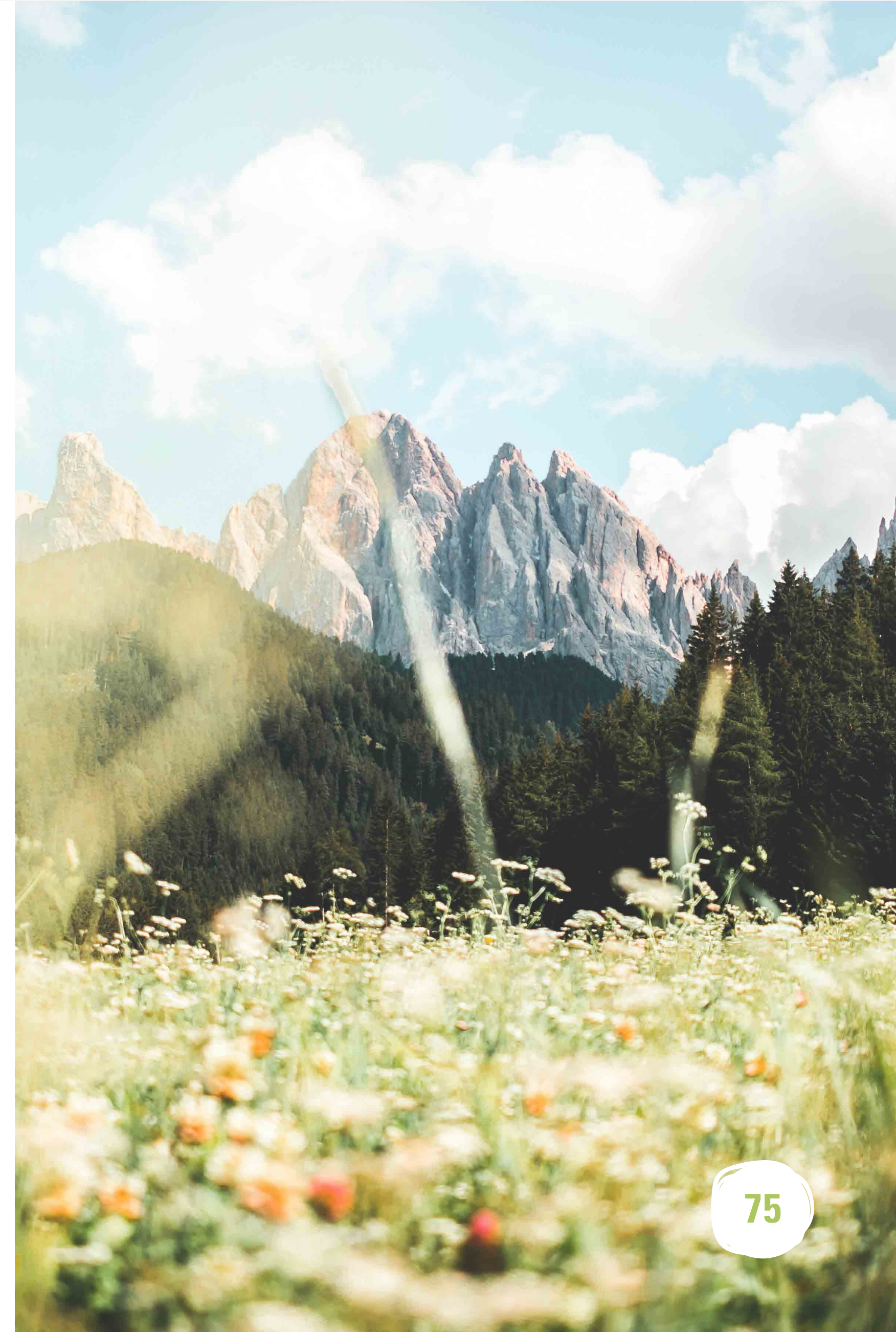


- COMMITMENT
- TRANSPARENCY
- ENVIROMENT



Environment Management Programme

Specific Objectives	Actions Taken to Achieve the third shared benefit goal	Status 2023	New objectives 2024
Continue monitoring of company metrics.	The Sustainability Reporting Package was shared with the HSE Manager, who compiled the data. The information is presented in the "Environment" chapter. This will not be reiterated as a goal for 2024 because it is a routine activity implicit in the preparation of the Impact Report.	✓	
Maintaining the 100% share of electricity purchased from renewable sources.	Purchased Guarantees of Origin from GSE, certifying the origin of electricity from renewable sources.	✓	YES
Continue evaluating the trends of implemented indicators to identify improvement actions.	The trend of implemented indicators results from a report between the HSE and Engineering departments to assess actions to be implemented.	✓	
Assessing critical process areas with a view to optimizing energy consumption.	This objective will be replaced with the planned energy diagnosis activity scheduled during FY 2024.	✗	
Conduct environmental audits related to energy, water, and waste management.	During FY 23, Labomar underwent client audits in the HSE areas. This will not be proposed as an objective for 2024, considering that, also due to the limited review activity, the HSE area undergoes audits.	✓	
Maintain the percentage share value of waste destined for potential recovery.	The Sustainability Reporting Package has been shared with the HSE Manager, who has taken care of the compilation. The data is presented in the "Environment" chapter.	✓	YES
			+ Energy Diagnostic Activity





Sustainable Packaging Project

Through the Sustainable Packaging program, Labomar is committed to reducing the environmental impact of the packaging used. It is a project that has a dual purpose for the company: on one hand, it is an opportunity to develop skills and knowledge relevant to the emerging world of the green economy, and on the other hand, it is an initiative that promotes awareness of environmental issues throughout its production chain. Characteristics such as the recyclability of packaging materials always begin with the design phase.

Specific Objectives	Actions Taken to Achieve the third shared benefit goal	Status 2023	New objectives 2024
Acquisition of stretch films with avoided emissions	Please refer to the focus box on the side.	✓	YES
Secondary packaging ²⁵ : 20% of purchased boxes certified FSC	Labomar has demonstrated proactive capability to customers interested in purchasing FSC-certified boxes. The result as of December 31, 2023 stands at 17.2%, due to the lack of adjusting production planning to any pack change. Labomar will strive to achieve this commitment in the coming year.	✗	YES
Tertiary packaging: Between 70 and 90% average of corrugated cardboard containing recycled paper		✓	
Tertiary packaging: 75% of corrugated boxes certified FSC	In 2023, 100% of corrugated boxes for shipping are FSC certified.	✓	YES
Leaflets: 50% of leaflets certified FSC ²⁵	On one hand, the supplier has decided to always use FSC paper to optimize their management, while on the other hand, Labomar has shown proactive capability.	✓	YES

²⁵ Note: This analysis does not include suppliers on a labor account basis because Labomar does not have decision-making power.

Zero Waste Project²⁶

Started in 2021, the project's main objective is to monitor and measure existing waste within the company, seeking to define targeted improvement actions and strategies.

Specific Objectives	Actions Taken to Achieve the third shared benefit goal	Status 2023	New objectives 2024
Waste Separation	Implementation of a monitoring system for the quantity of waste disposed in office areas.	✗ ²⁷	
	80 total hours of training related to waste management	✓	YES
Purchase of office paper certified FSC with recycled fiber	Labomar purchased in 2023 6,600 reams of 500 sheets each. All reams of office paper certified FSC with recycled fiber.	✓	YES

²⁶ It is noted that the objective related to structuring an internal system for the precise monitoring of company car mileage has been eliminated as mileage data is extracted annually from fuel cards.

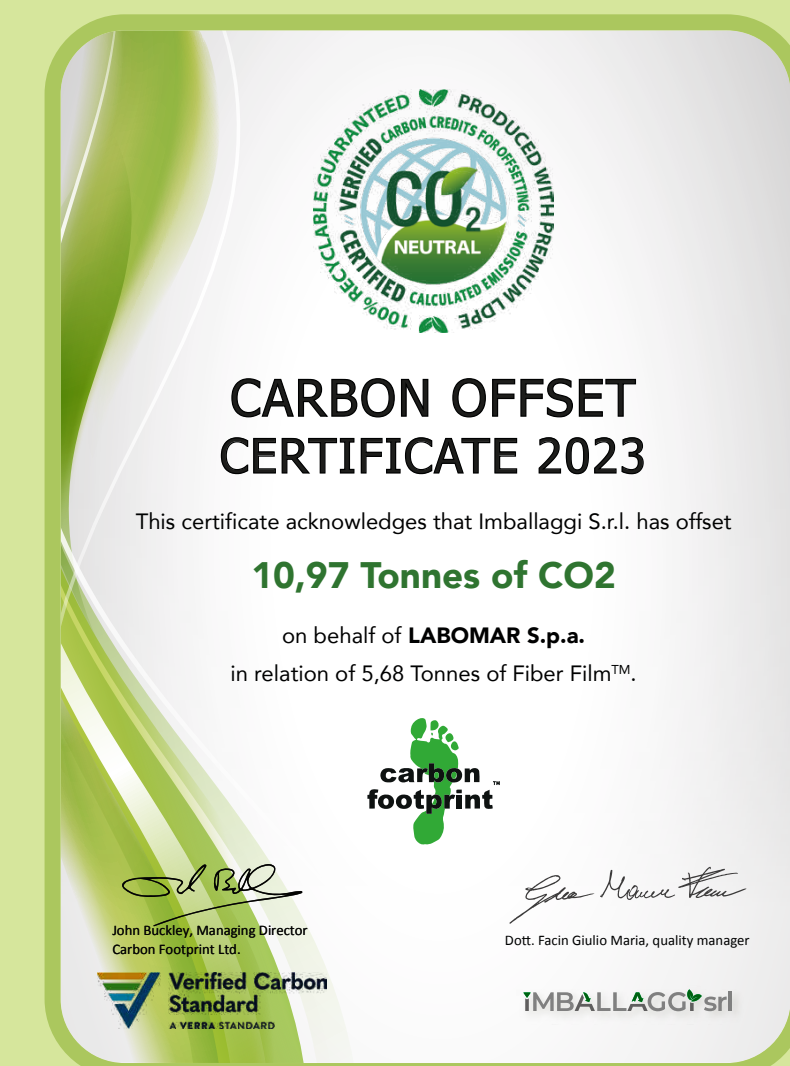
²⁷ The quantity of waste from office areas is not a material data.

FOCUS ON



Carbon Offset Certificate 2023

Labomar, through the purchase of stretch film for pallet wrapping, thanks to the strategic partnership with its supplier, avoided 10.97 metric tons of CO₂ emissions, due to the purchase in 2023 of over 5.68 metric tons of film.





05

Product

- Quality and Product Safety
- R&D and Innovation
- The first shared benefit goal



Quality and Product Safety

[GRI 416-1; GRI 416-2]

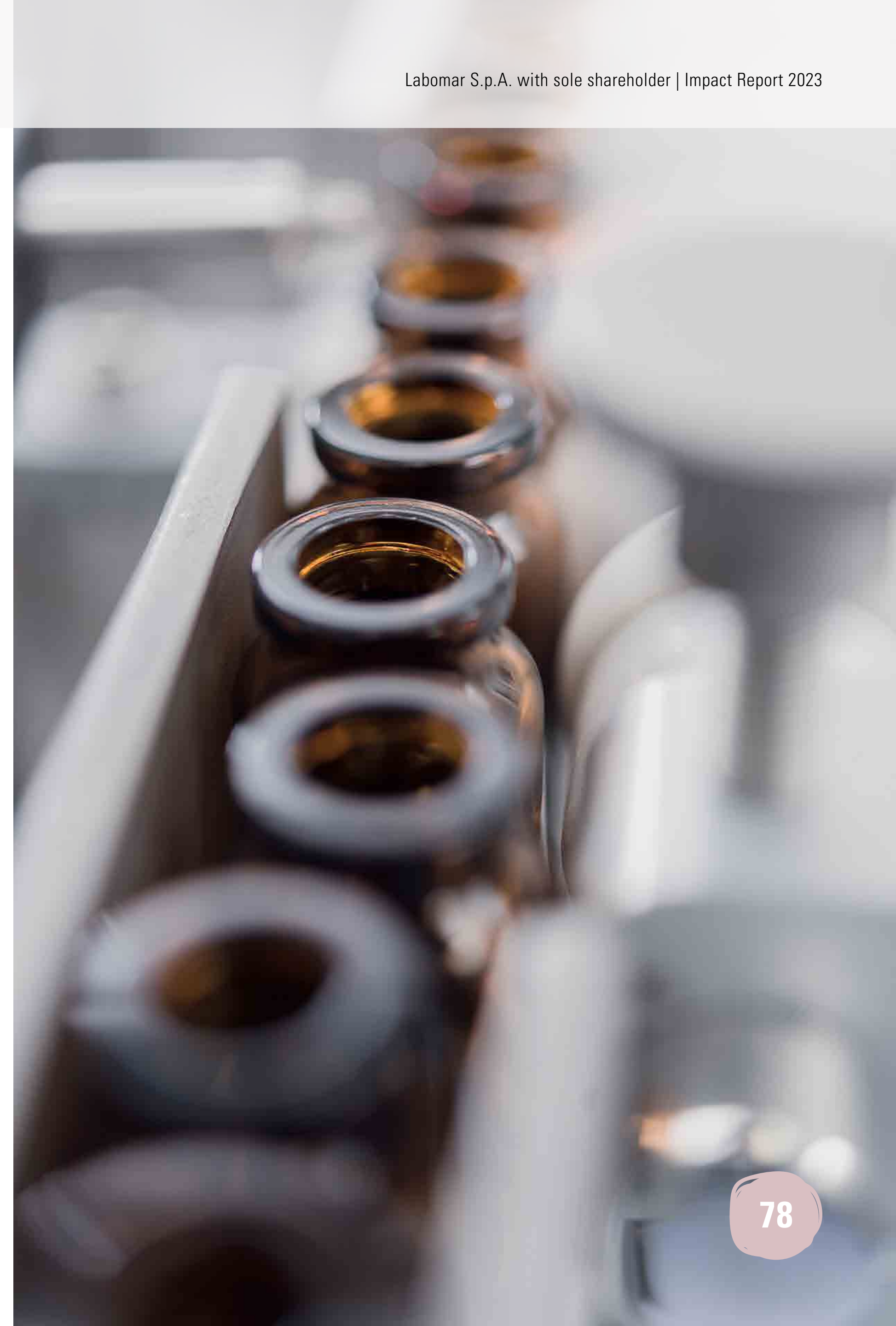
Labomar's strategy involves directing its investments both internally, consolidating its production structure, and externally through strategic operations aimed at ensuring the maintenance of two key factors particularly relevant to the industry: innovation and product quality.

