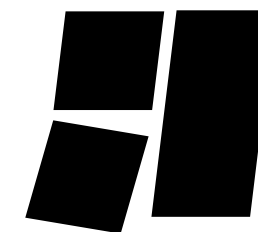


SUSTAINABILITY REPORT

2022



SUSTAINABILITY REPORT 2022

LETTER TO STAKEHOLDERS

Starting from the first days of 2020 and continuing today, the “certainties” that each of us once had have been overturned by extraordinary events, unpredictable and unprecedented in sequence and speed.

Every single person who lives on this planet has been impacted by these phenomena, which have inevitably changed and will continue to change our way of life. Pandemics, interruptions in material and energy supply chains, conflicts, unprecedented acceleration of intercontinental migratory phenomena, climate change, and its consequences must make us think and act accordingly.



The strategic choices that have been taken and will be taken in FEPA are based on an extremely simple mission: all FEPA people aspire, and are committed, to bequeathing to their children a place to work and live that is better than the one they have found.

This elementary concept contains hundreds, perhaps thousands of activities, which guide the operations of our company every day and translate into concrete actions our vision of sustainable growth. This vision is characterized by operational excellence, health and safety without compromise, respect for the environment and the territory, modernity and innovation of processes and technologies, and vertical integration, all supported by high standard performance, high quality of product/service, and profitability.

In these three years, we have invested, and we are investing considerable capital, despite the aforementioned elements of uncertainty, because we firmly believe that reinvesting operating income within the company is ethically fair and respectful towards our employees and the territory and, strategically, the only concrete and responsible way to support our business solidly over time.

New production facilities have been purchased or built, layouts of the existing ones have been completely revised, and the best technologies available in our sector have been inserted. Each of these projects follows a guideline promoting and implementing the improvement of processes, making resource use more effective and efficient, and reducing operational and managerial waste, all enabled by integrated measurement, monitoring, and control systems.

We have strengthened our organizational model by creating a specific Sustainability function to integrate ESG issues with traditional corporate strategic and tactical management, with a manager and resources dedicated full-time to this issue.

If today FEPA has become one of the most important companies in its sector, it is above all thanks to its

people. Training, experience, propensity for innovation, dedication, and the willingness to photograph every goal reached as the starting point for the following, more challenging purpose are the differential elements that characterize our people.

Our external stakeholders do the rest. Starting with our customers, who are a source of pride and whom we want to continually satisfy, please, and accompany in all the projects they take on. Suppliers are a huge asset, one which we have been able to retain and grow over the years. They are one of the essential elements in a successful sustainable growth path.

Our selected and primary financial partners are of central importance, accompanying us in paths of evolution characterized by ever-increasing investments and financial flows.

The administrations and institutions of the territories where we do business are another essential element that allows us to take on our ever-increasing projects of sustainable growth.

Therefore, FEPA's top management considered it right to document the company's path through the Sustainability Report as proof of our great awareness and sense of responsibility towards the world and the people it impacts.

Thanks to tools such as the Sustainability Report, FEPA promises to continue to evolve at an environmental, social, and economic level, with continuous and vital improvements that are measurable day-by-day, with the conviction that the future is created today and the expectation that it will be better than the past.

Fausto Ferretti,
Managing Director FEPA SPA



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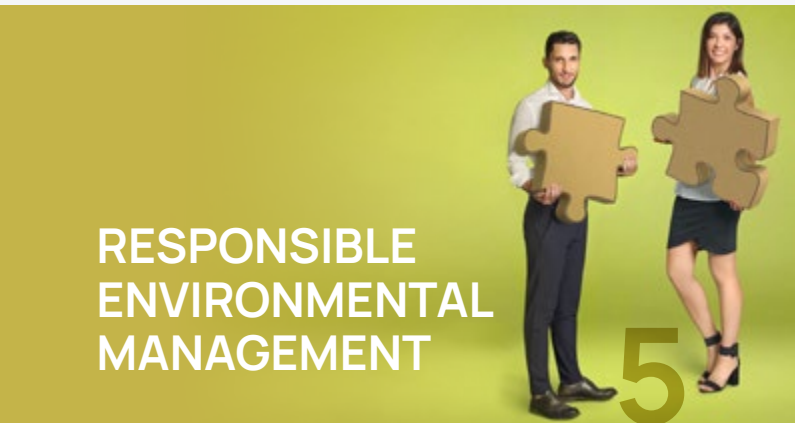
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FEPA




1.1 A Success Story

FEPA SpA is a leading company in the Italian Market of **corrugated cardboard** packaging, which has been supplying, large industrial companies and large -scale retail market with **high quality packaging** for over 60 years. Thanks to **constant and significant investments in technological innovation and research and development** of its own packaging, the history of FEPA is a concrete example of successful family-run entrepreneurship, characterized, in recent years, by a continuous economic growth that has allowed it to reach a production capacity of approximately 400 million square meters per year. FEPA promotes **corporate environmental and social sustainability** through the integration of ESG issues into its **sustainable development strategies** and a pragmatic implementation of the business plan. The initiatives adopted are communicated in the publication of the first **Sustainability Report**.


1960

Franco Ferretti (in the picture) and Gabriella Gabbi open a small shop, starting the history of the company




1985

Sandra, an integrated **corrugated cardboard production and converting** company, is officially founded at its current headquarters in **San Polo di Torriale (PR)**. In a short time, SANDRA becomes a leading company in the sector on a national level




1998

Cart-One is born, the joint-venture that allows us to extend our services throughout the Italian territory




2004

Strengthens and consolidates the positioning in the market, as the **second production plant** is being built in the municipality of Mezzani (PR)



2006

Cart-One crosses national borders thanks to the European alliance **BLUE Box Partners**, a collaboration that allows us to meet the demands of customers throughout Europe



2022

Work starts on the expansion of the Mezzani site, an investment which will lead to a **60% increase in production capacity** with the creation of the new MEZZANI 2 plant and the introduction of the third BHS corrugator

from SANDRA to FEPA

2023



In 2023, the Company takes **a further step towards renewal** with a name change: Sandra SpA changes to **FEPA SpA**, an acronym for Ferretti Packaging. In doing so, the Company chooses to consecrate the importance and legacy of the Ferretti family through generational passages, undertaken with great satisfaction and enthusiasm.

“

The decision to change our name is important and motivating for us, with the aim of **innovating and evolving** by means of a company name that represents our current physiognomy in an up-to-date and coherent manner, **in continuity with our family tradition**.

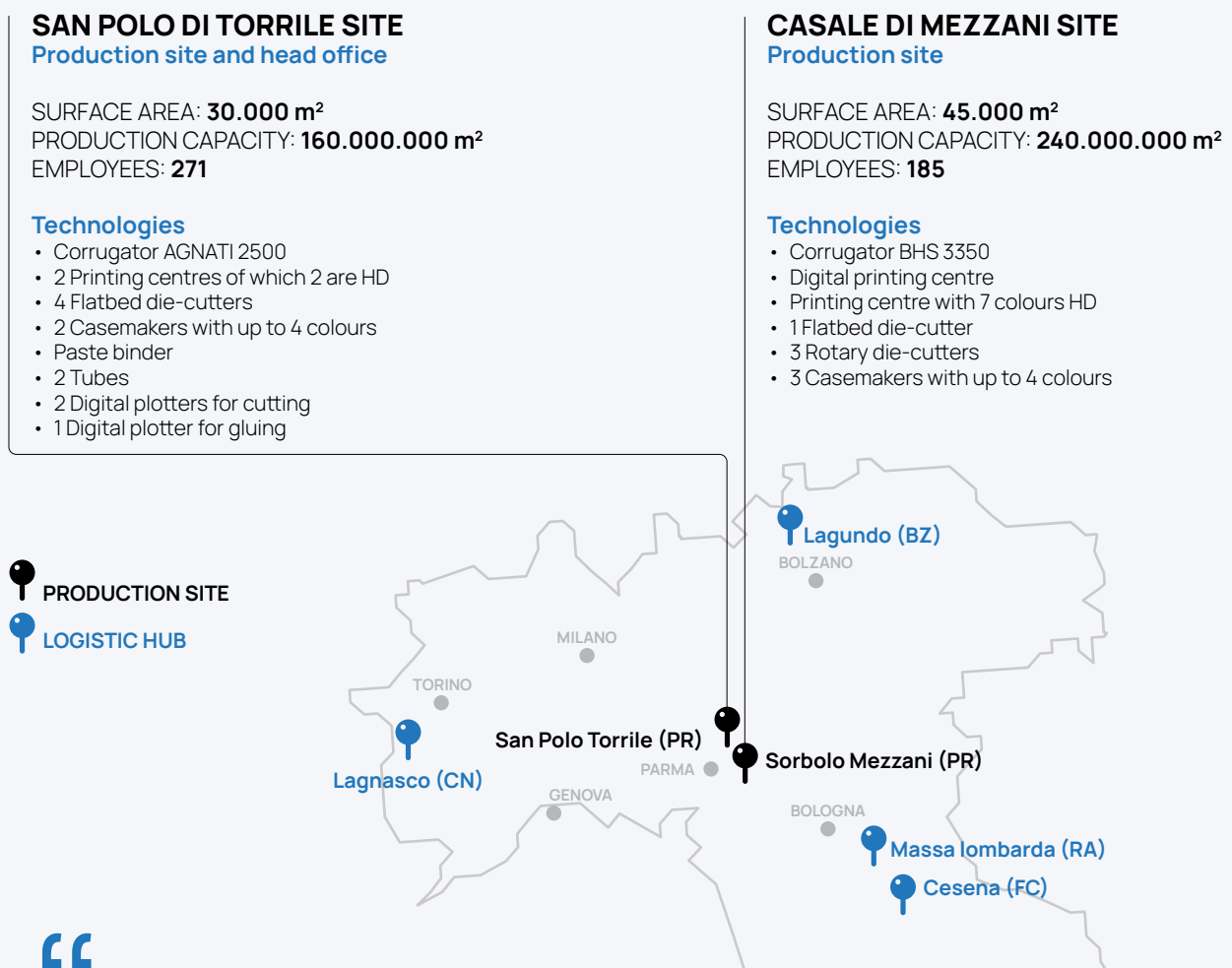
”



1.2 FEPA in Numbers



FEPA operates through **2 integrated production plants** and additional logistics hubs located in strategic areas to meet the demands for **assembly, transport, and distribution** of packaging to customers' hubs for final product packaging.



“ In 2023, **FEPA introduced a second corrugator**, a BHS 2800, at the Mezzani site that will facilitate a **60% increase of the site production capacity**, greater operational flexibility, and the introduction of new technologies for nano-wave production. ”

1.3 Mission and Principles

Obtain full customer satisfaction thanks to innovative, high-performance, and high-quality packaging solutions.

In line with its mission, FEPA has identified **six operating principles** on which to base its business, going beyond the pure logic of profit in favour of a broader spectrum and **value-oriented approach**. FEPA believes that its principles are important for achieving the highest level of quality and service, satisfying customer requests in the best possible way.



FLEXIBILITY

Flexibility of thought and action in the realization of each project allow us to meet the most diverse needs of our customers.





QUALITY

*We guarantee a **high-quality standard** of the product and service throughout the supply cycle, giving the customer the opportunity to **trace the manufacturing process from design to delivery**.*





SPEED

*We offer **speed of response and execution** to meet customer requests in the shortest possible time.*





STREAMLINED PROCESSES

*We act **promptly and effectively in decision-making processes**, addressing and solving critical issues in real-time.*



COMPETITIVENESS

*We remain **competitive** in the packaging sector thanks to **a path of constant growth**, investing every year in training, research and development, as well as in technological updates.*



TERRITORY AND ENVIRONMENT

*We adopt sustainable development **policies to protect the well-being** of people and the environment in which the company operates, working to **neutralize the environmental impact** associated with production processes and promoting the economic and social prosperity of the surrounding communities.*

“

We share common values and principles to achieve the objectives and **set new goals** that are increasingly ambitious in their **respect for and protection of the territory and the environment**

”

1.4 Responsible Governance

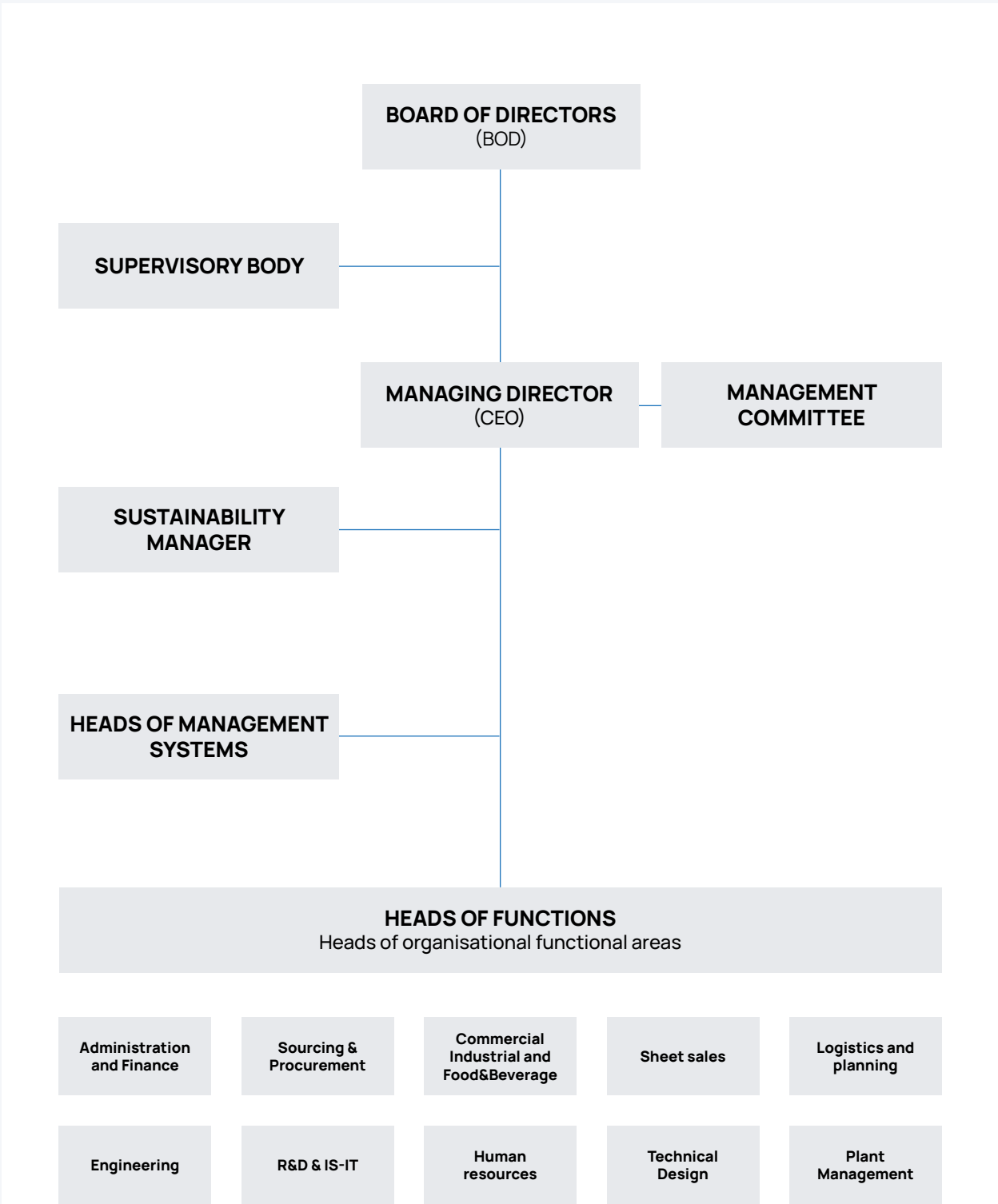
We adopt a structured, effective, and transparent governance system to achieve our organisational vision and to drive change towards important goals

FEPA S.p.A. is a joint-stock company with a traditional administration and control system, where the Board of Directors guides the company management.

The governance system of FEPA S.p.A. (GRI: 2-9) is characterized by a business model aimed at ensuring **transparency, efficiency, and accountability**. FEPA is committed to guaranteeing an ethical business model, **pursuing the value of legality** by managing its corporate processes through the adoption of an ethical code and an Organisational Model pursuant to Legislative Decree 231.



In 2023, FEPA decided to invest even more in corporate strategic planning by including an ESG Sustainability Manager in its staff to support organisational governance in defining strategies suitable for pursuing sustainability objectives.



1.5 Values and the Control System

The Code of Ethics defines the core values that guide FEPA's business and social responsibility.

FEPA has adopted a structured Organisational Model in accordance with Legislative Decree 231, which is integrated and coordinated with the Voluntary Management Systems relevant to Quality, Food Safety, Environment and FSC. Through the Organisational Model, FEPA has developed a process for mapping risks, activities carried out, and the business context in which it operates. This allows FEPA to identify the best organisational practices to guarantee the transparency, integrity, and solidity of its business. The Organisational Model represents a fundamental tool to support strategies for **preventing and assessing corporate risks** such as corruption, environmental crimes, money laundering, and labor exploitation.

Within the Organisational Model, FEPA has formally adopted the Code of Ethics to define the values that the Company recognizes, accepts, shares, and considers fundamental to ensure the proper functioning, reliability, and reputation of the Company. The objective of the Code of Ethics is to promote unambiguous guidelines of conduct and to consolidate the moralization and efficiency of the Company both in internal and external relations. In addition to actively training its employees on these issues, FEPA conveys and shares its ethical values with business partners, requesting their signature.

The values conveyed by the Code of Ethics of FEPA define the rules of conduct to be followed at the basis of the "sustainable development", such as respect for human and labor rights, the fight against corruption, and environmental protection.

THE VALUES OF OUR CODE OF ETHICS

Protection of the person	Environmental protection	Ethical business management
		
In applying the principles of ethics and responsible management, we are committed to ensuring respect for human rights, ensuring a safe and welcoming working environment, and preventing discriminatory behaviour of any kind.	Through the continuous improvement of our environmental performance, we aim to achieve sustainable development and harmony between ecology and business activity and to contribute to the well-being of all.	Ethics, integrity, and responsibility govern our business, helping us to protect consumers and prevent business risks, with particular reference to anti-money laundering and anti-corruption issues.

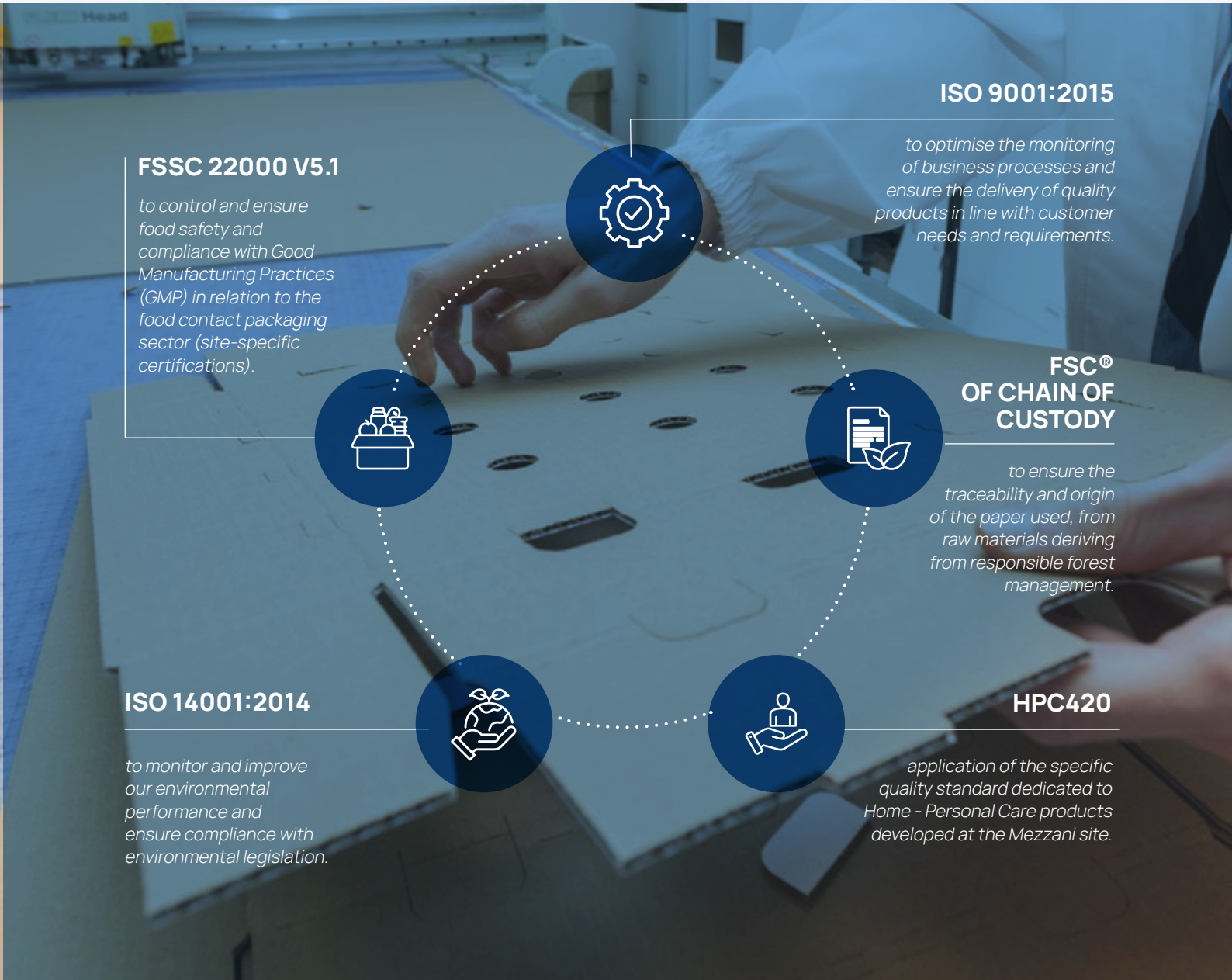
Both the Organisational Model and the Code of Ethics are an integral part of FEPA's structure and therefore must be **recognized and respected by all company personnel as well as by external collaborators**, who are required to ensure behaviour in accordance with shared corporate principles and protocols.

“ Specific training is provided with the aim of ensuring effective knowledge of the **231 Organisational Model** and the **FEPA Code of Ethics**. ”

1.6 FEPA Certifications

Our commitment to sustainability is guaranteed by the achievement and active maintenance of specific voluntary certifications.

In order to ensure **the quality and sustainability of its business**, FEPA has embarked on a certification process aimed at guaranteeing the same efficiency and safety parameters along the entire production chain, such as the traceability of the raw materials used, the improvement of environmental performance and the guarantee of environmental compliance.