With regard to the latter key factor, Labomar has a Quality Manual in which the modalities and specifications are defined with which the Organization demonstrates its ability to provide food supplements and medical devices compliant with applicable regulatory requirements and customer demands. The company's management aims to pursue a quality policy focused on the needs and requirements of its customers. Labomar's primary commitment is to produce products with high and consistent quality characteristics that meet customer needs and enable it to achieve and maintain a high position in terms of quality, key to continuity and growth. More specifically, the company's policies are aimed at ensuring:

- prevention of defects and rejection of any non-conformity to quality, genuineness, legality, hygiene, and safety requirements of the products used and produced;
- conducting all processes according to good manufacturing and hygiene techniques and in full compliance with worker safety/condition regulations and environmental regulations.

Labomar ensures careful selection of partners and maximum control over the entire production chain to guarantee its customers effective and safe products in compliance with the highest standards of conformity and quality. This is the spirit that guides Labomar's daily actions.

The company pays particular attention to implementing a quality policy through activities carried out primarily by the Quality Assurance and Quality Control function, also through quality audits received from customers and competent authorities.

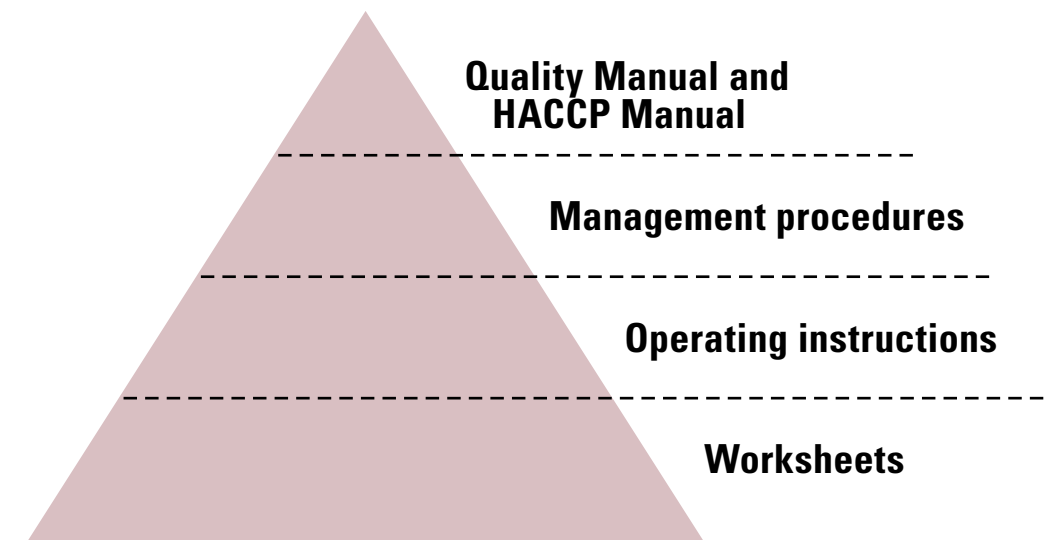




The main activities of Labomar's three Quality realms are as follows

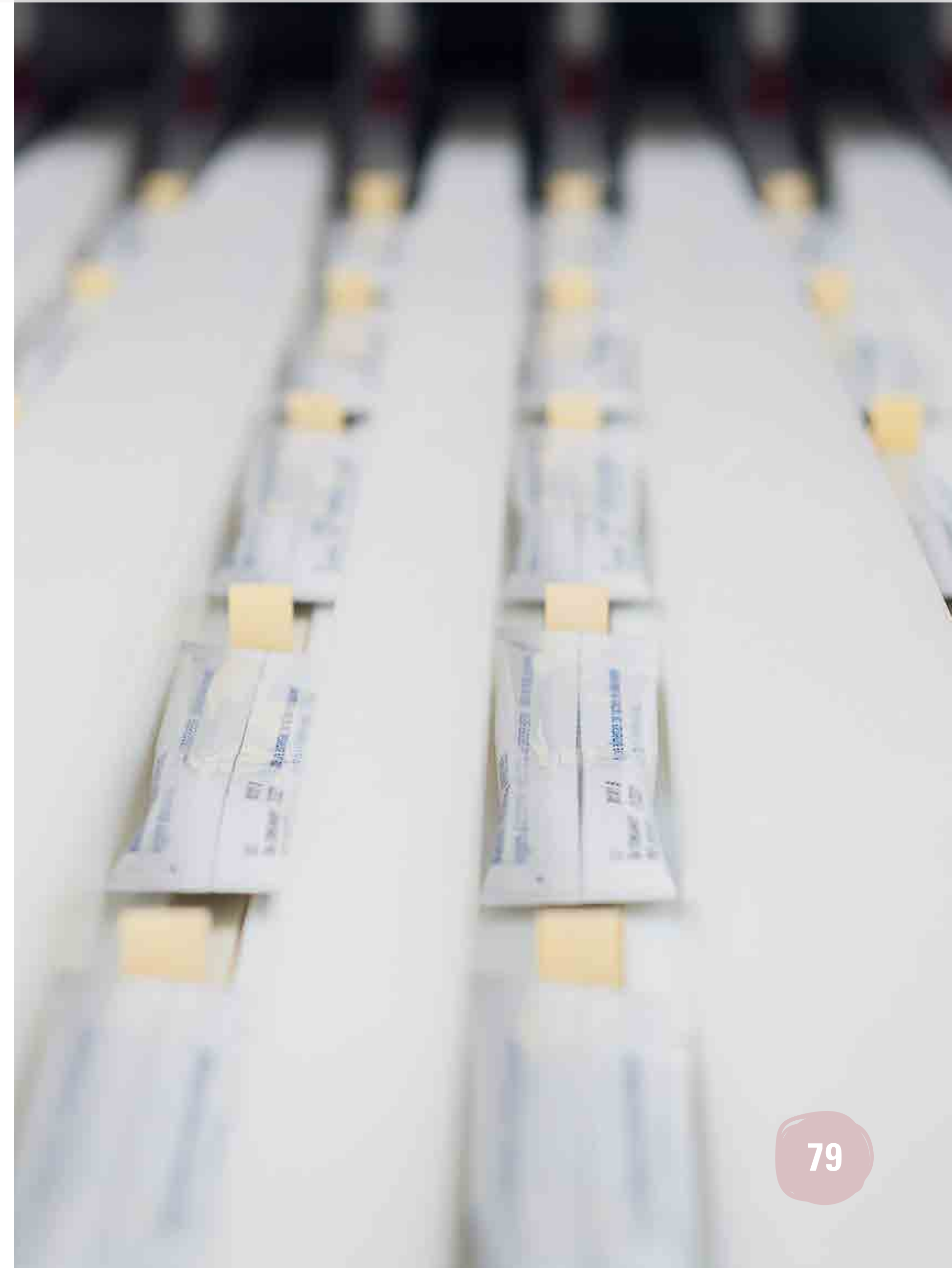
Quality Assurance	Supplier management	Quality Control Laboratory Activities
<ul style="list-style-type: none"> • Document management • Training activities • Management review • First, second, and third-party audit activities • Production and supply chain process management • Measurement tools • Quality Management System deviation processes • Technical support to customers • Validation 	<ul style="list-style-type: none"> • Product complaints and non-conformities/deviations • Production oversight according to Good Manufacturing Practices (GMP) • Post-marketing surveillance of Medical Devices • Sampling • Physical and Chemical Controls • Batch release • HACCP for Raw Materials • Focus on raw materials and packaging materials 	<p>Chemical-Analytical Laboratory performing chemical analyses and back-office activities for batch release.</p> <p>Microbiological Laboratory conducting microbiological analyses.</p>

Labomar's Quality Management System aims to ensure high-quality standards in accordance with ISO, GMP, and HACCP norms as fundamental guidelines to guarantee the quality, effectiveness, and safety of its products. The Quality Management System of Labomar is represented as follows.



The HACCP standard and GMP regulations are integrated into Labomar's Quality Management System (QMS), and these standards are applied not only to dietary supplements but also to medical devices. This integration ensures that production and quality control processes strictly adhere to the highest standards to guarantee the safety and effectiveness of products, both in the realm of dietary supplements and medical devices.

From the preparation of raw materials to the final product, meticulous product and process quality controls are carried out according to Good Manufacturing Practices (GMP). Quality, safety, and effectiveness characterize every product leaving the company's facilities.





The Company holds the following certifications:

UNI EN ISO 9001:2015

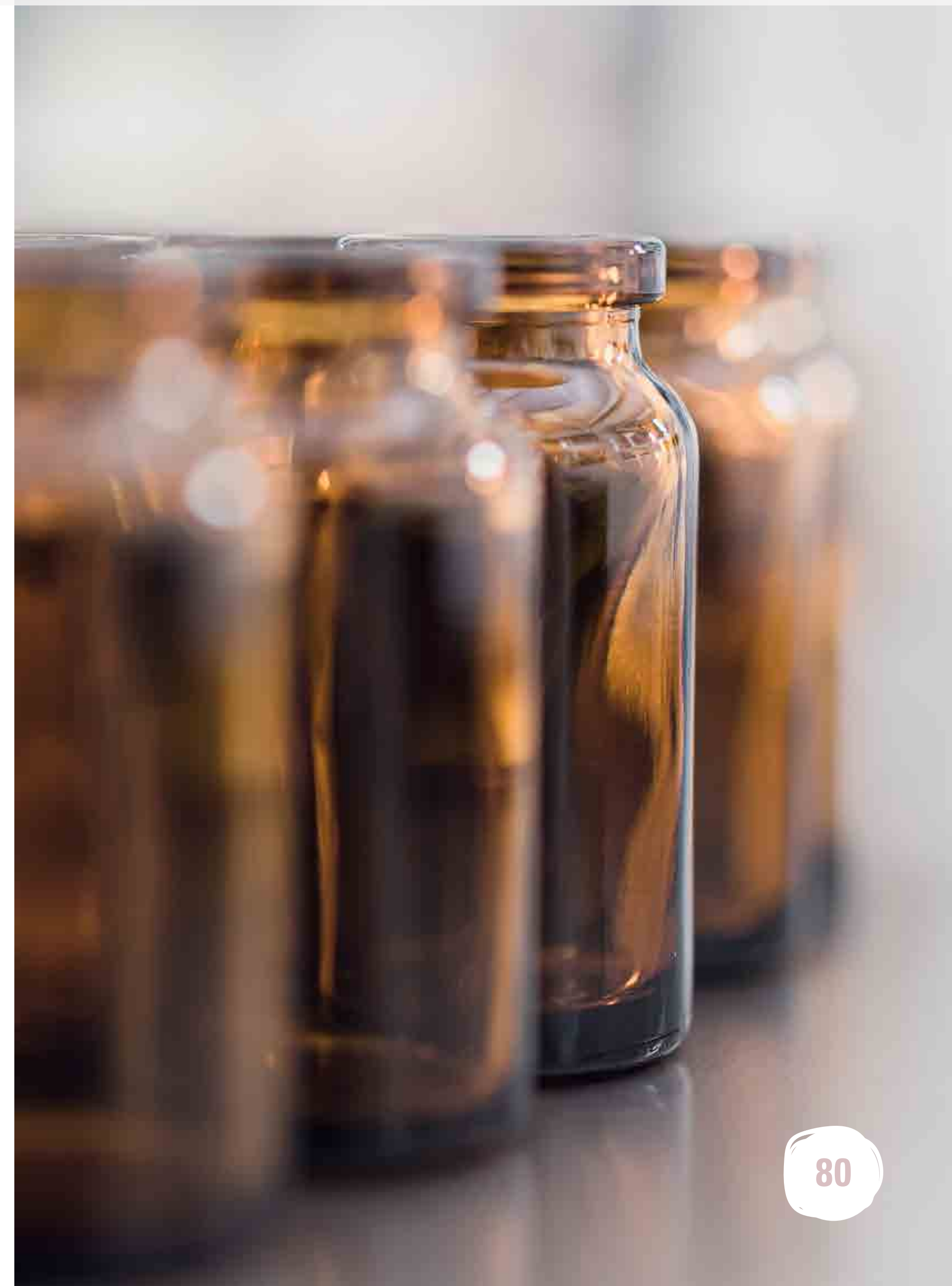
- Design, research, development, and third-party production of food supplements and foods intended for special dietary uses, including foods for special medical purposes, in authorized production types.
- Design, research, development, and third-party production and/or as a manufacturer of medical devices, in forms such as: capsules, tablets, powders, liquids, gels, emulsions, suspensions, creams, and sprays.
- Design, research, development, and production of cosmetics, in forms such as: liquids, gels, emulsions, suspensions, creams, and sprays.