In February 2022, FEPA successfully passed the **SMETA 4 Pillars audit**, an external audit based on high-quality verification protocols focused on four ethical issues:

The 4 pillars of a SMETA

- / 1.LABOUR STANDARDS / 2.HEALTH & SAFETY
- / 3.THE ENVIRONMENT / 4.BUSINESS ETHICS

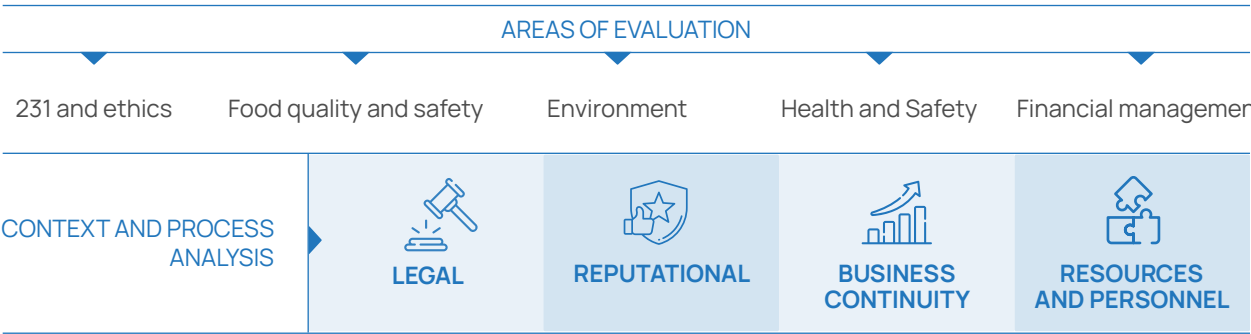


Passing the SMETA verification certifies compliance with current legislation and adherence to the ETI Code (Ethical Trade Initiative) and the Best Practices of the SMETA Guidelines by the organization.

The results are shared through the web-based portal **SEDEX** (Supplier Ethical Data Exchange), which offers the possibility to make information accessible in a secure and controlled way, sharing it among customers participating in the initiative.

RISK ANALYSIS

Through its certified management systems and collaboration with process managers and external experts, FEPA Management carries out targeted assessments and analyses of organisational risks **for each company dimension**, covering **five main areas**:



The analysis aims to define practices and control methods that lead to the monitoring and control of risks, a necessary condition for a safe and sustainable business that can respond to internal and external organisational changes, as well as to the evolution of its processes.

2

PRODUCTS AND TARGET MARKETS






2.1 FEPA Products and Services

We create customized products according to customer needs, offering a wide and diverse range of items.

With dedicated Design Team and Key Account, FEPA can **accompany its customers along all stages of corrugated cardboard production**, from the feasibility study to the production and after-sales of the required packaging. In addition, FEPA, which has always been oriented towards product innovation, has invested in a laboratory specialized in the research, development and verification of the performance of materials.

This work is dedicated to meeting the specific needs of customers and to carrying out **constant and rigorous quality control** during all phases of the packaging production process, from the selection of raw materials to the packaging and shipment of the finished product.

PLUS OF FEPA SERVICE

<div><div>PACKAGING OPTIMIZATION</div><div></div><div>Customized packaging design taking into account functionality, aesthetics, waste reduction, space optimization, and needs related to customers' production lines.</div></div>	<div><div>DELIVERY FLEXIBILITY AND SPEED</div><div></div><div>Integrated and stable production processes are achieved through the application of Lean Manufacturing methodologies, Integrated Logistics and automatic warehouses, and TPM (Total Productive Maintenance). These allow for great speed, flexibility, and consistency, in compliance with the timing and requests of the customer.</div></div>	<div><div>FULL TRACEABILITY</div><div></div><div>Traceability of the manufacturing process, from the single reel to the pallet of the finished product, guarantees the customer control of the product in all its phases.</div></div>
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“

In response to a large and diversified market, FEPA's primary, secondary, and tertiary corrugated packaging types **cover the needs of most market sectors.**

”

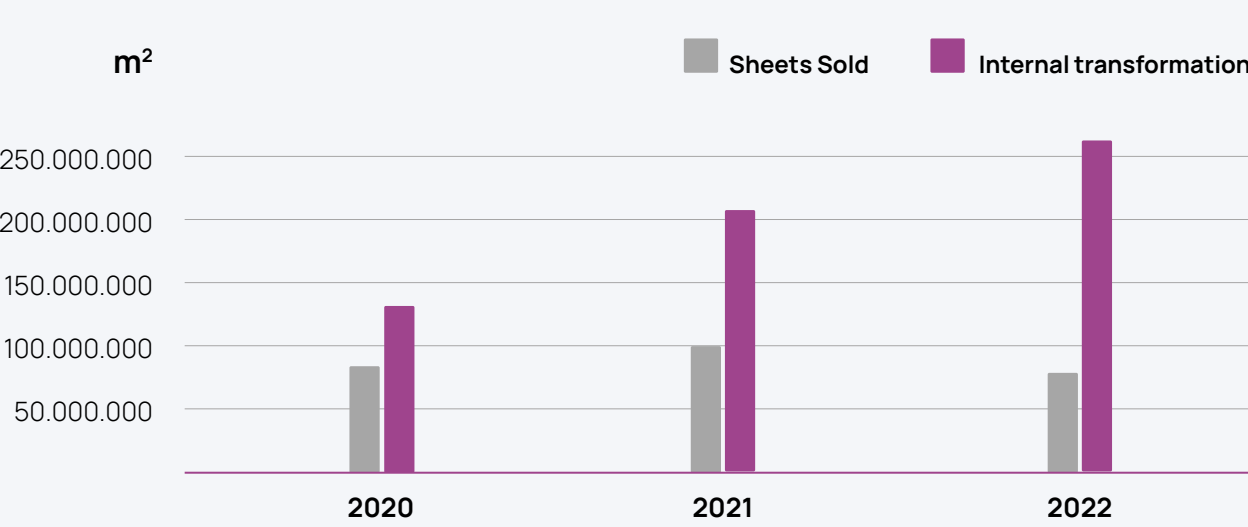
	INDUSTRY						FRUIT AND VEGETABLES
	Food	Beverage	HPC	Logistic	Packaging	Other	Food
American boxes							
Wrap around							
POS Point of sales stand alone							
SRP Shelf Ready Packaging							
Semi-finished products Sheets							
Trays							
Plateux							

Market sector



In 2022 the production of corrugated cardboard grew by **46%** relative to 2020; of the total produced, 26% was sold as semi-finished product (sheet) to other companies, while 74% was used internally by FEPA for the packaging production.

Corrugated cardboard product



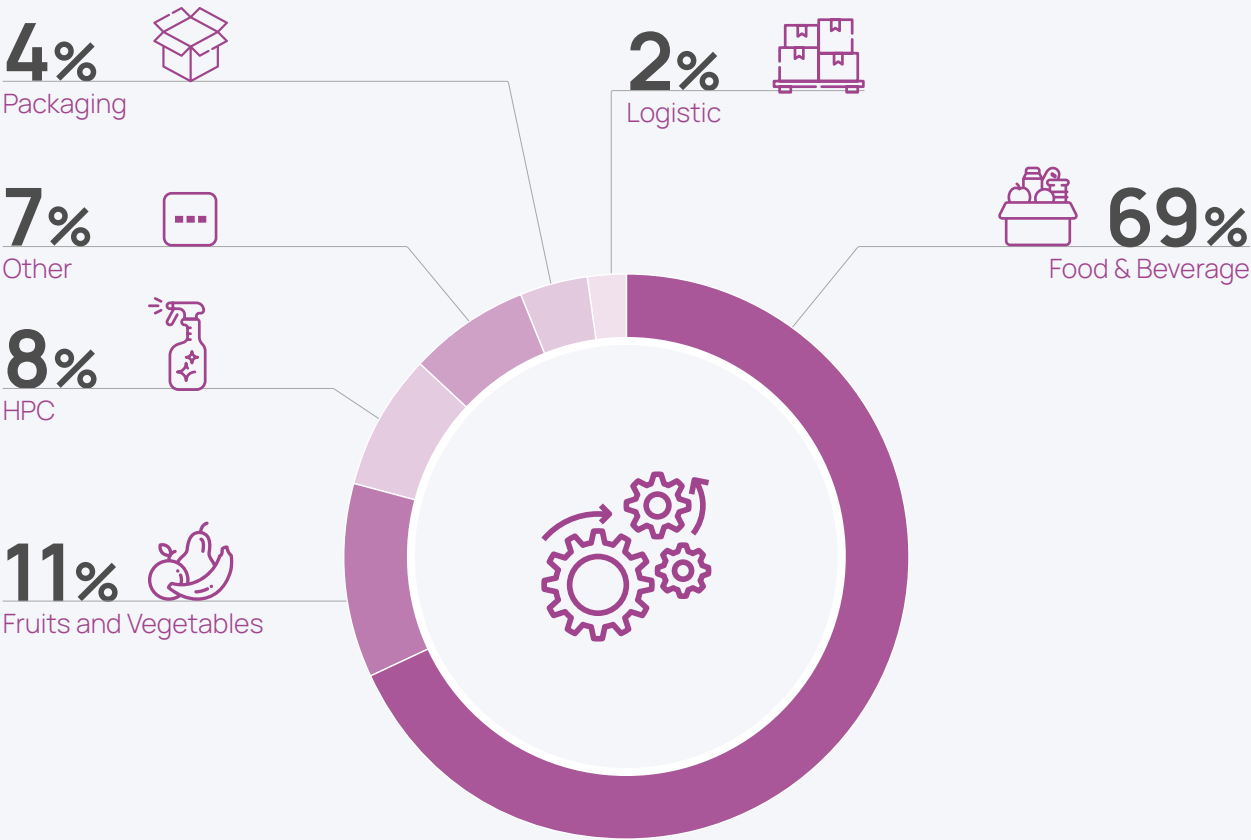
2.2 The Target Market

Over time, FEPA has assumed a **leadership** role in the field of corrugated cardboard solutions. Operating in two integrated production plants, FEPA has also built a widespread network of logistics hubs to ensure speed and accessibility in the distribution service to customers.

FEPA's business focuses on the production and distribution of corrugated cardboard packaging on the national **B2B** market, particularly in the regions of central and northern Italy. Moreover, through the formation of partnerships at the national and European levels, FEPA has extended its market throughout the Italian territory and into the rest of Europe.

Among the main industrial sectors in which FEPA operates, there are Food & Beverage and HPC (*Home & Personal Care*).

% Turnover in 2022 for the industrial sector



2.3 Alliance and Partnership

To **improve the quality of its products** and **expand the distribution network**, thereby providing added value to its customers, FEPA has over time established strategic collaborations by activating partnerships both on the Italian territory (Cart-One) and at European level (Blue Box Partners); **such partnerships enable the sharing** of skills, knowledge, and relationships on an operational level in order to improve products, convey 'good practices' and innovative ideas, and define broader industrial plans.

FEPA has thus been able to **grow and extend its market beyond the Italian territory** by providing innovative packaging products and meeting and anticipating the evolving needs of its international customers.

“

Even with its choice of alliances, FEPA has chosen to form partnerships with **“Family Companies”** that share the **same values and business models**

”



Cart-One



Born from the joint-venture of FEPA and the company Antonio Sada & figli, Cart-One is a high-quality packaging company with **distribution throughout the Italian territory**. The company was created for the B2B market, to guarantee the supply of corrugated cardboard packaging to large industrial companies with multiple production centres located in the various Italian regions. Thanks to a shared coordination, Cart-One allows companies to interface with a single partner, ensuring the **same level of product and service in all production plants**.

Investing in **innovation**, sustainable development, and **care for people**, Cart-One offers paper packaging that meets the specific needs of its customers, guaranteeing a wide range of packaging types, including **American boxes, die-cuts, displays, and special crates**. For each type, the packaging complies with the highest company quality standards, **guaranteeing maximum efficiency in terms of resistance, usability, and sustainability**.



Blue Box Partners



With the creation in 2006 of **Blue Box Partners**, a European Economic Interest Grouping (EEIG) formed by four independent family businesses, FEPA became part of a Europe-wide distribution network of high-quality packaging.

Blue Box's established partner companies are among the largest European corrugated cardboard and paper packaging companies. Blue Box Partners' common goal is **to become the leading provider of paper-based packaging solutions in Europe**.