UNI EN ISO 13485:2016

- Design, research, development, and third-party production and/or as a manufacturer of Medical Devices, in forms such as: capsules, tablets, powders, liquids, gels, emulsions, suspensions, creams, and sprays.

The decision of the Company Management to certify its Quality Management System (QMS) to the requirements of UNI EN ISO 9001:2015 and UNI EN ISO 13485:2016 standards represents a strategic point in the organization's management, as it presupposes awareness of the importance of continuous improvement, business performance, customer focus, and compliance with regulatory requirements applicable to the sector.

- **Inspection certificate**, issued by CERTIQUALITY S.r.l., related to the application of Good Manufacturing Practice (GMP) procedures drafted by Labomar to comply with the requirements of the "Code Of Federal Regulations, Title 21, Volume 2, part. 111, dated March 30, 2018" for the production of oral liquid and solid dietary supplements;
- **HACCP Certificate**, in compliance with Codex Alimentarius HACCP standards, Hazard Analysis and Critical Control Point (HACCP), System and Guidelines for its Application, Annex to CXC 1-1969, Rev. 2020 for the production and packaging of oral liquid and solid dietary supplements.
- **Health certificates**, issued by ULSS No. 2 Marca Trevigiana - Prevention Department - Food and Nutrition Hygiene Service, attesting that the establishments located in Istrana, respectively at via Nazario Sauro 35/D, via Brigata Marche 1/C, and via Fabio Filzi 55, are duly recognized under Article 6 of Reg. (EC) 852/2004 for the activity of producer of dietary supplements and foods for special medical purposes and human consumption.
- **Kosher Certificate**, issued by the Chief Rabbi of Padua, Rabbi Adolfo A. Locci, for certain specific dietary supplements.
- **Halal product certification**, referring to specific dietary supplements issued by Halal Italia, an Italian organization for Islamic certification.
- **Organic product certification**, issued by Bios in accordance with Regulation (EU) 2018/848, for a specific dietary supplement.
- **Manufacture of cosmetic products compliant** with UNI EN ISO 22716:2007.





The production process is examined starting from the receipt of various ingredients, proceeding with their processing, up to the storage of the finished product. The internal HACCP team, composed of Quality, Production, Maintenance, and Regulatory functions, considers all situations at risk related to various possible types of contamination, stemming from various causes. The potential factors responsible for contaminations encountered in the production process are categorized as microbiological, biological, chemical, physical, nutritional, and allergenic. Through careful evaluation of potential risks in each production phase, risks that could compromise the food safety of the finished product are monitored. Following the identification of risks, it is necessary to characterize them based on their impact on consumer health and safety. A non-conforming product refers to a product that does not meet the quality requirements of the Quality Management System or violates regulatory or contractual requirements related to raw materials, packaging materials, semi-finished products, semi-finished products, and finished products from third parties. All non-conformities identified during the entire manufacturing cycle are promptly managed by the Quality Control team.

Specifically, Labomar ensures:

- Identification and recording of ingredients and their linkage to processing lots;
- Identification and recording of production lots in all processing, verification, and packaging phases, and their correlation;
- The ability to reconstruct the product's history and controls through recorded identifications (traceability proof);
- The ability to recall lots already delivered to the end customer.

Procedures for product identification and traceability apply to:

- Incoming materials (raw materials and packaging materials);
- Semi-finished products;
- Finished packaged product.

It is therefore noted that all produced lots undergo evaluation at the time of release to ensure the safety of the end consumer. This evaluation is carried out through microbiological analyses, as well as specific analyses for claims. Additionally, upon request, analyses of actives are conducted to assess product efficacy. This rigorous approach ensures 100% control over all sold lots, ensuring that products meet rigorous health and safety impact assessment standards.

Regarding episodes of non-conformity related to health and safety impacts, it is noted that in 2023 only one non-conformity episode occurred with regulations resulting in a notice²⁸. Specifically, some lots were recalled from the market, and corrective actions were promptly implemented, following the Field Safety Corrective Action, in coordination with authorities. These corrective actions are part of the authorities' notification system, aimed at ensuring continuous protection of users' health and, at the same time, preventing serious incidents related to design, manufacture, or use of devices according to ODmed/ODIV from occurring.

²⁸ For this specific case, reference is made to a formal recall that did not involve any expenditure





R&D and Innovation

The world of Research and Development at Labomar represents a cutting-edge center dedicated to creating and perfecting innovative products in the field of dietary supplements, medical devices, and cosmetics. The mission is driven by a deep passion for science and wellness, combined with strong expertise and capabilities of every member of the Labomar Research team. Scientific research and development of patented technologies are the lifeblood of every activity.

The Labomar Research team consistently works on high-quality raw materials, innovative formulations, and the production of rigorous scientific documentation.

For over 19 years, Labomar Research has been a beacon of innovation in the research and development landscape. Their capabilities range from market analysis to completing the industrial scale-up of product prototypes, encompassing the following key areas:

- **Advanced Formulation:** The core activity revolves around formulating cutting-edge products. Labomar has developed over hundreds of new references that have reached the market on behalf of clients, demonstrating strong expertise in creating tailored solutions for their needs. Labomar offers its clients the opportunity to

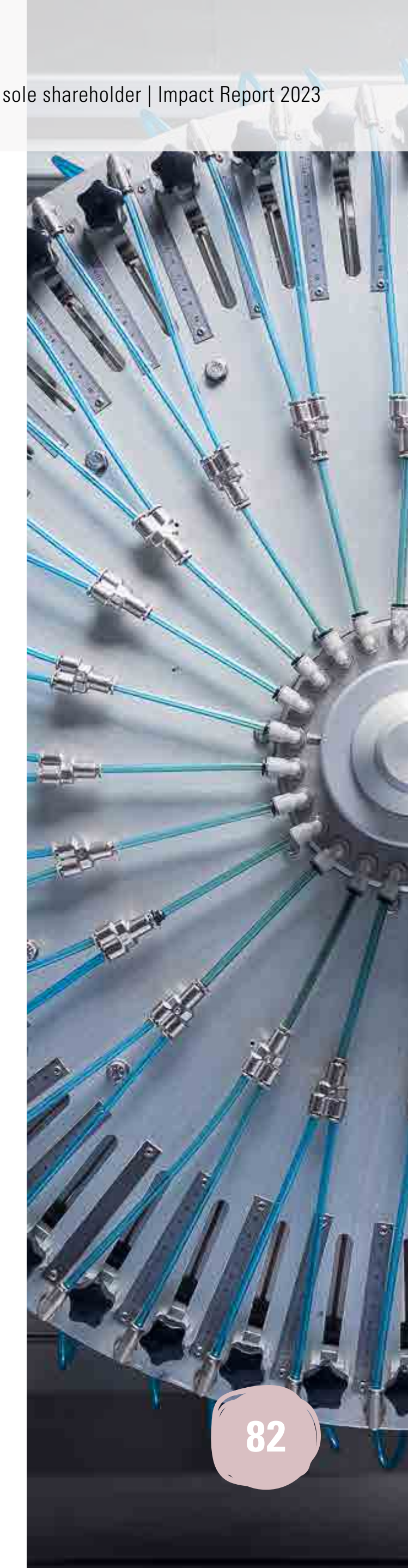
incorporate their patented technologies into formulations to introduce innovative and original products to the market.

- **Continuous Innovation:** The Labomar Research division works to implement and patent ever-new technologies. To date, it boasts a portfolio of 7 platform patents and 6 formulation patents.
- **Collaborations with Universities:** Labomar Research actively collaborates with various Italian universities. These partnerships allow for conducting clinical studies, in vitro tests, and research on product functionality, as well as supporting thesis and doctoral research in Labomar's industrial laboratories.
- **Specialized and State-of-the-Art Laboratories:** Labomar has established three specialized scientific laboratories, known as Labomar Scientific Service, specializing in product design and development. These laboratories conduct specific in vitro preclinical tests that provide evidence of the efficiency and safety of formulations, as well as laboratory analyses on the phytotherapeutic compositions of raw materials.
- **Various Pharmaceutical Forms:** Labomar's flexibility is reflected in its ability to produce a wide range of pharmaceutical forms, including liquids, tablets,

capsules, powders, gels, and creams, with customized primary and secondary packaging options according to customer needs.

- **Various Therapeutic Areas:** Expertise covers all therapeutic areas of health, including probiotics, cough and cold remedies, gastroenterology, vitamins, sleep and stress disorders, cardiovascular, gynecology, tonics and energizers, special medical food, antioxidants, and immunity.
- **Industrial Scale-Up:** Final prototypes undergo scale-up on Labomar's industrial plants, thanks to internal stability studies conducted according to ICH (International Council for Harmonisation) standards in areas II, IV, and IVB to ensure product reliability and safety.

²⁹ You can find major details on the chapter "Community"





Innovating sustainably has been the hallmark of Labomar’s business model in recent years: sustainability begins from the design phase, making it essential to conceive a product with sustainable characteristics from its inception. With reference to this, and to highlight studies conducted with a focus on sustainability, the number of research projects focused on sustainable solutions is presented below. These include, for the development of products:

- Use of *clean label* raw materials, i.e., natural ingredients, free from additives, and minimally processed;
- Selection of *clean label* products, consisting of natural raw materials and characterized by a short and simple ingredient list;
- Optimization of processes for sustainability within the *life cycle thinking approach*;
- Use of sustainable raw materials, with a short and controlled supply chain or certified and/or traceable supply chain;
- Use of sustainable packaging, for which refer to the “Sustainable Packaging Management” section.

Number and Percentage of research project focusing on sustainable solutions

	2022	2023
Total number of research project focusing on sustainable solutions	1	4
Total number of research project under defined scope ³⁰	12	32
% of research project focusing on sustainable solutions	8%	13%

³⁰Total number of products devised from innovation activities and the number of products related to internally autonomous projects registered, excluding client projects.

% of research project focusing on sustainable solutions

13%

Research project focusing on sustainable solutions in 2023





FOCUS ON

Development of a new intellectual property

In 2023, Labomar filed a patent application for an industrial invention entitled **“Enhancing Compositions for the Dispersion of Probiotics in Oil Suspensions”**. The invention pertains to the creation of oil suspensions containing probiotic microorganisms. According to the official definition by the FAO and WHO, probiotics are “live microorganisms that, when administered in adequate amounts, confer a health benefit on the host.” They are present in food and dietary supplements and contribute to maintaining a healthy balance of microorganisms in the digestive system. Probiotics promote overall well-being by preserving gastrointestinal health and supporting various metabolic processes in the body. Probiotics are found in both solid (powders, capsules, tablets) and liquid (drops) forms. However, probiotics in liquid products are more sensitive to factors that can potentially lead to the formation of aggregates or sediments that are difficult to resuspend. The invention subject to the patent application involves identifying a pool of substances capable of stabilizing the product, reducing the formation of aggregates, and facilitating the resuspension of probiotics once the liquid is agitated. The product has been formulated by selecting additives compliant with pediatric regulations, making it suitable for pediatric use.

FOCUS ON

Development of a new scientific publication

TITLE: Effective Dissolution Test for Designing Bilayer Tablets with Prolonged Nutraceutical Release

JOURNAL: Pharmaceutical Science Advances (Elsevier)

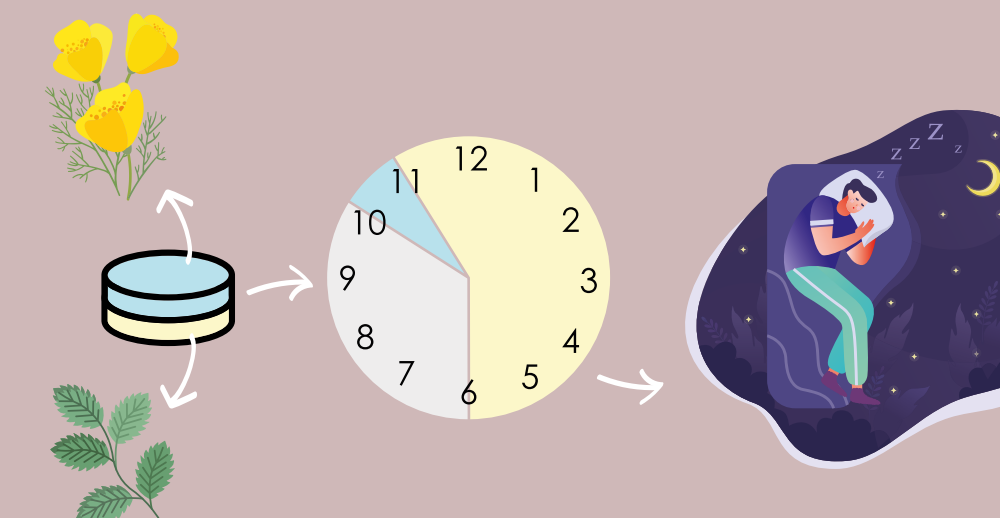
AUTHORS: Walter Bertin, Rebecca Bassetto, Emanuele Amadio, Francesco Ciampanelli, Pietro Ilari, Paolo Gaballo, Martina Callegari, Sara Feltrin, Jacopo Gobbo, Samuele Zanatta.

KEY POINTS

- Enhancement of existing product catalog for multilayer tablets
- Valorization of NUTRALAYER™ technology
- Demonstration of product effectiveness through in vitro tests developed by Labomar Scientific Service

ARTICLE SUMMARY

The main objective of this project is to create, develop, and scientifically validate an in vitro dissolution test to guide the design of an innovative multilayer tablet with controlled and prolonged release of nutraceuticals, developed using NUTRALAYER™ technology. This technology allows for the design of a tablet with two distinct layers: the first facilitates rapid release of melatonin, while the second ensures continuous and gradual release over time. Additionally, the bilayer tablet, besides melatonin, includes extracts of *Escholzia californica* and *Melissa officinalis* as



natural active ingredients. The combination and synergistic function of these ingredients provide a comprehensive approach to addressing sleep issues. This tablet was first characterized, and subsequent bioaccessibility studies (including dissolution and intestinal permeability tests) were conducted to assess the pharmacological performance and bioavailability of the active components. The data related to the bilayer tablet were compared with a monolayer tablet lacking modulated release technology. The results demonstrated that the bilayer tablet exhibits a prolonged release profile, consisting of a portion where melatonin release is very fast and another slower and prolonged, thus providing an effect covering 8 hours, useful for those with sleep disturbances. In comparison, the monolayer melatonin tablet provides total release after approximately 1.5 hours of oral administration. It is also noteworthy that modulated release technology does not negatively impact the intestinal absorption of melatonin, and consequently, its bioavailability remains unaffected: approximately 78% of the administered melatonin can potentially be bioavailable. This research provides valuable insights into the effectiveness and potential advantages of using double-layer tablets with modulated release to alleviate sleep difficulties and avoid adverse reactions.



Ready to Sell: Labomar's sustainable products in the catalog.

Product - HYDRALAYER

Thanks to its biomimetic multi-lamellar structure, HYDRALAYER is an active emulsion with **100% natural origin ingredients**, following ISO 16128 guidelines, capable of hydrating the skin and maintaining its hydration over time. HYDRALAYER promotes the restoration of the protective functions of the skin barrier, reducing trans-epidermal water loss (TEWL). Additionally, the barrier formed by HYDRALAYER reduces contact between irritating external agents and the skin, decreasing the likelihood of developing skin discomfort. HYDRALAYER is **87.7% biodegradable in 28 days**, in compliance with OECD 301: 1992 standards.



Dietary Supplement - LAXAMOV

LAXAMOV is a dietary supplement in the form of syrup, which helps regulate intestinal movement without causing irritation or dependency. It is based on **European Mallow**, known for its ancient use, which contributes to achieving the desired soothing activity. Considering the plant-based raw material, Labomar has decided to include in its catalog a completely sustainable product, also with reference to the primary packaging made of **50% R-PET**, thereby expanding its portfolio of Ready to Market proposals with sustainable products



Dietary Supplement – Pure Immuno

Pure Immuno is a dietary supplement in chewable tablets, enriched with vitamins and extract of *Echinacea purpurea L.*, designed to support the normal function of the immune system. In the production process, the use of solvents and pesticides has been eliminated, and the supply chain is short and entirely Italian. Furthermore, utmost attention is paid to traceability, ensuring the origin of each component and the absence of environmental contaminants in the production process.



FOCUS ON

The Regulatory Affairs function at Labomar

The Regulatory Affairs function at Labomar ensures that the products manufactured comply with mandatory requirements regarding safety and efficacy, thus allowing them to be regularly marketed in target markets.

The department analyzes and interprets applicable regulations, harmonizing their provisions within the organization and developing policies, processes, and systems to ensure that all licenses, registrations, certifications, and permits necessary for legal marketing are compliant, developed, and monitored. The scope of action of Regulatory Affairs extends throughout the product lifecycle, from design to post-sales activities, to ensure that the product's risk/benefit profile remains aligned with legal requirements and the state of the art in technology/science. The department collaborates with all Labomar functions and represents the organization in dialogue with the competent authority. Labomar operates in a regulated sector with complex and articulated regulations that require high and specific levels of expertise; for this reason, the department is vertically organized according to regulatory context.

The department's activities are organized according to formal procedures integrated into the organization's Quality System. Regulatory Affairs outlines the best strategy to achieve business objectives within a measured and controlled risk level, ensuring Labomar and its stakeholders a safe approach to the market and ensuring business continuity.



The first shared benefit goal



B Corp area score

- ETHICS
- QUALITY
- EFFECTIVENESS

Focus on the sustainable innovation of processes to create products that are ethical, top-quality, safe and effective and that meet the needs of our clients and, consequently, our end consumers.

For the purposes of Articles 376 to 384 of Law No. 208/2015, the benefit corporation annually prepares a report concerning the pursuit of the common benefit, which includes:

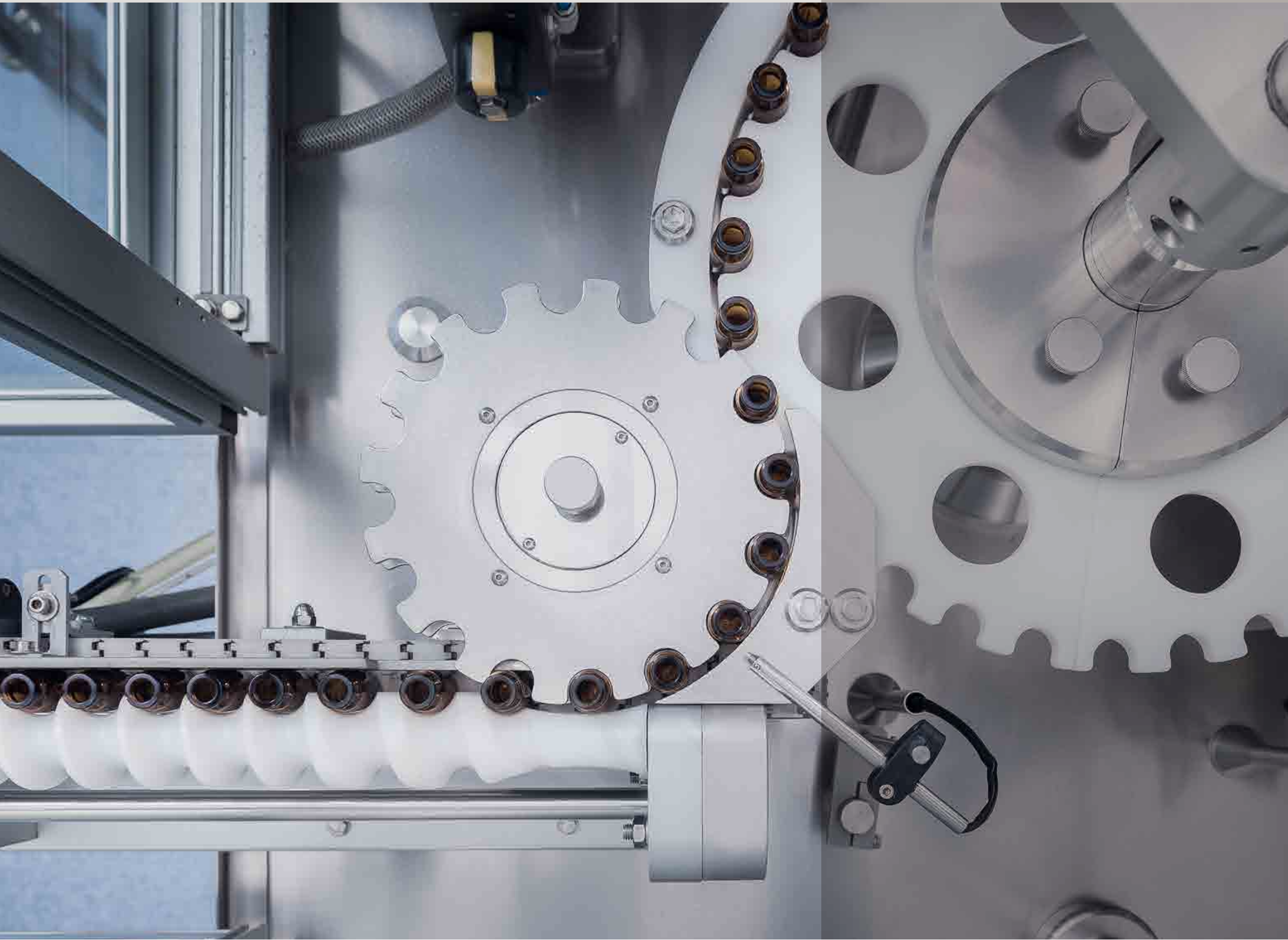
- a. Description of specific objectives, methods, and actions implemented, as well as any circumstances that have hindered or slowed down progress
- b. Evaluation of the impact generated using the external evaluation standard B Impact Assessment.





Specific Objectives	Actions taken to achieve the first shared benefit purpose	Status 2023	New objectives for 2024
In partnership with a Labomar supplier, the development of a raw material that does not contain silica dioxide within the formulation.	The project started in the second half of 2023 and will be completed during 2024.	→	
Development of preclinical analyses within Labomar aimed at optimizing the Research and Development process to develop new products.	Formulation studies, physicochemical tests, stability studies, and systematic developments were conducted, enabling the achievement of the goal.	✓	
Development of at least one new intellectual property.	Focus on	✓	YES
Development of a new scientific publication.	Focus on	✓	YES
Redesigning of at least 3 products with sustainable packaging features.	Since the early months of 2024, the project has been undergoing technical review by the Regulatory and Quality team, following successful completion of stability tests conducted by R&D.	→	
			+ Assessment of sustainable primary packaging for powder.





06

Suppliers

- Sustainable management of suppliers
- The second shared benefit goal



Sustainable management of suppliers

[GRI 204-1]

Labomar, in pursuit of its 'Customer-oriented' philosophy, acknowledges the value of suppliers as essential partners in its path to success. By closely collaborating with suppliers, Labomar is committed to providing tailored solutions to meet customer needs and exceed market expectations.

In its relationships with partners and suppliers, as outlined in the Code of Ethics, the Company commits to:

- Develop relationships of fairness and cooperation based on communication aimed at enabling the mutual exchange of skills and information and fostering the creation of common value.
- Ensure that every company meeting the required criteria has the opportunity to compete for a supply, adopting objective evaluation criteria in the selection process, according to declared and transparent modalities.
- Observe the contractually stipulated conditions.

Throughout 2023, Labomar focused on several aspects, including securing the business by collaborating with suppliers in forecasting demands and transparently sharing production volumes. Additionally, other areas on which the Company worked during the year included the concepts of competitiveness and adaptability to market dynamics,

given the contingent shortage of raw materials, as well as creating value-based partnerships based on proactivity and sustainable management along the entire supply chain.

To better manage relationships with its suppliers, Labomar has developed a Supplier Code of Conduct with the aim of promoting a fair, transparent, and sustainable supply chain from a social, environmental, and economic perspective. This Code extends to working conditions and human rights, ethics, transparency, anti-corruption, and environmental impact.

In mid-2023, a project was initiated to develop a new Procurement Procedure, which will be implemented in 2024. This Procurement Procedure, in addition to regulating the Company's commitment to selecting suppliers who meet sustainability criteria, aims to rationalize internal decision-making flows by governing the procurement process more effectively. With the new Procurement Procedure, the Company is determined to maintain high standards of quality, sustainability, and ethics in its procurement processes.



SUPPLIERS' CODE OF CONDUCT





With regard to the validation of new suppliers, Labomar follows an internal supplier qualification procedure outlined in the Quality Manual, which includes initial assessments, periodic reassessments, and qualification monitoring. Suppliers are classified based on the type of product and/or service provided and their criticality, with particular attention to suppliers supplying products directly impacting the essential requirements of finished products. Supplier selection and purchasing conditions are based on an objective evaluation of quality, price, and the ability to provide adequate service levels, with special attention to sustainability issues. The latter element will be increasingly integrated into future reporting exercises, with the aim of making sustainability a requirement for supplier inclusion.

Overall, Labomar emphasizes that in the supplier qualification process, it evaluates the level of compliance of their Quality System according to the relevant regulations in the field of the products of interest. All qualification criteria have been configured taking into consideration the need to assess:

- Technical aspects: whether the supplier has the necessary skills and tools to provide a product and/or service compliant with the specified requirements;
- Commercial aspects: to assess the supplier's competitiveness based on the proposed conditions;
- Authorization aspects: to verify if the supplier has the necessary health and/or ministerial authorizations for the regular conduct of their activities.

During the last months of 2023, Labomar took a significant step towards sustainable management of its supply chain through the implementation of a proprietary supplier evaluation tool. This innovative tool allows suppliers to be evaluated from an ESG (Environmental, Social,

Governance) perspective, providing a synthetic rating for each evaluation area. The main objective of this tool is to measure and manage the sustainability impact of Labomar's suppliers, enabling the company to identify and promote sustainable practices along the entire supply chain. Through this evaluation, Labomar can objectively assess the performance of its suppliers and collaborate with them to continuously improve sustainability results. To date, it is noted that with the tool, Labomar has managed to evaluate 32 direct suppliers. Direct suppliers excluded are those related to an important but not strategically significant reference due to a choice imposed by a customer or where there is no business continuity relationship. The goal for 2024 is to extend this activity to indirect suppliers.

Labomar aims to promote a sustainability-oriented supply chain, integrating social and environmental issues into its strategic vision.