In addition to a common long-term business perspective, the four companies are united by their shared values of **reliability, flexibility, entrepreneurship, and sustainability**.

The types of cardboard packaging offered by Blue Box Partners are diverse and can be **adapted to the specific needs of its customers**, covering a wide variety of markets, including **the food, retail, transport, and cosmetics sectors**.
With the combined expertise of 12,000 employees and the production capacity of 111 plants, Blue Box Partners operates in the main European paper packaging markets.



We deliver in the following European countries

- Austria
- Belgium
- Denmark
- France
- Germany
- Greece
- Ireland
- Italy
- Luxembourg
- Norway
- The Netherlands
- Poland
- Portugal
- United Kingdom
- Czech Republic
- Romania
- Switzerland
- Spain
- Hungary



5,1

BILLION OF m²
OF CORRUGATED
CARDBOARD PRODUCED

111

PRODUCTION
PLANTS

600

MILLION EURO
OF FUTURE
INVESTMENTS

Trade associations

FEPA adheres to important **trade associations** for corrugated cardboard manufacturers and processors Gifco, Fefco, Comieco, Assografici, Bestack, and UPI to ensure **greater representation and protection of their interests and to access a network of skills, projects, and application experiences**.

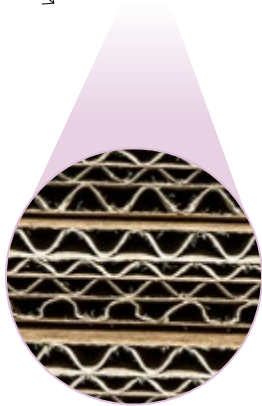
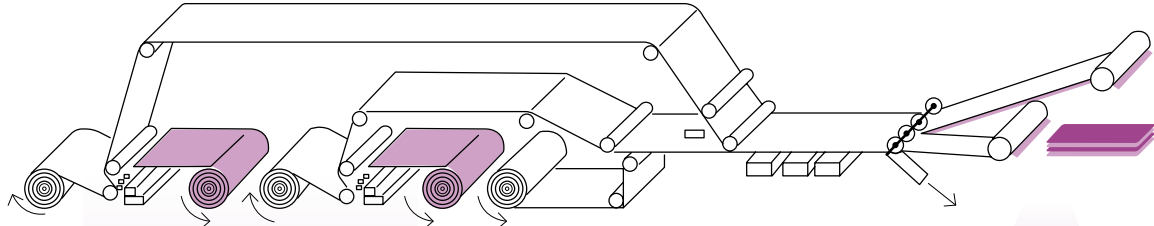


2.4 Processes and Technologies for Quality Packaging

Both FEPA plants manage production and converting of corrugated cardboard in an integrated way

CORRUGATED CORRUGATION

FEPA has two state-of-the-art corrugators that allow the production of various types of corrugated cardboard sheets, with single and double wall and combinations of High, low and very low flute size.



The **AGNATI** corrugator of the San Polo site has a span (height of the machined sheet) equal to 2,500 mm, while that of Mezzani is 3,350 mm. Due to its size, the BHS 3350 corrugator used in Mezzani is recognized as **the largest existing in Italy**, with few specimens in the rest of the world.

Corrugated cardboard can be started as a semi-finished product externally or transformed internally into a finished product by "converting" activities carried out in FEPA departments equipped with technologies that are able to respond to the most varied graphic and dimensional requests.

FEPA technologies for corrugated cardboard processing

Case Maker	Rotary die-cutters	Flat die cutters			
Flexographic printing centers	Digital printing centre	Plotter			
Folder gluer	Forming machines	Traying machines			
PRINT/PRESS	CUT	GLUE	DIE-CUTTING	FOLD	ASSEMBLY

Every year we invest **an important part of our revenue in technology, research, and development**. In addition to the improvement of technological processes and machinery, we study innovative solutions, experiment with new products, and optimize business processes to guarantee quality service and continuously reduce the environmental impact





TOWARDS SUSTAINABLE DEVELOPMENT



3.1 Approach to sustainability

FEPA has always demonstrated, with concrete initiatives and investments, a strong propensity for environmental, economic and social sustainability issues. This is due both to aspects intrinsically linked to the business sector and to a natural conviction of ownership and leadership.

We believe that to last over time, a company must be environmentally conscious and thrifty in energy and resource consumption. It must be **respectful** of the land and the needs of the communities in which it operates, **transparent** with internal and external stakeholders, **and supportive and inclusive of diversity**.

Our approach is to create a growth path that goes beyond the logic of profit, with a broader vision.

We believe in the importance of generating a positive impact for our planet, which is why we strive every day to make our company increasingly efficient, investing in constant innovation and training. We pay particular attention to the creation of organizational systems that can reconcile business needs with care for the environment.

“

We create shared value with **respect for the territory and the communities** in which we operate. We are thrifty in consumption, **transparent with all stakeholders, and supportive and inclusive of diversity**

”

PILLARS FOR A MORE SUSTAINABLE FUTURE



PEOPLE AND THEIR VALUE

We invest in the professional and technical training of our people because their skills, commitment and motivation are the founding values of our success and continuous growth.



RESPONSIBLE ENVIRONMENTAL MANAGEMENT

Respect for the environment and the region in which it operates is the basis of FEPA development strategies. This guides investments in new plants and technologies to improve resource consumption efficiency and reduce the impact on the environment and society.



PROSPERITY AND SUPPLY CHAIN

Being a leader in the production of corrugated cardboard allows FEPA to generate prosperity in the three environmental, social, and economic dimensions via efficient resource use, the promotion of circular models, the development of direct and supply chain employment, cooperation with institutions and other industrial entities on training projects, and orientation for young people in work, charitable actions, and cultural activities.

3.2 Sustainability Report and Materiality Analysis

“the Materiality Analysis is our **starting point** for structuring a coherent, tangible, and effective strategy and action plan for **corporate sustainability**”



Acting sustainably means transforming our “vision” into reality, with serious, targeted, and concrete actions, ensuring that the company grows and lasts over time, respecting the context and the territory in which it operates and creating shared value”

Gianluca Banci,
Head of Sustainability,
FEPA SPA

FEPA recognizes Sustainability as one of the fundamental principles of the Company, as the foundation of both strategic choices and the involvement of employees and external stakeholders. With transparency and improvement in mind, the Organisation has decided to communicate its commitment to Sustainability through the drafting of this Report.

In 2022, FEPA developed the first Materiality Analysis inspired by the principles of the *Global Reporting Initiative (GRI) Standards*, with the aim of identifying material issues, which represent the most relevant economic, environmental, and social issues and topics for FEPA and its main stakeholders.

The management of sustainable innovation issues is supported by an internal team set up during the work associated with the first draft of the report.

FUNCTIONS OF THE SUSTAINABILITY COMMITTEE



ESG Manager



Purchasing



Commercial



Technological Development



Environment and Safety Management



Quality Management



Human Resources

The active involvement of the Sustainability Committee, through worktables, has made it possible to investigate and deepen the internal and external FEPA context and the position of the main stakeholders of the organization. The objective of this survey was to outline the relevant aspects and impacts of FEPA and the key KPIs to monitor the Organisation's performance in the field of Sustainability.

The Sustainability Committee also has the task of supporting the ESG Manager in managing the changes, needs, and expectations of stakeholders on sustainability matters, harmonizing the Organization's strategy with the corporate objectives.

Direct contribution to the SDGs

The first materiality analysis, validated by the FEPA CSR Team, has highlighted 16 material themes, which were subsequently traced back to the areas identified by the Sustainable Development Goals of the 2030 Agenda (*Sustainable Development Goals, “SDGs”*) to which FEPA contributes **directly**.

The Sustainable Development Goals represent a **crucial tool for the analysis of materiality**, helping to identify the **target areas of sustainable development** with which to align one's business strategy.



Indirect contribution to the SDGs

Thanks to the sustainability strategies adopted by the Company and supported by the ESG Manager, FEPA also contributes **indirectly** to three additional Sustainable Development Goals.

- FSC certified paper procurement (GRI 401)

- Transparency in management of economic performance; Inclusion of diversity in the workplace

- Use of wastewater treatment systems

Transversal contribution to the SDGs

There are also two material issues related to ethical business management that are managed as transversal themes in the organisation's activities.

- Anti-corruption (GRI 205)
- Anti-competitive behaviour (GRI 205)

For details on how to carry out the materiality analysis, please refer to the specific methodological note attached.

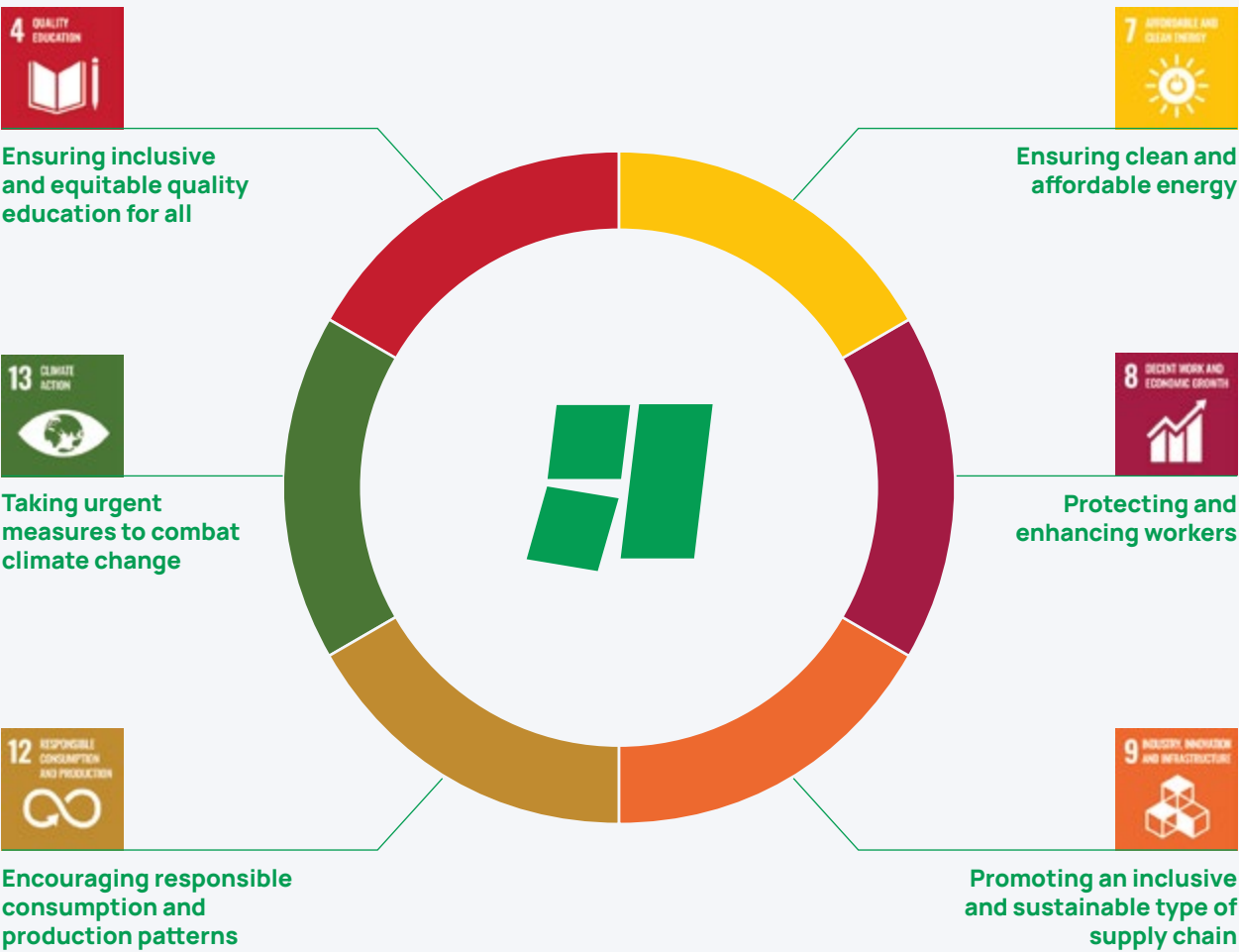
In order to allow the reader to delve deeper into the data reported in the following chapters, this icon indicates the presence of specific additional information available in the final annex for the Social, Environmental and Economic dimension of this report.