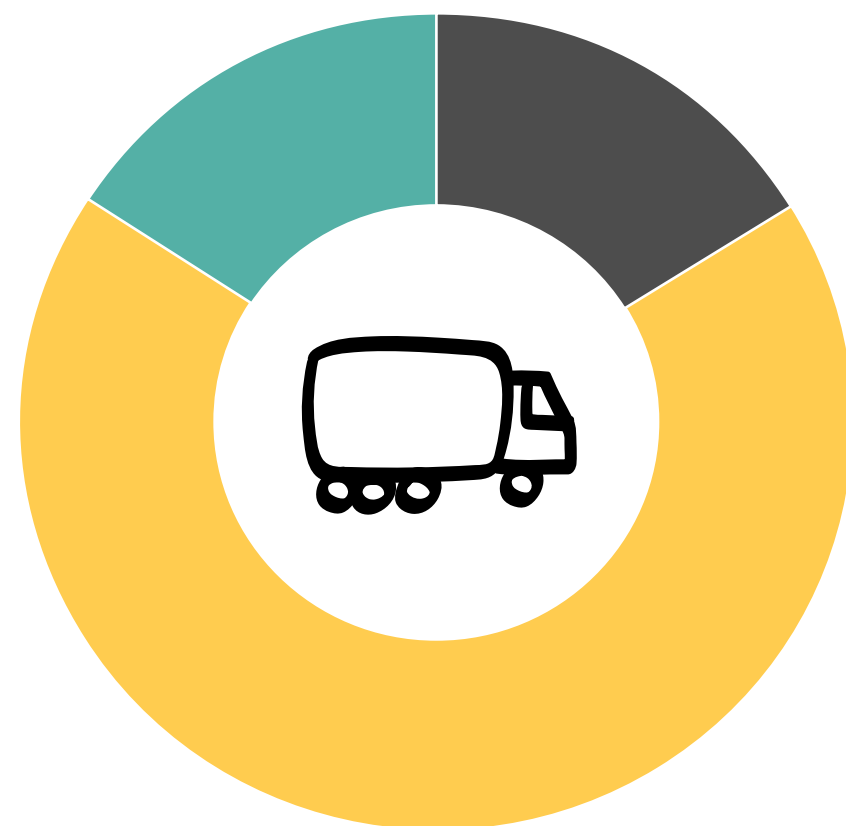




Labomar recognizes the importance of local purchasing in supporting the local economy and maintaining strong relationships with the surrounding community. Local sourcing not only contributes to the economic stability of the area in which it operates but also represents a strategy aimed at ensuring an adequate availability of resources and promoting sustainable development at the local level. Through careful procurement management and a constant commitment to responsible sourcing, Labomar aims to contribute to the well-being of the communities in which it operates. Below are the data related to the expenditure made in favour of local suppliers.

Proportion of spending on local suppliers

- **16.22%** Within 80 km from the headquarters of Labomar S.p.A.
- **68.08%** Between 80 and 300 km from the headquarters of Labomar S.p.A.
- **15.71%** Beyond 300 km from the headquarters of Labomar S.p.A.



FOCUS ON

Costruire un percorso sostenibile II

The event took place on September 21, 2023, at the Labomar L3 Headquarters and later at Villa Lattes (Treviso).

Targeted at key direct suppliers, the meeting was an important opportunity to share the latest developments regarding Labomar's sustainability journey and the new initiatives implemented to promote increasingly virtuous practices along the value chain. Throughout the day, crucial sustainability themes were addressed, such as reducing environmental impact, optimizing supply chains, and fostering open and constructive dialogue on pursuing common goals for a better future.

Through moments of discussion and idea exchange, participants had the opportunity to engage in an interactive stakeholder engagement session, allowing Labomar to gather insights for a more inclusive materiality analysis towards stakeholders. It was a day marked by moments of discussion, exchange of best practices, and collaboration, with the aim of understanding how the realized path can contribute to the growth of the company and the supply chains it relies on. The event concluded with the awareness that change requires collective commitment and that the active involvement of all stakeholders is crucial to building a better future for present and future generations.



Labomar's Stakeholders Involved:

- Management
- Procurement
- Sustainability
- Sales
- Marketing

19

Number of Direct Suppliers Involved



The second shared benefit goal

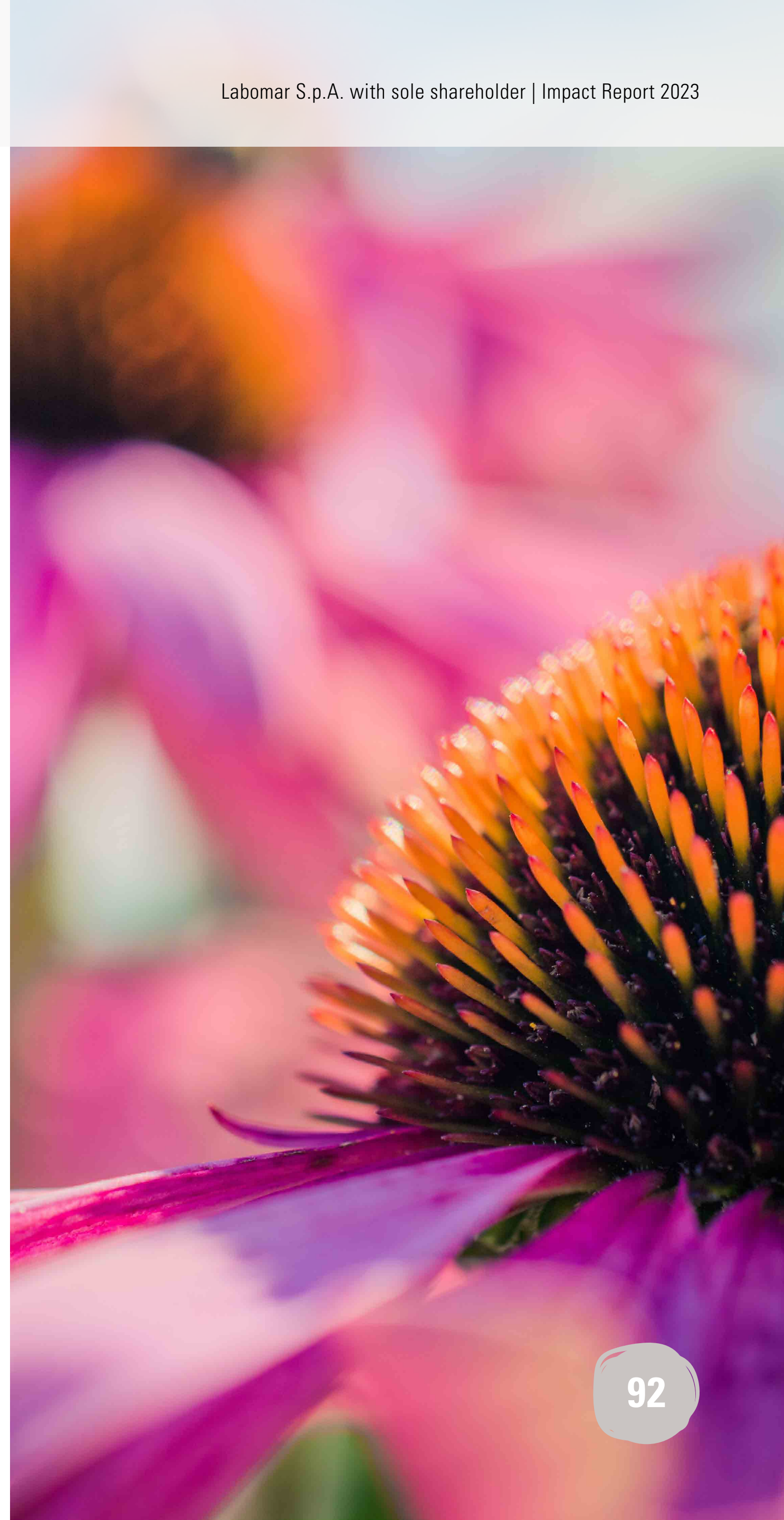
“A concrete and transparent commitment to protecting the environment by monitoring our impact, introducing beneficial company practices, selecting safe and sustainable raw materials and looking to form valuable partnerships with customers and suppliers.”

Sustainable Supply Project

In the development of sustainable products, the supply chain stands as the focal point. The initial step is the selection of suppliers who share Labomar’s values and prioritize sustainability. To create meaningful value, Labomar aims to engage its partners and suppliers first.

Specific Objectives ³¹	Actions Taken to Achieve the second shared benefit goal	Status 2023	New Objectives 2024
100% of new suppliers assessed using sustainability criteria (ethical/social and environmental parameters).	In the last months of 2023, a tool was implemented to manage the sustainability profile of suppliers. As reported, this tool will be extended to 100% of them during 2024, aiming to integrate the indirect ones.	→ The tool was implemented in the last three months of 2023, and it was not possible to evaluate the new suppliers.	YES
100% of the total suppliers assessed using sustainability criteria (ethical/social and environmental parameters)	Refer to the actions in the previous line.	→	YES
30% of the assessed suppliers have signed the code of conduct.	This objective will be reassessed during 2024, as Labomar is currently proceeding by including an acceptance statement of the Code of Ethics directly in the purchase order.	×	
5% of purchases from suppliers within 80 km of Labomar’s headquarters.		✓	The new objective that will be proposed again in FY 24 is: 10% of purchases from suppliers within 80 km of Labomar’s headquarters.

³¹ The objective regarding suppliers who responded to Labomar’s sustainability questionnaire has been removed, as it is now integrated into the ESG rating function provided by the tool.





07

Community

- Collaboration and partnership with universities
- Membership associations
- The fourth shared common benefit goal



Collaboration and partnership with universities

Contamination Lab

Labomar's Contamination Lab participated in the sixth edition of the Contamination Lab Veneto promoted by UniSMART - University of Padua Foundation, a project that enhances the creativity and talent of students and doctoral candidates to develop new entrepreneurial solutions. Labomar challenged a team of 5 students with a dual objective: first, to map regional and national supply chains that could create synergies with the nutraceutical sector, study by-products to identify their potential, and assess the economic impact of developing new raw materials and finished products. The second objective was to devise a sustainable business model for launching a new B2B service that allows for the reuse of agri-food by-products. The results were compiled into a Project Work delivered to the company and presented at the concluding event held at Le Village in Padua. The team proposed a matchmaking platform for valorising agricultural by-products, a virtual exchange platform where the buying and selling of goods and agricultural by-products can take place, as well as the sharing of ideas and new technologies related to the circular economy.

XXXI National Congress of Phytotherapy, Brescia

The National Congress of Phytotherapy, organized by the Italian Society of Phytotherapy, is one of the most important national events in this field, bringing together academics,

scientific associations, and professionals such as doctors, pharmacists, nutrition biologists, veterinarians, and other professionals operating in the field of plant-based products, along with companies. This synergy fosters an excellent program, highly appreciated, and held in high regard by national and local institutions. The participants of the last 10 congresses in person averaged 150, with a daily participation exceeding 100 individuals. Labomar participated as a supporting member through a financial contribution and the participation of two employees, Formulation & Scientific Communication Specialist and R&D Manager, as speakers.

Orienteering Night

Orienteering Night is a free event promoted by Unox and held at the Botanical Garden of Padua. During this occasion, Labomar's managers, R&D, and Sustainability, had the opportunity to interact with numerous university students looking for job opportunities.





PhD Research Programs, Three-Year Duration, Started in 2022, and Still Active

Two co-financed PhD research projects on anti-aging: themes are ongoing

- 1 PhD in Nutraceuticals and Functional Food and Human Health, 38th cycle, at the University of Naples

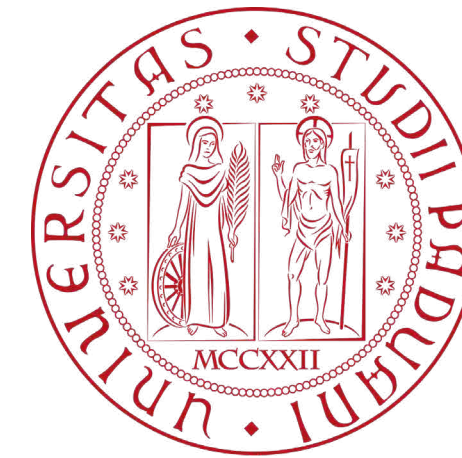
The doctoral project involves conducting real-life investigations on humans to provide proof of concept for new formulations. Real-life investigations allow for the evaluation of the effectiveness of products already on the market and are conducted on healthy subjects recruited in pharmacies. The first product developed and studied is Laxamov, a dietary supplement based on mallow for intestinal regularity. In 2023, the experimental design was developed, and subjects who completed questionnaires were recruited. The analysis of results is currently ongoing.

- 2 PhD in Molecular Sciences - Pharmaceutical Sciences Curriculum, 38th cycle, at the University of Padua

The doctoral project focuses on evaluating the anti-aging effectiveness of a trademarked extract, Elixspir, based on organic spirulina algae. Through in vitro and cellular models, Labomar has demonstrated the effectiveness of this extract in preventing and counteracting the main causes of skin aging. In particular, the extract has shown antioxidant and potent anti-inflammatory properties. Thanks to its ability to inhibit the activity of the tyrosinase enzyme, it proves to be a useful ally in preventing the formation of skin spots.

Bachelor's Theses of 2023

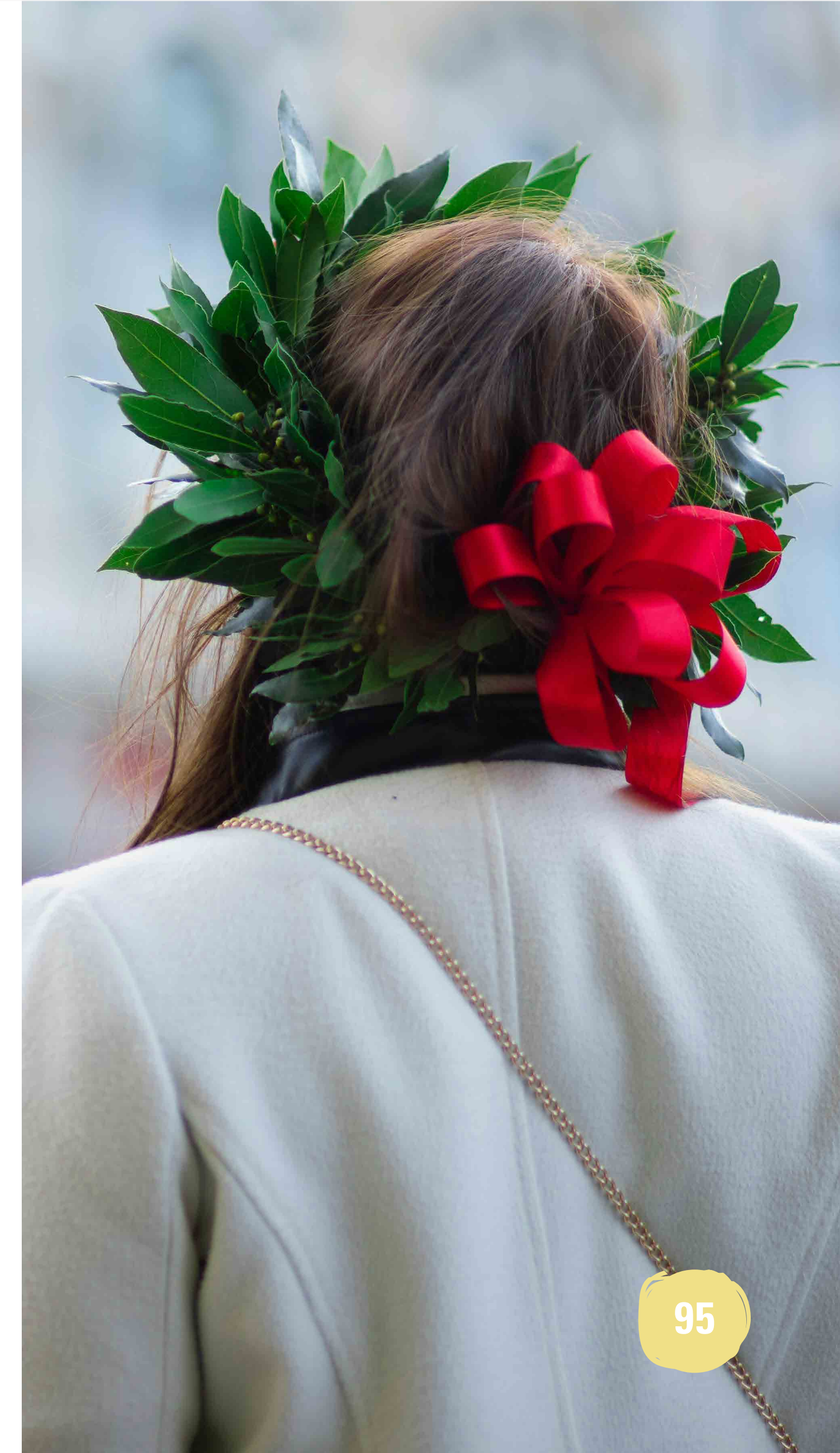
- 1. Thesis Title: "Development of a Dietary Supplement Containing Probiotics and Plant Extracts as Adjuncts in the Treatment of Vaginal Dysbiosis," University of Padua



- 2. Thesis Title: "Analysis of the Interaction between Probiotics and Botanicals: Development of a Pharmaceutical Formulation Based on Probiotics in Combination with One or More Botanicals," University of Milano Bicocca



- 3. Thesis Title: "Probiotics in Cosmetics: Innovation to Combat Acne and Atopic Dermatitis," University of Ferrara





Membership associations

[GRI 2-28]

Within the scope of belonging to associations, Labomar emphasizes the importance of actively collaborating with various organizations for charitable, cultural, and community development purposes. Through involvement in such initiatives, a deep connection with the local community is promoted, contributing to social and environmental progress. This participation reflects Labomar's ongoing commitment to supporting projects and initiatives that promote the well-being of people and the environment.



Universo Treviso Basket Association

Universo Treviso is the consortium of companies established in 2012 to continue the basketball tradition in Treviso, a reality that has brought great satisfaction and sporting glory to the province. It has been a symbol of our city for years in Italy and around the world.



Confagricoltura Treviso

Confagricoltura Treviso is the provincial association that represents and protects the interests of agricultural entrepreneurs and agri-food companies in the province of Treviso.



Associazione Amici Università Padova

Amici dell'Università di Padova is an association that promotes culture, solidarity, and personal and professional growth among students and graduates of the University of Padua.



CUOA Foundation Supporters

The CUOA Foundation is supported by various backers who contribute to its development and mission. Among the supporters of the CUOA Foundation are companies, institutions, foundations, and public and private entities that share the values and objectives of the institution. These supporters provide financial resources, specialized expertise, networks of contacts, and other forms of support that allow the CUOA Foundation to continue its important work in the field of education and managerial training.



Assobiomedica Confindustria

Assobiomedica is the National Association of Instrumentation, Equipment, Devices, and Health Products Industries. It is part of Confindustria, the main category association representing manufacturing and service companies in Italy. Assobiomedica is committed to representing and promoting the interests of companies in the biomedical sector and supporting development and innovation in healthcare technology. The association works closely with institutions, healthcare organizations, and other stakeholders to ensure the safety, effectiveness, and quality of products and services offered by the biomedical industry.



Associazione Industrie Beni di Consumo

AIB is an organization that represents and protects the interests of companies operating in the consumer goods sector, including food, beverages, cosmetics, household care products, personal hygiene products, and other non-durable consumer goods. AIB is committed to promoting sustainable development in the sector, in favor of the competitiveness of companies and consumer protection. The association actively works to provide support to member companies through consulting services, training, institutional representation, and commercial promotion. Additionally, AIB collaborates with public institutions and other stakeholders in the sector to develop appropriate regulations and promote innovation and product quality.



Associazione Italiana Aziende Familiari

AIDAF is an organization that represents and promotes the interests of family-run businesses in Italy. Founded in 1990, AIDAF is committed to supporting the development and growth of family businesses through a series of targeted initiatives, services, and activities.



International Probiotics Association IPA – Canada

The International Probiotics Association (IPA) is a global organization dedicated to promoting the safe and effective use of probiotics. Founded in Canada, IPA is a leading advocate for research, education, and regulation of probiotics worldwide. The IPA collaborates with stakeholders in the industry, regulatory authorities, and scientific communities to advance understanding of probiotics, develop quality standards, and raise consumer awareness.



Confindustria Veneto Est

Confindustria Veneto Est is the territorial association of Confindustria representing businesses in the eastern part of the Veneto region, Italy. Founded to promote the interests of local companies, Confindustria Veneto Est works to foster economic, industrial, and social development in the area. The association provides services to its member companies, offers institutional representation, and promotes innovation, training, and competitiveness within the local entrepreneurial fabric. **Labomar's President and CEO serves as Vice President of the Confindustria Veneto Est Group with responsibilities related to ESG.**



UniSMART Padova

UniSMART is the foundation of the University of Padua that promotes technology transfer and post-graduate training.



Unione Italiana Food

The Italian Food Union is an association that represents and promotes the interests of the Italian food industry. Founded with the aim of supporting the development and competitiveness of the food sector nationally and internationally, the Italian Food Union works to promote economic growth and enhance the quality and gastronomic tradition of Italy. Through promotional initiatives, research, training, and advocacy, the association is committed to supporting Italian food companies and promoting the reputation and appreciation of Italian food products worldwide.



Consorzio Corepla

The COREPLA Consortium is a non-profit Italian organization that deals with the management of plastic packaging waste. Founded in 1997, COREPLA promotes and coordinates the recovery, recycling, and proper disposal of plastic packaging through separate collection and material recycling. The consortium's activities involve manufacturers, distributors, consumers, and local authorities to achieve the objectives of reducing the environmental impacts resulting from the use and disposal of plastic. COREPLA plays an important role in the sustainable management of waste and in promoting the circular economy in Italy.



Consorzio Comieco

The Comieco Consortium is a non-profit organization that deals with the management of paper and cardboard waste in Italy. Founded in 1985, Comieco coordinates and promotes the recovery, recycling, and proper disposal of paper and cardboard through separate collection and material recycling. The consortium's activities involve companies, public entities, sector operators, and citizens to promote environmental sustainability and the circular economy in the paper and cardboard sector. Comieco plays a crucial role in responsible waste management and in promoting sustainable practices in the production and consumption of paper materials.



Ribes per l'ecosistema salute e l'alimentazione smart

The Regional Innovative Network, RIR RIBES-Nest, recognized by the Regional Government of Veneto with decree 1697 of 2016, was created to facilitate growth and development through interaction between traditional sectors and emerging sectors revolving around the Health and Smart Food Ecosystem.



The fourth shared common benefit goal

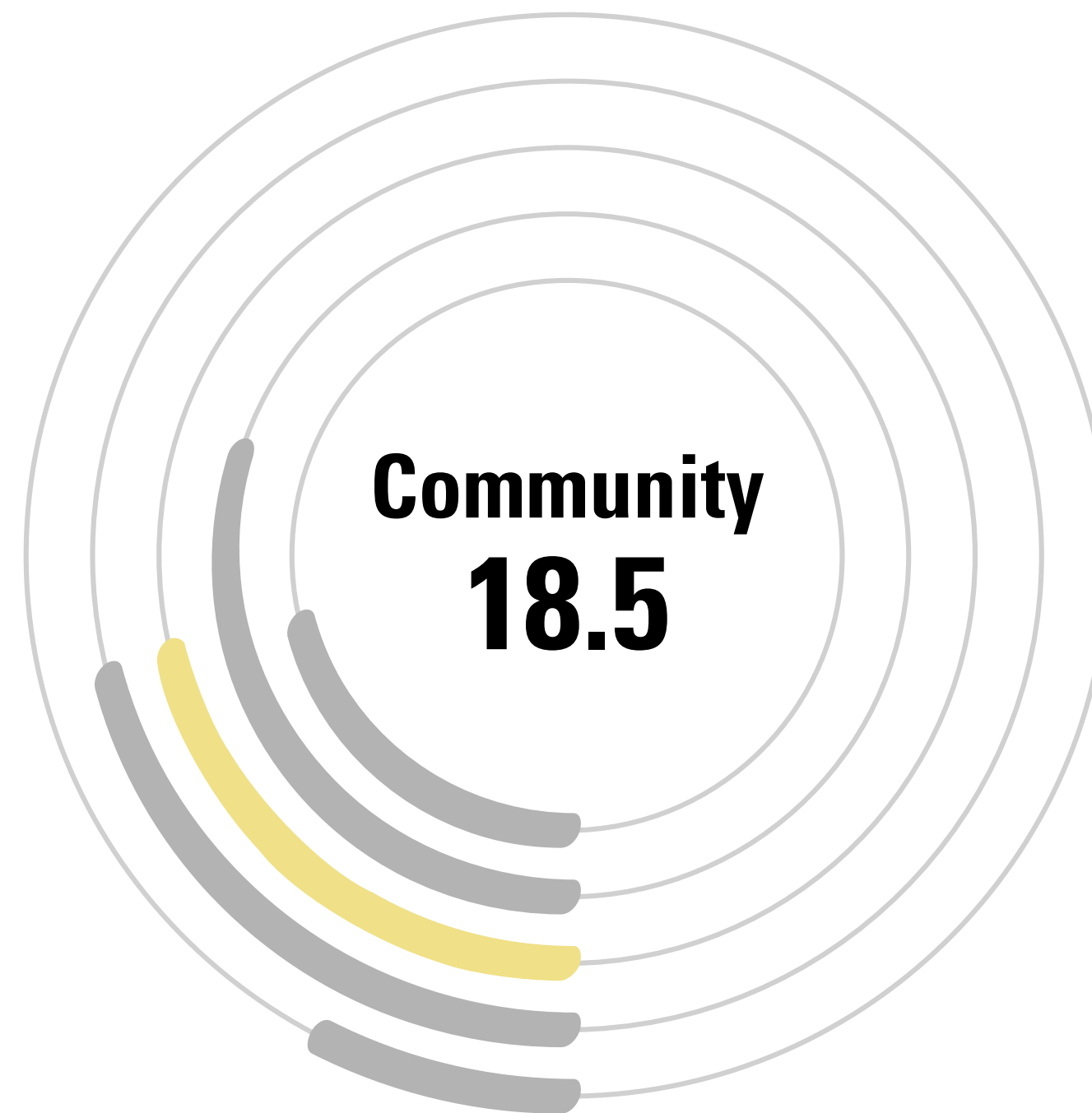


B Corp area score

“Promote a culture of beauty, support cultural and social projects and create value in the local area”

LOCAL COMMUNITY: THE LOCAL LOVE PROGRAMME

Labomar has always participated in and contributed to the development of its local community through donations and collaborations with cultural, social, and sports entities in the area. Numerous sponsorships and participations in events, discussion tables, and entrepreneurial exchanges have characterized the company's extensive network of valuable relationships. In this context, Local Love was born, a project that defines Labomar's connection with the territory where the company was born and raised. Labomar considers itself an active part of the Istrana community and, for this reason, has always participated in initiatives and collaborations with the most significant entities in the area. Relationships with associations, non-profit organizations, schools, and institutions have always been sought and built with great passion. As a Benefit Corporation, Labomar wanted to structure Local Love with a long-term purpose and objective of planned and measured value generation. During 2023, numerous projects were undertaken aimed at generating a positive impact on the local community and the territory.