3.3 FEPA and SDGs

The *Sustainable Development Goals* are 17 interconnected goals defined by the United Nations in 2015 to address the social, economic, and environmental challenges facing the planet by 2030. Over 160 targets are addressed, which identify the areas on which to act to achieve a more sustainable future, such as poverty, climate change, environmental degradation, and inequality.

For companies to contribute significantly to solving complex and interconnected global challenges, there must be a shared approach to the same problems: the SDGs play a crucial role in outlining **winning sustainability strategies**, as they provide companies with a universally recognized and shared model to align their goals.

For this reason, in embarking on its path of sustainable development, FEPA has decided **to define its objectives in accordance with the SDGs**, contributing to the achievement of the following targets:



3.4 Projects for a sustainable future



“Through the definition of a **sustainability strategy** and the planning of concrete actions for improvement, **we implement our sustainable development path**”

”

SOME OF THE FEPA IMPROVEMENT PROJECTS

MEZZANI 2 PROJECT



The growth and development of FEPA are confirmed by the investment in the extension of the Mezzani 2 Production Site with the introduction of a second Corrugator (BHS 2800) in Mezzani (third in total) which, when fully operational, will increase the production capacity by 60%, lead to greater operational flexibility and expand the product portfolio with the introduction of the nano-wave.



- BHS 2800mm light machine
- Speed 400 mt/min
- Waves: E, F, B, FE, EE and nano wave N, F and wave discovery
- Timing: January 2023 installation, March 2023 industrial start-up
- Capacity at full capacity: 250 million square metres (+60% with respect to current capacity)

EXPANSION OF PHOTOVOLTAIC SYSTEMS



To continue shrinking the carbon footprint, projects are being studied to expand the current photovoltaic plants and the definition of supply contracts with guarantee of origin to achieve, in the short to medium term (2025-2030), a use of 60-75% energy from renewable sources in order to pursue full neutrality by 2050.

IMPROVED SAFETY AND WELFARE



SAFETY

In 2023, investments are planned for Health and Safety in the workplace, with a project to improve and reduce the risks associated with the Mezzani site focused on:

- Management and control of confined spaces
- Extraordinary maintenance and improvement of the steam system
- Construction of a new firefighting pump room
- Reinforcement of internal signposting and safety of footpaths and crossings in production areas

WELFARE

In relation to the issues of Welfare and management of workers, a series of dedicated initiatives have been conceived with particular reference to:

- New company gym active from February 2023 at the San Polo site
- New refectory room from July 2023 at the San Polo site;
- New multimedia training room from May 2023 at the San Polo site;
- A project aimed at developing an agreement for employees to contribute to enrolment fees for the year 2023-24 at nursery and kindergarten schools in the Mezzani area



4+

PEOPLE
AND THEIR
VALUE





4.1 Corporate Social Responsibility

In line with Sustainable Development Goal 8, which seeks to ensure safe and decent work for all, FEPA **operates its business in compliance with the principles of Ethical and Social Responsibility** as reported in the Code of Ethics, in the Company Regulations, and in the HR Policy Guidelines. These documents constitute the fundamental guiding principles for ethical management of the business, focused on the protection of human and workers' rights.

Support for its employees

In response to the extraordinary economic and social situation, characterized by strong and uncontrolled inflation, FEPA has chosen to help families with concrete and tangible support by providing a contribution of **1500 euros (net)** for each Company employee in their December 2022 paycheck.



The decision we have reached is inspired by the concepts of solidarity and egalitarianism because in this climate of economic uncertainty, the increases in the prices of consumer goods affect everyone, regardless of the role played, and in this way, we want to help alleviate the burden of the cost of living and, if possible, to give some serenity to all those who work with us.

Fausto Ferretti,
CEO FEPA SPA

“The commitment and skills of every single employee who works for FEPA are the foundation of our success and continuous growth”

4.2 Staff Protection and Management

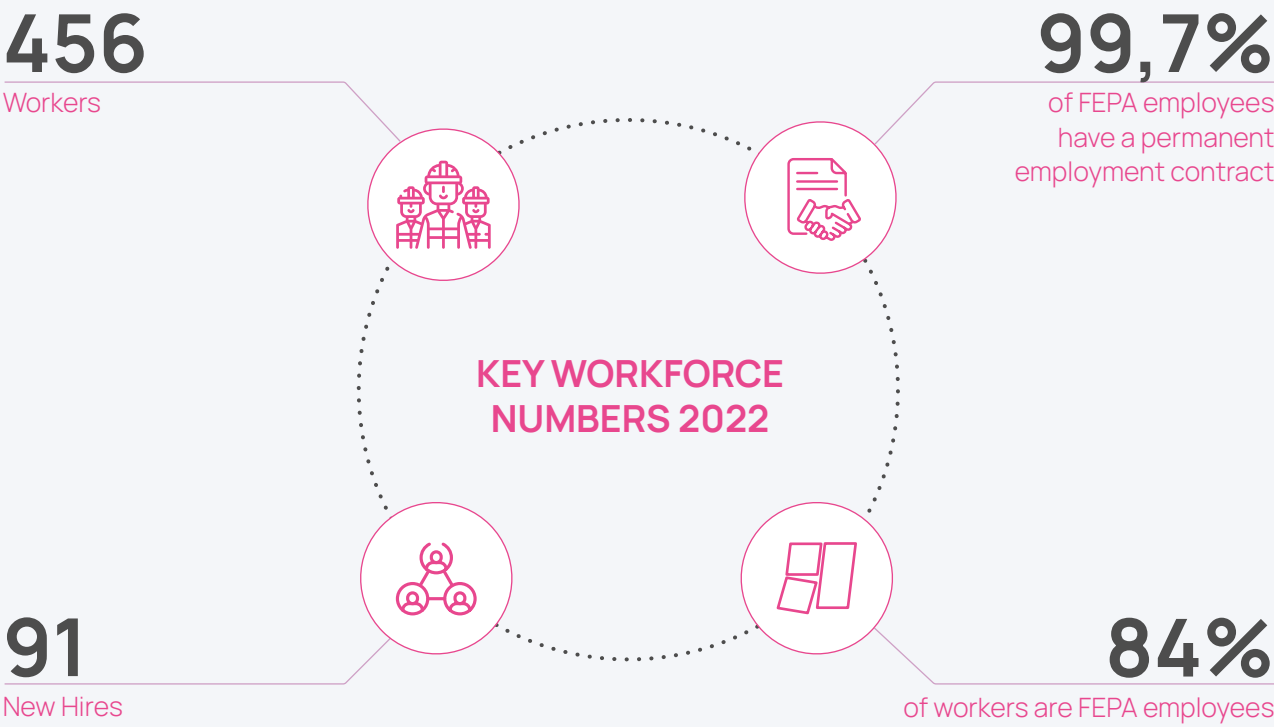
The ethical approach promoted by FEPA is based on policies **aimed at protecting and developing human capital**, a fundamental resource for guaranteeing the quality of the business and products.

With the goal of ensuring a **safe and secure working environment** as well as fair and transparent resource management, **FEPA is committed to raising awareness among employees, suppliers, and external collaborators on the principles of social responsibility adopted, including the guarantee of equal job opportunities, the enhancement of skills, the inclusion of diversity, and intolerance to harassment of any kind.**

Staff recruitment and selection

The FEPA employee search and selection process follows professional policies and guidelines diversified by seniority and professional families aimed at guaranteeing **fairness, inclusiveness, and meritocracy** for the candidates involved, assessing technical skills objectively while respecting business needs and legality.

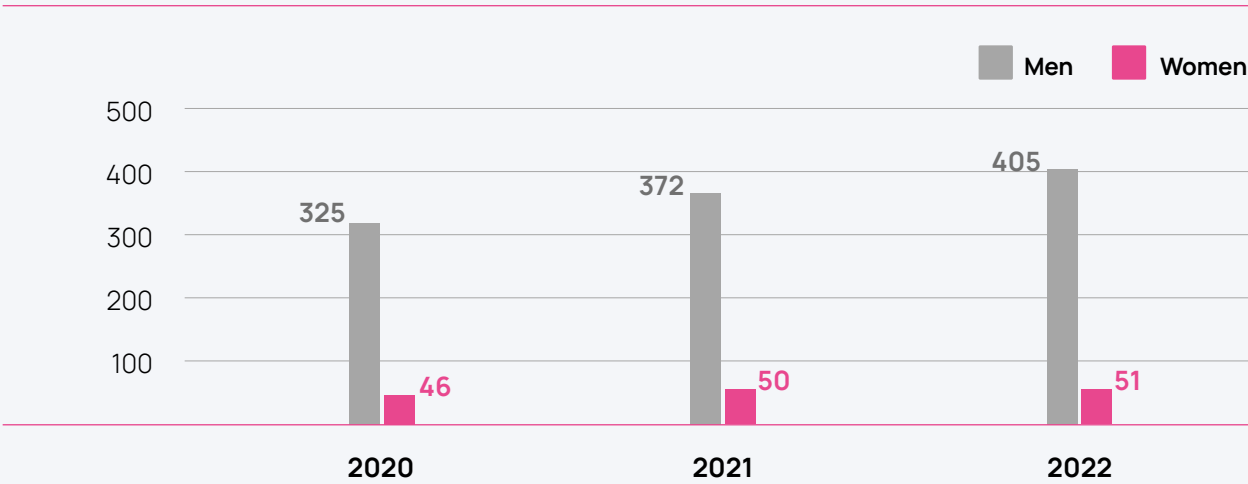
FEPA is also committed to ensuring a work environment that **enhances professionalism**, offering all workers the same opportunities depending on the role and skills acquired.



Gender distribution in the workforce

In accordance with the principles of Social Sustainability adopted in the Code of Ethics and in the "HR Policy" Guidelines, FEPA is committed to **promoting gender equality and the inclusion of diversity in the workplace**, not tolerating any form of discrimination, and guaranteeing equal employment opportunities regardless of religion, ethnicity, sex, age, disability, or protected category status.

+10% increase in the female workforce compared to 2020

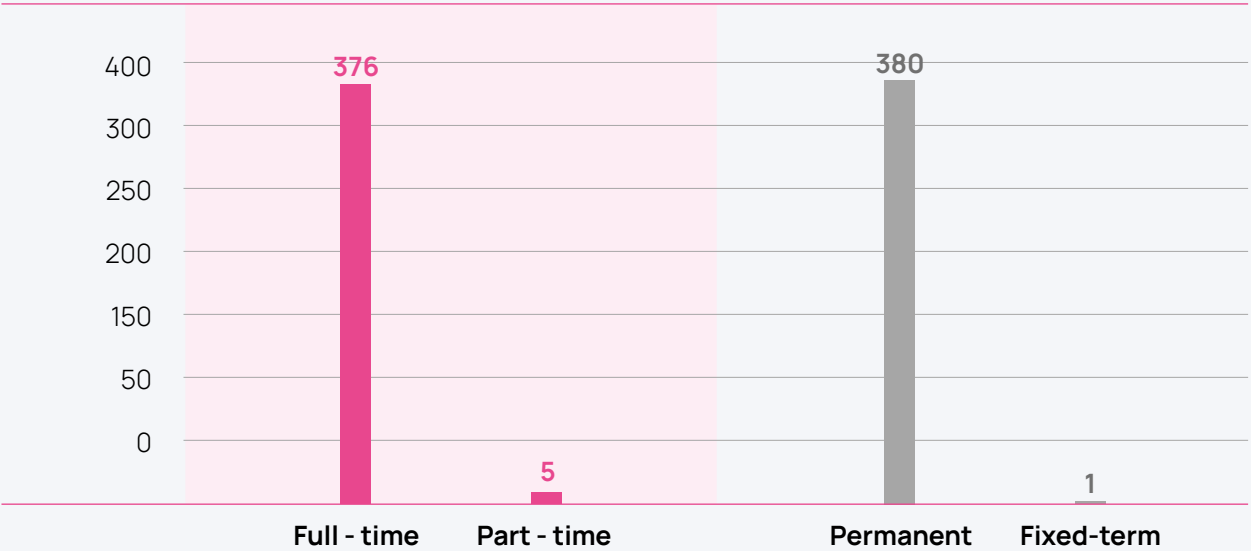


“To **include and support diversity in the workplace**, FEPA has launched a specific agreement with the social cooperative “**il Cigno Verde**” to encourage the hiring of employees from protected categories in the service supply chain used.