- BEAUTY
- CULTURE
- SOCIETY
- LOCAL AREA



1. Treviso Creativity Week

The Innovation Future School (IFS) is an association that aims to promote educational paths focused on creativity and Open Innovation, targeting students and businesses in the local area. The main goal of IFS is to foster close collaboration between the local community and its members, by partnering with businesses and institutions to stimulate the creative and imaginative resources of young people, encouraging them to become protagonists in the revitalization of the territory. The PensoFUTURO award is reserved for high school students in the area, who are tasked with developing solutions to challenges posed by partners, including Labomar, with the challenge focused on the theme Elderly & Society. The final took place on 25/11 at the Teatro Accademico in Castelfranco Veneto.

In an era where the aging population is increasingly prevalent, with the percentage of elderly individuals (over 65) in Italy rising from 4.2% to 23.8% of the population in just over 150 years, the well-being and care of elderly individuals become ever more crucial. The challenge proposed to companies is therefore to promote the well-being of elderly individuals in their city of residence and foster social cohesion among different generations.

→ **CHALLENGE:** *How could companies promote the well-being of older people in the city where they live and foster social cohesion between different generations?*

24STARTUPS is an innovative format dedicated to startups, which were the true protagonists of the seventh edition of Treviso Creativity Week. Out of 60 candidates, 24 startups were selected to participate in six stages hosted at the premises of partner companies, including Labomar. Every Friday, four startups presented their projects and also participated as judges of the competitors, in addition to the vote of the host company's owner. Labomar hosted the second stage on Friday 20/10 at its headquarters. The final took place on Saturday, December 16, 2023, at the auditorium of Santa Caterina in Treviso, where Labomar participated as a jury member alongside other partner companies. The winning startup received the prize offered by Startup GRIND Veneto, while all six finalists received the prize offered by "Startup Geeks," Italy's first online incubator.

Specific Objectives	Actions taken to achieve the 4th shared benefit goal	Status 2023	New objectives 2024
Maintain collaboration by allocating 8 hours dedicated to meetings with the entrepreneur and visits to the company.	Visibility and promotion of projects through various communication channels. Sponsorship for the value of €5,000.	✓	YES

2. Landscape redevelopment of land in Istrana

During 2021, Labomar undertook the redevelopment of a 5,000 m2 area in the municipality of Istrana, to enhance its landscape and social function. Throughout 2022 and 2023, Labomar contributed to the maintenance of the area by replacing some trees that had withered due to the intense summer drought and by cleaning the space to ensure safe access for the local community, pending the transfer of the space to the Municipality.





3. Comisso Prize

The Giovanni Comisso Literary Prize, among the most significant in Italy, was established in Treviso in 1979. Each year, it is awarded to an Italian narrative and biography work, including international ones. Within this award, the Friends of Giovanni Comisso Association aims to highlight authors from the Veneto region who are emerging in the publishing world. Numerous cultural initiatives related to the prize are organized, both in person and online. Additionally, the association, together with the Treviso Rotary Club, promotes the Under 35 Prize and the #Comisso15lines Prize, reserved for reviews, emotions, and comments inspired by the competing works. Labomar supported the initiative for the year 2023 by providing a financial contribution of €1,500, sharing the goal of the Friends of Comisso Association to become a true “infrastructure of the territory.” The objective is to promote, locally and beyond, the emergence of processes of social, productive, and cultural formation. This commitment will also be maintained for 2024.

Specific Objectives	Status 2023	New objectives 2024
Continuation of financial support for the Comisso Prize.	✓	YES

4. Christmas gifts

Caring for the well-being of people has always been Labomar’s mission. Becoming a Benefit Corporation has increased Labomar’s commitment to operate responsibly and transparently towards individuals, communities, territories, and organizations. Even in 2023, Labomar chose to honour its customers and partners with a package containing products made from Radicchio Rosso di Treviso IGP (typical of the region and the winter season), purchased from the Nonno Andrea agricultural company, a local producer that promotes biodiversity by cultivating its land using organic methods, respecting seasonality, and crop rotation.

5. Universo Treviso Basket

Labomar committed to providing products to enhance athletes’ performance during training and competitions, as well as to support them in times of physical strain. In 2023, Labomar sponsored and provided informational sessions on the use of supplements for the athletes during their training sessions, ensuring they were used consciously and effectively by the team.

Specific Objectives	Status 2023	New objectives 2024
Sponsorship and support during training sessions with educational components.	✓	YES





6. Treedom Project

Within the scope of environmental protection and CO2 offsetting, there is the project with Treedom, the web platform that allows trees to be planted worldwide, involving local farmers and supporting them through a social and environmental project for land conservation. The tree's growth is overseen by local farmers on behalf of the buyer. Labomar has formalized an agreement with Treedom for the planting of 200 trees per year, including a mix of forest and fruit trees.

6.1 Project "Un albero a bebè"

Within the Treedom project, the "Un albero a bebè" initiative comes to life, through which Labomar plans to plant a tree for each newborn child of the company's employees. This event is also celebrated through Labomar Channel. Following the births, in 2023, 8 trees were planted. Allegra, Giulia, Maria Vittoria, Nora, Antonio, Ettore, Lorenzo, Jannat

7. Sol.co

Sol.Co. is a Social Cooperative established in 1992, whose work activity enables the creation of training and employment insertion paths for people in disadvantaged situations (psychological and mental). Training projects are structured with and for the individual, with the aim of enhancing their potential, resources, and individual autonomy. In 2022 and 2023, Labomar decided to support the Cooperative through a charitable donation to assist in the organization of the "Robe de Mati" festival, a series of playful/informative events in the Province of Treviso and Cortina. The Festival was co-coordinated with the Municipality of Treviso.

Specific Objectives	Status 2023	New objectives 2024
Supporting the Cooperative through a charitable donation to assist in organizing the "Robe de Mati" festival.	✓	YES

8. Anti-violence center Domus Nostra

On the occasion of Labomar's 25th anniversary and the event held on October 24th in Barcelona, Labomar chose to allocate the budget intended for gifts to be given to guests during the celebratory event to Domus Nostra. The anti-violence center, located in Quinto di Treviso, was founded in 1962 to welcome and support families composed of mothers and children, as well as women experiencing moments of vulnerability due to family conflict, domestic violence, eviction, or unemployment.

FOCUS ON

Life – The forest of Labomar

Discover the forest of Labomar on





9. Support for Cultural Activities in the Territory

In order to promote support for cultural initiatives in the territory, as specified within the fourth common benefit goal, in 2023 Labomar decided to support a series of initiatives in favour of culture. This support was not only through external contributions but also through the involvement and participation of its own staff in some activities.

9.1 Cin Cin Comedy

Labomar supported the “Cin Cin Comedy in Villa 2023” event through sponsorship, organized by the Il Satiro Teatro Association. In the splendid central hall of Villa Lattes in Istrana, the Association proposed various events (theater, art, music, and literature) for three Sundays in March, from morning to evening. On Sunday, March 26th, one of these events was dedicated to Labomar. Specifically, President Walter Bertin recounted the company’s sustainability journey and commitment to the territory. It was an opportunity to describe how Labomar’s sustainability also benefits the community where it operates, thanks in part to the presence of Labomar’s Sustainability Manager, who shared their story and underscored the importance of this new key role for companies.

9.2 Il Fiore del Deserto

The exhibition “Il fiore del deserto” presented by Silvia Canton at the Treviso Civic Museums Santa Caterina from October 28th to November 26th, 2023, offered a unique artistic experience. Through Silvia Canton’s personal exhibition at the Santa Caterina Museum in Treviso, a delicate but incisive denunciation was outlined, realized with artistic mastery and using recycled materials. This artistic process, undertaken by Canton, has a remote origin and engages in a dialogue between two geographical realities that, in synchrony, reflect the environmental challenges of our time. The title of the exhibition itself is inspired by Giacomo Leopardi’s poem “La ginestra - or Il fiore del deserto” which, with its representation of human effort in overcoming adversity, offers a reflection on human nature and society. The Broom, a flower that grows in hostile places such as deserts and volcanic environments, becomes a symbol of beauty and resilience. The exhibition, therefore, fits into a context of anti-optimistic and anti-religious criticism, while still glimpsing moments of hope and optimism. Additionally, on November 25th, Labomar held a talk, as a sponsor of the exhibition, during which themes related to sustainability were discussed.

9.3 The Arches of the Scala

In 2023, Labomar sponsored a concert at the Church of San Francesco in Treviso, featuring the Arches of the Scala. The event, scheduled for May 15th at 8:30 pm, was part of the city’s cultural context, offering an opportunity to appreciate music in the evocative and historic setting of the Church of San Francesco.





9.4 Istrana Music School

Labomar provided support to the local Music School for the organization of the XXX Concert Series in 2023, entirely hosted in the Istrana area. This prestigious series featured five distinct episodes, each characterized by a unique and engaging program:

- Saturday, June 3rd: "Harmonic Travelers"
- Saturday, June 10th: "Bands IT"
- Saturday, June 17th: "New Ensemble Orchestra"
- Saturday, June 24th: "Finecielo"
- Saturday, September 9th: "Music Festival"

These events enriched the cultural life of the local community, offering diverse and stimulating musical experiences for all participants.

9.5 Support for the Cultural Association Nina Vola for the publication of the book "A Pint of Clouds"

Labomar provided financial support through a donation to the project of the Cultural Association Nina Vola, "A Pint of Clouds" - for Dario Meneghetti, former tenor of La Fenice who, ten years ago, received a diagnosis of ALS. Boundless tenacity and indomitable energy have led him to "not surrender to the minions of fate" and to continue dedicating himself, with the help of an optical pointer, to poetry and narrative. This is how Dario Meneghetti writes his book, "A Pint of Clouds," published by Ronzani Editore.

9.6 "Per mio figlio" Onlus Association

The "Per mio figlio" Onlus Association is a non-profit organization, founded in December 1997 by a group of entrepreneurs from Treviso in solidarity with the needs of hospitalized children. The primary objective of the organization is to improve the quality of life for hospitalized children and their parents, thanks to its ongoing activities within the pediatric wards of hospitals in the Province of Treviso. On December 21st at 8:00 PM, the Accademia Teatro della Scala held an event where the entire proceeds were donated to the pediatric department of Treviso.

The event featured the participation of the white voices choir of the Accademia Teatro della Scala, offering a unique opportunity to support a noble cause and enjoy prestigious musical performances simultaneously. Labomar contributed through a donation..





10. Support for Legal Initiatives in Sports and Health

Promoting awareness and the spread of healthy lifestyles through activities linked to the local community is an objective that Labomar aims to achieve. In 2023, Labomar decided to support a series of sports and educational initiatives aimed at promoting the adoption of healthy lifestyles.

10.1 Camminare per la vita

Camminare per la vita is a collaborative effort involving over 150 volunteers from Sciare per la vita OdV, an association founded and chaired by Deborah Compagnoni. The event takes place annually in Treviso and aims to promote movement, well-being, the enhancement of the territory, attention to others, and the environment. In 2022 and 2023, Labomar supported the initiative with a donation of €3,000, promoting it through social media channels and the Labomar Channel, thus encouraging the participation of employees and collaborators.

Specific Objectives	Status 2023	New objectives 2024
Continuation of financial support for Camminare per la vita	✓	YES

10.2 Sports Association Scarpe Bianche

In 2023, a Trial took place, starting from Villa di Maser (UNESCO World Heritage Site). The race unfolded on a highly technical hilly loop course, 6 km long, to be repeated multiple times within six hours. The route traversed paths immersed in nature and the history of the Great War, with passages through trenches and walkways. For the 2023 event, Labomar provided several packs of mineral salts to include in the race kits and mineral salt supplements to offer to athletes at various points along the course and at the final refreshment station.

The “6 Hour Maser Trail” is a Trail Running race organized annually by the Association Scarpe Bianche on a closed-loop natural trail of about 7 km and 350 meters of elevation gain. The course retraced paths immersed in nature and the history of the Great War, with passages through trenches and walkways. For the 2023 event, Labomar provided several packs of mineral salts to include in the race kits to offer to athletes at various points along the course and at the final refreshment station.