Contract Types

FEPA favours the adoption of **permanent (99.7%) and “full time” (98.6%) contracts for its employees**, in order to offer **long-term prospects**, protection and stability, and promote well-being in the territory, investing in training for solid professional growth.



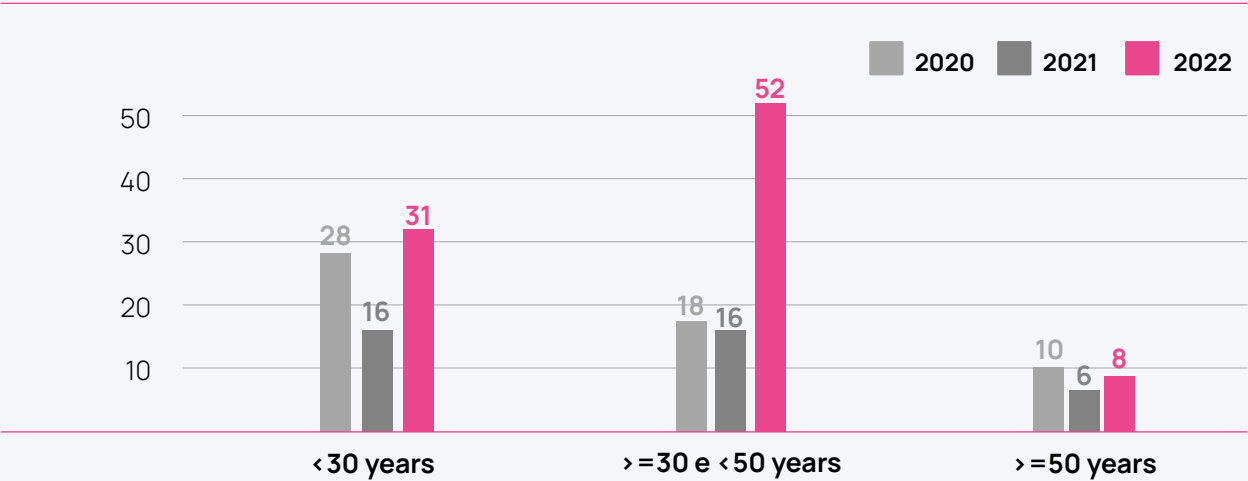
New hires

One of FEPA's objectives is **to invest in the growth of its human capital**, with the awareness that it is thanks to the value of the people who work every day with commitment, availability, and skill, that the Company in recent years has recorded considerable growth both economically and in terms of market positioning, becoming an international player.

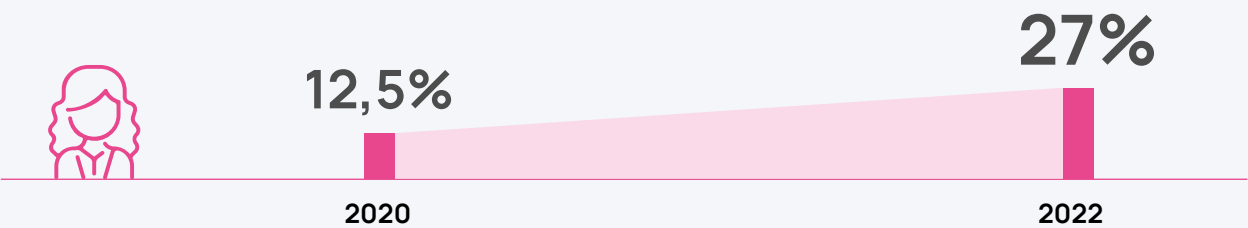
For this reason, the numbers and types of hires made by FEPA in recent years are growing, especially for hires in the age group between thirty and fifty.

Seeking to adopt a more contemporary organizational structure with an international dimension, FEPA has decided to open itself to managerial talents from different backgrounds and sectors, and to considerably increase the presence of young people and women in managerial spheres.

+23% increase in the workforce from 2020



Female managers



4.3 Talent training and development

Train and educate employees to expand job opportunities and promote sustainable development

The experience and technical professionalism that distinguish the FEPA team represent two of the **greatest competitive advantages of the Company**, providing the necessary resources to continue investing in its growth and development.

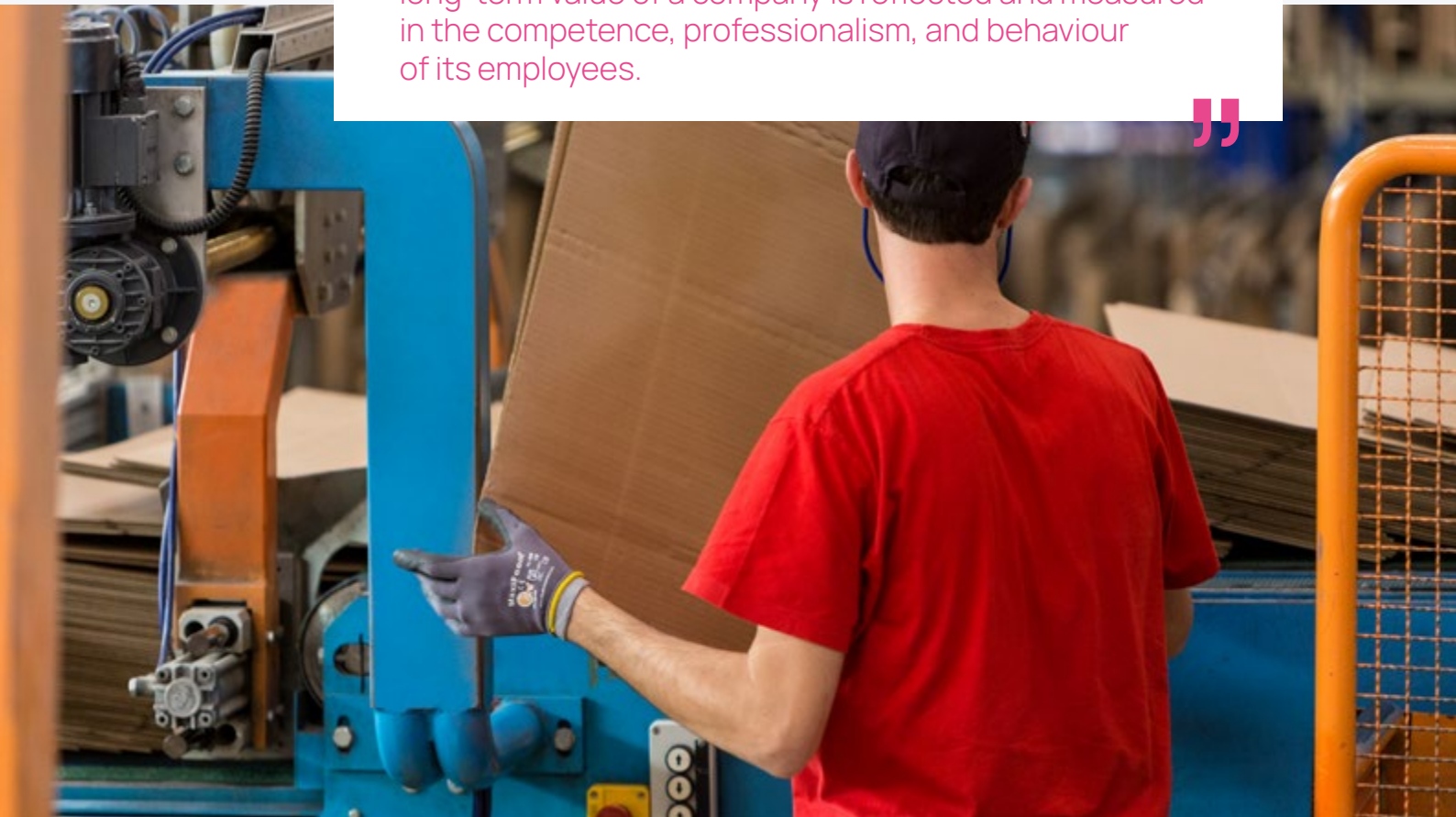
For this reason, FEPA **encourages the constant improvement of employees' technical and aptitude skills**, understanding that the enrichment of knowledge adds value to the organization and the community.

In particular, every year, the Health, Safety and Environment and Human Resources Departments of FEPA collaborate with the Managers of each Function to plan a series of training activities. These training sessions are related to the issues of **Environment, Health, Safety, and Technical Operational activities**, and the development of managerial and relational skills. They aim to grow the culture of professionalism within the organization and to improve the work environment, making it safer and more mature.

“

We believe in people and their abilities because the long-term value of a company is reflected and measured in the competence, professionalism, and behaviour of its employees.

”



FEPA training in 2022



HOURS OF TRAINING PROVIDED

3.518



HOURS OF TRAINING PER EMPLOYEE

9,2



VOLUNTARY TRAINING EVENTS

43

All new FEPA employees are also guided and supported through specific training courses on the various corporate organizational schemes and on the business model, accompanying the worker as they enter their new role within FEPA.

To consolidate and improve the corporate culture, FEPA aims to introduce new training courses to update digital, sustainability, and managerial skills.

Training of young talent

In collaboration with Unione Parmense degli Industriali, FEPA has launched **partnership programs** in the high schools of Parma for scholastic-professional orientation, in order to offer the right tools and knowledge to support the development of young people and facilitate their integration into the world of work.

“

In the future we will expand collaborations with scholastic centres for school-work alternation projects and career guidance activities through practical and experiential training, for example, on how to enhance one's skills in the curriculum vitae and present oneself in job interviews

”

4.4 Occupational Health and Safety

Ensure respect for workers and guarantee safe and secure working environments

FEPA organises its process flows and work environments and selects the appropriate technologies in order to guarantee safe workplaces, **minimizing the risk of injury**.

“

Attention to safety at work is not only one of our primary commitments, but it is the indispensable condition to operate

”

THE HEALTH AND SAFETY NUMBERS OF 2022¹



EUROS OF INVESTMENTS IN THE SECURITY SECTOR

200.000



OCCUPATIONAL ILLNESSES

0



WORKED HOURS

629.392



ACCIDENTS

16

of which classified serious

0



HOURS OF SAFETY TRAINING

3.308

¹Data referring to employees.

Risk Assessment and Control

Through risk identification and assessment and the coordination of the Prevention and Protection Service, the actions and measures necessary to guarantee safe and healthy workplaces **are defined and implemented**. Particular attention is paid to both collective and individual protection activities, and to the definition of plans to improve safety performance and reduce the risk of accidents.

The Risk Assessments for the 2 FEPA sites of reference, drawn up with the support of specialized external technicians, **are periodically updated** in accordance with applicable legislation, organizational changes, and any accidents or emergency situations detected and analysed by the Prevention and Protection service or by dedicated working groups, committees, and teams.

Safety Culture

FEPA promotes **a culture of organizational safety**, an indispensable condition for translating and disseminating safety policies through targeted periodic awareness activities, such as the **B.O.S.S Project** (Behaviour Observation Safety System) which is based on the Behaviour Base Safety technique.

This is a protocol to develop and consolidate the company's safety culture. The protocol focuses on the human factor and aims to identify and correct incorrect behaviour through behavioural observation, "positive reinforcement" techniques, and direct feedback that motivates the staff to adopt safe operating habits.



Staff Involvement and Reporting

FEPA has established several communication channels to promote the involvement and reporting of safety issues:



Through the Prevention and Protection Service, and the involvement of the Worker Representatives, periodic meetings are held to discuss and share issues relevant to safety;



As part of the 231 Organizational Model, a system was introduced for the anonymous collection of reports from employees relating to any inappropriate or illegal conduct that could put workers' safety and health at risk (Whistle Blowing);



The involvement of workers is achieved through meetings held at different organizational levels and through reports and suggestions regarding safety made to the FEPA Prevention and Protection Service.



Main investments in health and safety

In parallel with the adaptation of the plants and work environments in accordance with the Risk Assessment and the Applicable Regulations in the 2 San Polo and Mezzani plants, in 2022 FEPA launched a series of projects aimed at **improving the Safety of the Workplace**, paying particular attention to the internal handling of raw materials and finished products.

Anti-collision radar installation Forklifts

FEPA has implemented in its production sites a project to prevent dangerous situations in which vehicles are expected to move goods.

The aim of the project was **to improve operational safety around forklifts** used in new, automated warehouses.

To achieve this, FEPA has decided to equip the trucks with **a state-of-the-art safety system** that prevents possible collisions between vehicles and operators, while still allowing both to move freely in the loading and unloading areas.

The new safety system is completely based on sensors placed in the front and rear of the vehicle that are able to **perceive the presence of other operators or forklifts**, promptly warning the driver through an alarm system.

In particular, the operators are easily detected thanks to **“smart vests”**, which are mandatory to wear in the loading and unloading areas and have tags that are detectable by the safety system. Once an employee or other forklift is detected, the alarm system shows its position on the driver’s display, automatically adjusting the speed, movement, and lift of the vehicle to avoid a collision.



Automated Handling WIP - Work In Progress

This is a project intended to expand the equipment for the production sites of **WIP automatic warehouses**. It will make the departments fully automated in the internal handling of the semi-finished product. The investment, which involved changes to the layout and implementation of the management software, allowed FEPA to:

- **improve the organization** of work and logistics flows
- **increase the safety** of operators in the departments, limiting the movement by forklifts.



“ In 2022, FEPA concluded a major, multi-year project **to seismically improve the structures** of its production sites by strengthening the seismic response of buildings. In doing so, FEPA has increased the security of its facilities **to guarantee people’s protection and business continuity** ”

RESPONSIBLE ENVIRONMENTAL MANAGEMENT





We contribute to the Sustainable Development Goals through responsible management of resources and production processes, inspired by circularity models

Environmental sustainability is a **core value** in today's socio-economic context and is a fundamental principle in the sector in which FEPA operates.

The company programs are aligned with the Sustainable Development Goals (SDGs) relating to responsible environmental management and are implemented in processes and organizational solutions that aim to **increase production efficiency, reduce waste, and neutralize environmental impacts**.

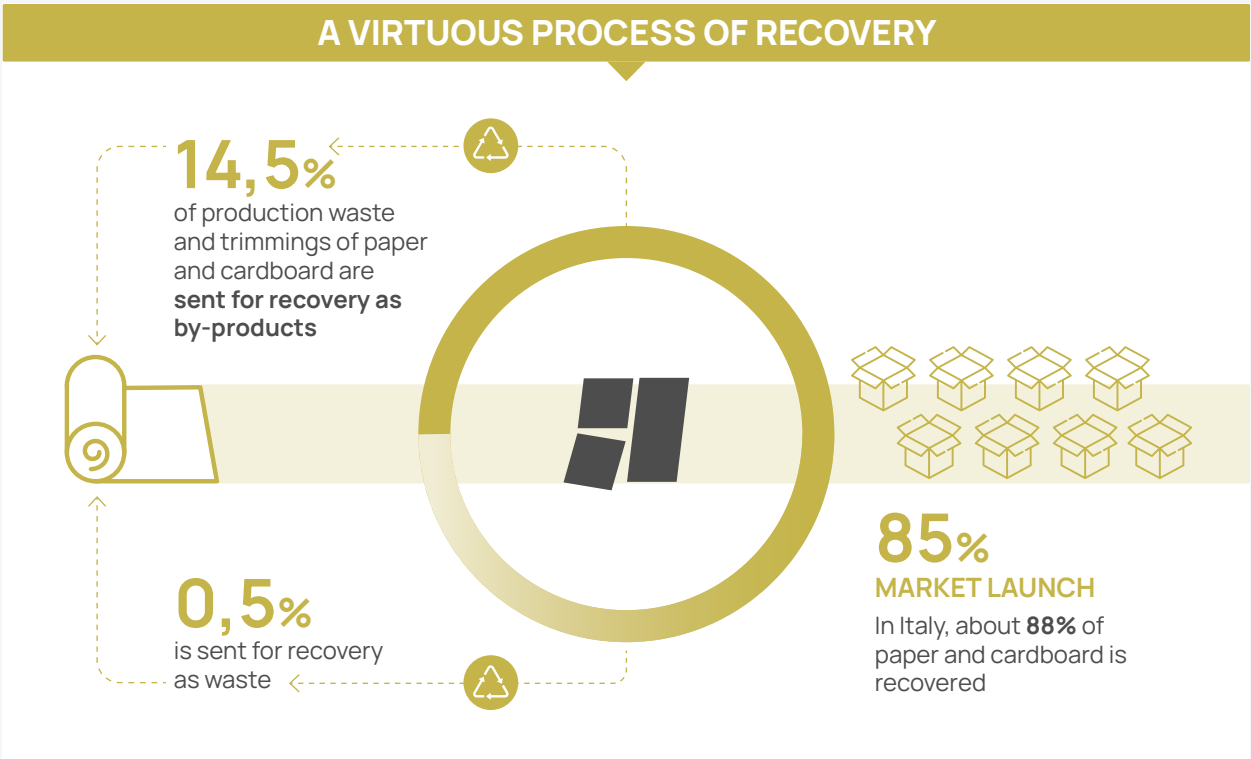


5.1 Circular Economy and Waste Management

In accordance with the principles of the circular economy, we implement packaging processes and solutions aimed at reducing waste, safeguarding the use of resources, and encouraging recycling.



FEPA's management of its production chain is **inspired by the principles of the circular economy**, with a business model designed to minimize waste and maximize the use of recycled material for the production of packaging. The goal is to create an environmentally friendly production system, in which the value of the raw materials and products is preserved for as long as possible along the entire supply chain.



Special Waste Management

FEPA's production processes are organized in such a way as to reduce the amount of waste produced, encourage recycling, and minimize environmental impacts throughout the production process.

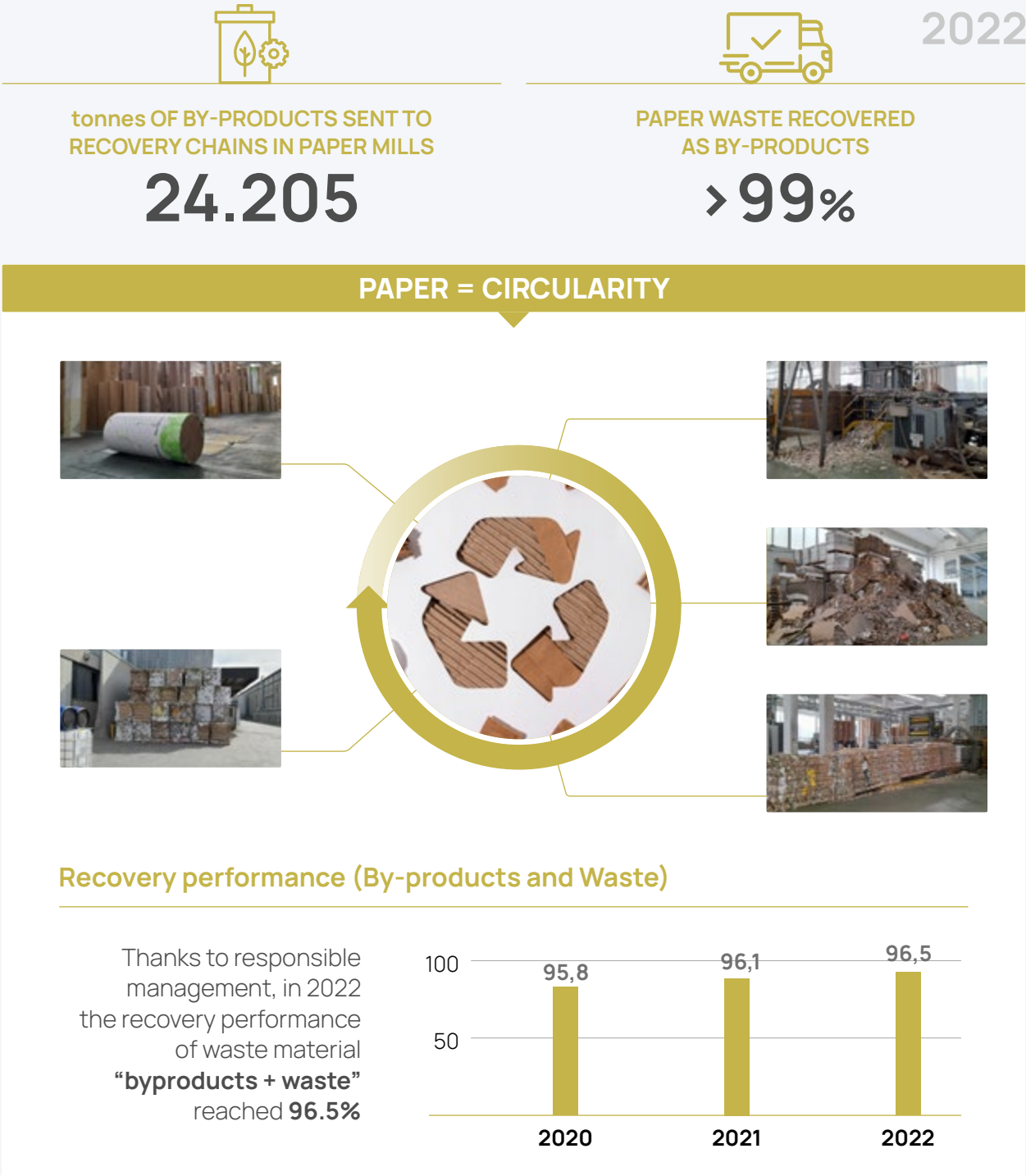
In doing so, the Company has adopted an **ISO 14001 certified Environmental Management System** that guarantees effective management and control of the environmental impacts associated with waste and the regulatory obligations associated with them (e.g. checking transporters and waste destination plants).



By-product management

FEPA is committed to **ensuring the sustainability of its cardboard** through the recovery and recycling of waste materials.

To do this, FEPA manages the paper and cardboard trimmings and waste deriving from production as by-products to be sent to paper mills. In doing so, the Organization operates in a circular mode, reducing both the consumption of natural resources and virgin raw materials, and the amount of waste produced, ensuring a virtuous path of reuse for these materials.