Appendix

- GRI Content Index
- Independent Auditors' Report



GRI content index

Dichiarazione d'uso	Labomar has reported in accordance with the GRI Standards for the period January 2023, 1 st to December 2023, 31
Utilizzato GRI 1	GRI 1: Foundation 2021
Standard di settore GRI pertinenti	N/A

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION		
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION
Informative generali					
GRI 2 – General Disclosures 2021	2-1 Organizational details	6; 7			
	2-2 Entities included in the organization's sustainability reporting	3			
	2-3 Reporting period, frequency and contact point	3			
	2-4 Restatements of information	3			
	2-5 External assurance	3; 112-114			
	2-6 Activities, value chain and other business relationships	8; 9; 10			
	2-7 Employees	39			
	2-8 Workers who are not employees	41			
	2-9 Governance structure and composition	12-13			
	2-10 Nomination and selection of the highest governance body	13			
	2-11 Chair of the highest governance body	12			
	2-12 Role of the highest governance body in overseeing the management of impacts	22-23			
	2-13 Delegation of responsibility for managing impacts	23			
	2-14 Role of the highest governance body in sustainability reporting	22-23			
	2-15 Conflicts of interest	13			
	2-16 Communication of critical concerns	13			
	2-17 Collective knowledge of the highest governance body	22-23			



GRI content index

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION		
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION
GRI 2 – Informative Generali - versione 2021	2-18 Evaluation of the performance of the highest governance body	Currently, Labomar has not implemented formal procedures to evaluate the performance of its highest governing body regarding the management control of impacts on the economy, the environment, and people.			
	2-19 Remuneration policies	13; 45			
	2-20 Process to determine remuneration	13			
	2-21 Annual total compensation ratio		2-21 Annual total compensation ratio	Confidentiality constraints	As Labomar is a private company, the management does not consider it appropriate to share that information.
	2-22 Statement on sustainable development strategy	2			
	2-23 Policy commitments	15-17; 52			
	2-24 Embedding policy commitments	15-17			
	2-25 Processes to remediate negative impacts	15-17			
	2-26 Mechanisms for seeking advice and raising concerns	15-17			
	2-27 Compliance with laws and regulations	15-17			
	2-28 Membership associations	96-97			
	2-29 Approach to stakeholder engagement	27-29			
	2-30 Collective bargaining agreements	40			
Material topics					
GRI 3: Material Topics 2021	3-1 Process to determine material topics	30			
	3-2 List of material topics	31-32			
Economic performance					
GRI 3: Material Topics 2021	3-3 Management of material topics	18			
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	18			
Sustainable management of suppliers					
GRI 3: Material Topics 2021	3-3 Management of material topics	89-91			
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	91			



GRI content index

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION		
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION
Ethics, Business Integrity, and Anti-Corruption					
GRI 3: Material Topics 2021	3-3 Management of material topics	15-17			
GRI 205: Anti-corruption 2016	205-3 Confirmed incidents of corruption and actions taken	17			
Ethics, business integrity and anti-corruption					
GRI 3: Material Topics 2021	3-3 Management of material topics	15-17			
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	17			
Uses of raw materials and waste management					
GRI 3: Material Topics 2021	3-3 Management of material topics	62-63			
GRI 206: Anti-competitive Behavior 2016	301-1 Materials used by weight or volume	63			
Climate change mitigation and efficient energy use					
GRI 3: Material Topics 2021	3-3 Management of material topics	68-69			
GRI 302: Energy 2016	302-1 Energy consumption within the organization	68			
	302-3 Energy intensity	69			
Water resource management					
GRI 3: Material Topics 2021	3-3 Management of material topics	72-73			
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	72			
	303-2 Management of water discharge-related impacts	72			
	303-3 Water withdrawal	73			
Climate change mitigation and efficient energy use					
GRI 3: Material Topics 2021	3-3 Management of material topics	70			
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	70			
GRI 302: Energy 2016	305-2 Energy indirect (Scope 2) GHG emissions	70			
	305-4 GHG emissions intensity	71			



GRI content index

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION		
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION
Uses of raw materials and waste management					
GRI 3: Material Topics 2021	3-3 Management of material topics	64-65			
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	64-65			
	306-2 Management of significant waste-related impacts	64-65			
	306-4 Waste diverted from disposal	65			
	306-5 Waste directed to disposal	65			
Attraction and Retention of Talent Employee well-being and corporate welfare					
GRI 3: Material Topics 2021	3-3 Management of material topics	44-49			
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	48-49			
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	46			
Employee management and development					
GRI 3: Material Topics 2021	3-3 Management of material topics	37-43			
GRI 402: Labor/Management Relations 2016	402-1 Minimum notice periods regarding operational changes	40			
Health and Safety					
GRI 3: Material Topics 2021	3-3 Management of material topics	53-56			
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	53-56			
	403-2 Hazard identification, risk assessment, and incident investigation	53-56			
	403-3 Occupational health services	53-56			
	403-4 Worker participation, consultation, and communication on occupational health and safety	53-56			
	403-5 Worker training on occupational health and safety	53-56			



GRI content index

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION		
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION
GRI 403: Occupational Health and Safety 2018	403-6 Promotion of worker health	53-56			
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	53-56			
	403-9 Work-related injuries	56			
Employee management and development					
GRI 3: Material Topics 2021	3-3 Management of material topics	41-42			
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	42			
Diversity, Equal Opportunities, and Human Rights					
GRI 3: Material Topics 2021	3-3 Management of material topics	50-52			
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	14; 50			
	405-2 Ratio of basic salary and remuneration of women to men	51			
Diversity, Equal Opportunities, and Human Rights					
GRI 3: Material Topics 2021	3-3 Management of material topics	50-52			
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	51			
Involvement of the local community and social commitment⁸					
GRI 3: Material Topics 2021	3-3 Management of material topics	93-104			
GRI 413: Local Communities 2016	413-2 Operations with significant actual and potential negative impacts on local communities	No actual and potential negative impacts are reported of Labomar's operations against the local community			
Quality and Product Safety					
GRI 3: Material Topics 2021	3-3 Management of material topics	78-81			
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	81			
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	81			

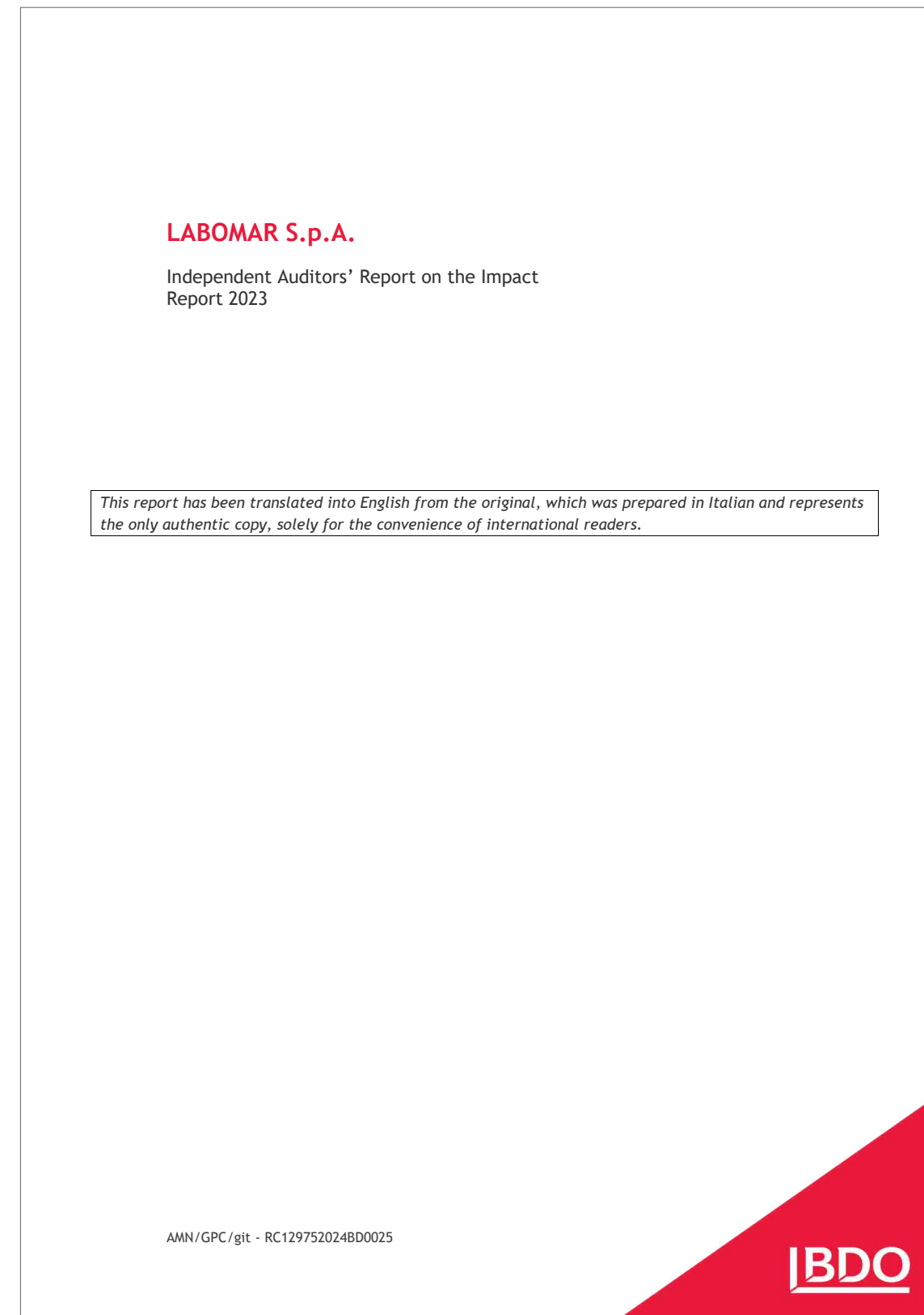


GRI content index

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION		
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION
Cybersecurity and privacy protection					
GRI 3: Material Topics 2021	3-3 Management of material topics	19			
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	19			



Independent Auditors' Report





Independent Auditors' Report

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INDEPENDENT AUDITORS' REPORT ON THE IMPACT REPORT 2023

To the Board of Directors of Labomar S.p.A.

We have been engaged to perform a limited assurance engagement on the Impact Report of Labomar S.p.A. for the year ended on December 31, 2023.

Responsibilities of the Directors for the Impact Report

The Directors of Labomar S.p.A. are responsible for the preparation of the Impact Report in accordance with the "GRI Sustainability Reporting Standards (GRI Standards)" issued by the GRI - Global Reporting Initiative, as described in the paragraph "Methodology" of the Impact Report identified by them as reporting standards, and in accordance with art. 1, paragraph 382, of Law n.208 of 28 December 2015, considering as a methodological point of reference the Guidelines of the OIBR (Italian Business Reporting Body).

The Directors are also responsible for such internal control as they determine is necessary to enable the preparation of a Impact Report that is free from material misstatements, whether due to frauds or errors.

The Directors are also responsible for the definition of the objectives regarding the sustainability performance and the reporting of the achieved results, as well as for the identification of the stakeholders and the significant matters to report.

Auditors' independence and quality control

We are independent in accordance with the ethics and independence principles of the International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) issued by the International Ethics Standards Board for Accountants, based on fundamental principles of integrity, objectivity, professional competence and diligence, confidentiality and professional behaviour.

Our firm applies International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Auditors' responsibility

Our responsibility is to express, based on the procedures performed, our conclusion about the compliance of the Impact Report with the requirements of the GRI Standards and art. 1, paragraph 382, of Law n.208 of 28 December 2015. We carried out our work in accordance with the criteria established in the *International Standard on Assurance Engagements 3000 (Revised) - Assurance Engagements Other than Audits or Reviews of Historical Financial Information ("ISAE 3000 Revised")*, issued by the International Auditing and Assurance Standards Board (IAASB) for limited assurance engagements. This standard requires that we plan and perform the engagement to obtain limited assurance whether the Impact Report is free from material misstatement.

Bari, Bologna, Brescia, Cagliari, Firenze, Genova, Milano, Napoli, Padova, Palermo, Roma, Torino, Verona.
BDO Italia S.p.A. - Sede Legale: Viale Abruzzi, 94 - 20131 Milano - Capitale Sociale Euro 1.000.000 i.v.
Codice Fiscale, Partita IVA e Registro Imprese di Milano n. 0722789067 - R.E.A. Milano 1977842
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Independent Auditors' Report



A limited assurance engagement is less in scope than a reasonable assurance engagement carried out in accordance with *ISAE 3000 Revised*, and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters and events that might be identified in a reasonable assurance engagement.

The procedures performed on the Impact Report were based on our professional judgment and included inquiries, primarily with company's personnel responsible for the preparation of the information included in the Impact Report, documents analysis, recalculations and other procedures in order to obtain evidence considered appropriate.

Specifically, we carried out the following procedures:

- analysis of the process relating to the definition of material aspects included in the Impact Report, with reference to the criteria applied to identify priorities for the different stakeholder categories and to the internal validation of the process results;
- comparison of economic and financial data included in the specific paragraph of the Impact Report with those included in the Financial Statements of Labomar S.p.A.;
- analysis of processes that support the generation, collection and management of data and information to the department responsible for the preparation of the Impact Report.

In particular, we have performed interviews and discussions with the management of Labomar S.p.A. to gather information about the accounting and reporting systems used in preparing the Impact Report, as well as on the internal control procedures supporting the gathering, aggregation, processing and transmission of data and information to the department responsible for the preparation of the Impact Report.

Furthermore, for significant information, taken into consideration the activities and the characteristics of the Company:

- a) with reference to the qualitative information contained in the Impact Report, we carried out interviews and we have acquired supporting documentation to verify its consistency with the available evidence;
- b) with reference to quantitative information, we carried out both analytical procedures and limited checks to ascertain, on a sample basis, the correct aggregation of data.

Conclusion

Based on the work performed, nothing has come to our attention that causes us to believe that the Impact Report of Labomar S.p.A. for the period ended on December 31, 2023 is not prepared, in all material respects, in accordance with the "GRI Sustainability Reporting Standards (GRI Standards)" issued by the GRI - Global Reporting Initiative, as described in the paragraph "Methodology" of the Sustainability Report and in accordance with art.1, paragraph 382, of Law n.208 of 28 December 2015, considering as a methodological point of reference the Guidelines of the OIBR (Italian Business Reporting Body).

Milano, April 9, 2024

BDO Italia S.p.A.
Signed by

Andrea Meneghet
Partner

“
*Dear Stakeholders,
I am pleased to share with you Labomar’s 2023
Impact Report, in which you will find our vision
towards a more sustainable future through clear
and punctual reporting of our ESG objectives and
results. It remains fundamental for us to pursue
an increasingly integrated and innovative approach
to address emerging challenges and maximize
long-term benefits, involving stakeholders more
transparently.*”




Marco Colella
Group Sustainability Manager



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