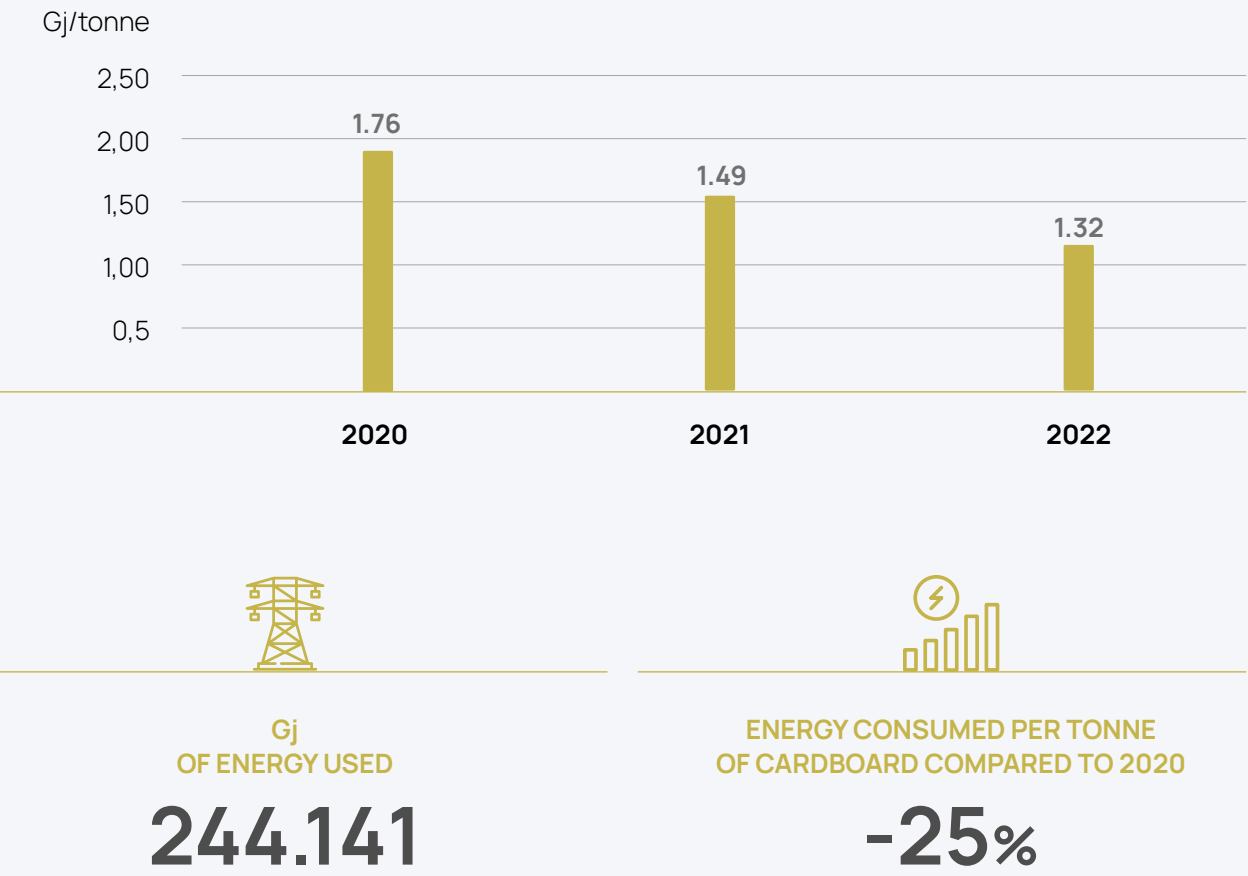
5.2 Energy Consumption Management 🔍

We manage processes and plants in such a way as to reduce consumption and minimize the use of non-renewable resources.

Making **sustainable choices** is fundamental to **protect and preserve the environment for future generations**, and to make the company more resilient. Therefore, FEPA has invested in technologies and plant infrastructures that reduce consumption and emissions deriving from production processes.

The energy intensity (energy consumed per quantity of product produced) has decreased significantly in the last 2 years thanks to the increased consumption of electricity that was self-produced and produced more efficiently using photovoltaics and trigenerators.

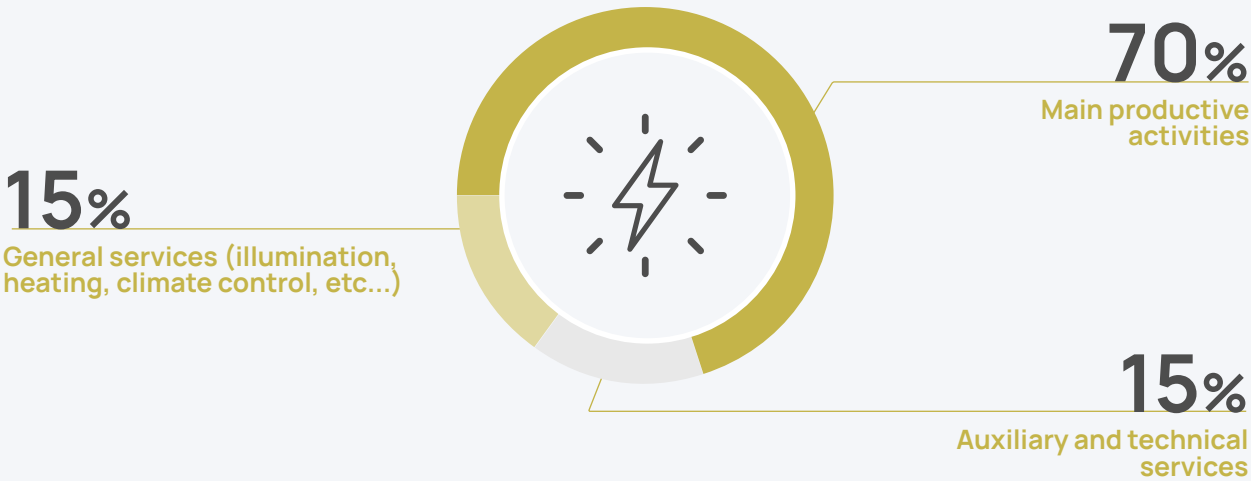
Energy consumption intensity 2022



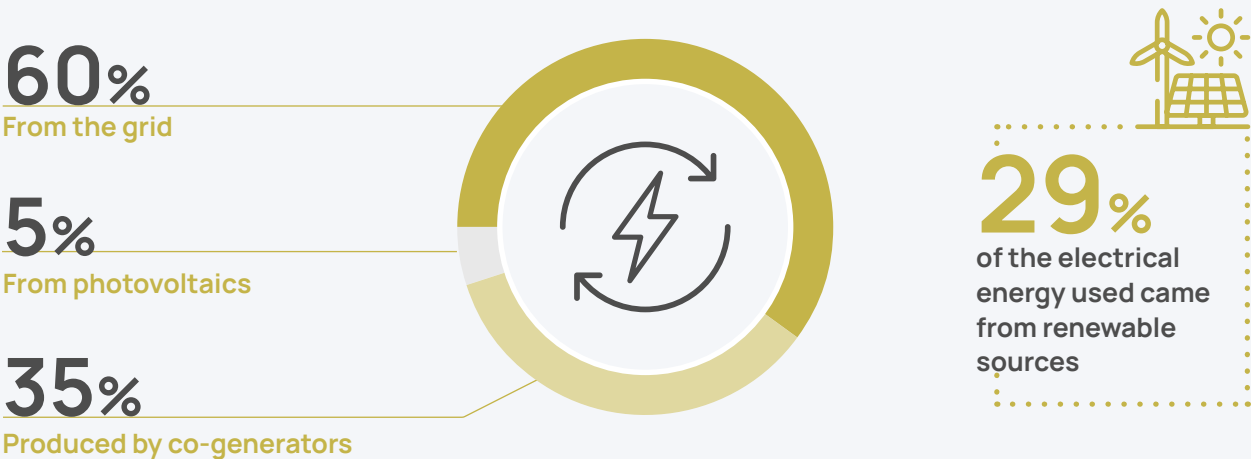
Energy consumption is mainly associated with the power supply of production plants (corrugators and cardboard converting machines) and that of service systems to support production.

The consumption of methane gas is associated, however, both with the production of steam to feed the corrugator, and with the heating of the work environments.

Energy consumption distribution data² 2022



Distribution of Electricity used 2022



²Source: Energy Diagnosis 2019 FEPA

Energy Efficiency Certification as a strategic tool for optimizing consumption

As a company with high energy consumption, FEPA is subject to the development of periodic Energy Efficiency Audits, as established by Legislative Decree 102/2014.

Due to the monitoring and analysis of consumption related to the Audit, FEPA has a great deal of knowledge about its energy profile, which it has used to define improvement opportunities aimed at reducing consumption and making processes more efficient. Specifically, on the basis of the Energy Audit developed in 2019, FEPA has identified an **environmental improvement path** aimed at reducing energy consumption via the following actions:

- > Installation of electrical system monitoring network with remote vision
- > Automated compressed air management
- > Lighting system efficiency
- > Installation of steam generator feedwater treatment plant

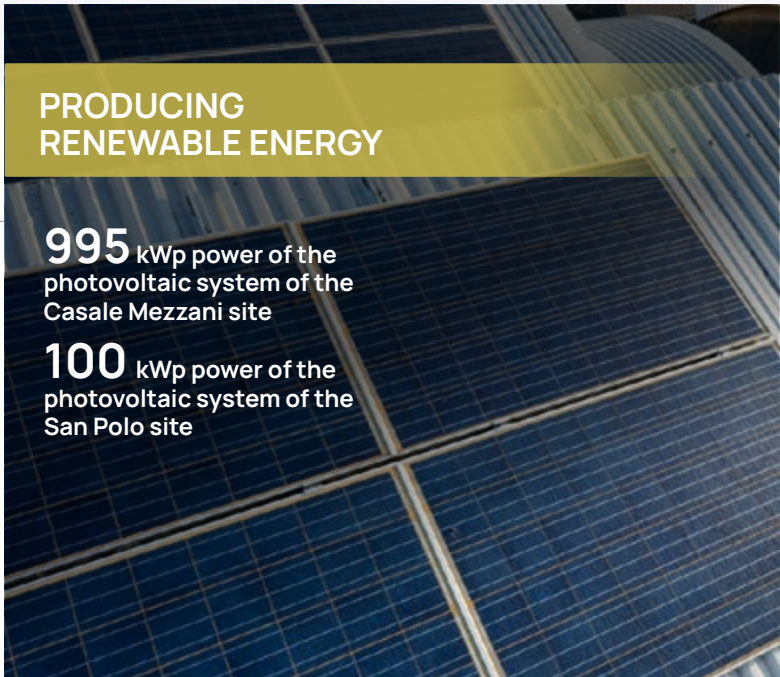
The Energy Audit will be reviewed in 2023 in order to analyse the results obtained and further define improvement programs associated with energy.

In accordance with **the Sustainable Development Goals**, FEPA is careful to integrate energy-optimized facilities into the management of its production sites to reduce the environmental impact of its plants.

PHOTOVOLTAIC

At the 2 plants of San Polo and Mezzani, **photovoltaic panels** installed on the roofs contribute with renewable energy to the Company's energy needs.

70-80% of the electricity produced by photovoltaics is used directly, while the remaining part is sold to the network.



PRODUCING RENEWABLE ENERGY

995 kWp power of the photovoltaic system of the Casale Mezzani site

100 kWp power of the photovoltaic system of the San Polo site

TRIGENERATION PLANT

The plant serving the Casale Mezzani plant uses methane to produce electricity and thermal energy to be used in production processes. The thermal energy recovered from the thermodynamic transformation is also used to produce energy useful for cooling production spaces.

The advantages

- > Lower methane consumption thanks to high process efficiency
- > Reduction in emissions due to lower energy consumption
- > Improvement of the microclimatic conditions of the plant with a positive effect on the working conditions of the operators, product quality, and machinery.
- > Lower operating costs
- > Reduction of electricity purchased from the grid due to 100% self-production in self-consumption



ELECTRICITY, HEATING, AND COOLING IN ONE EFFICIENT SOLUTION



5.3 Management of atmospheric emissions

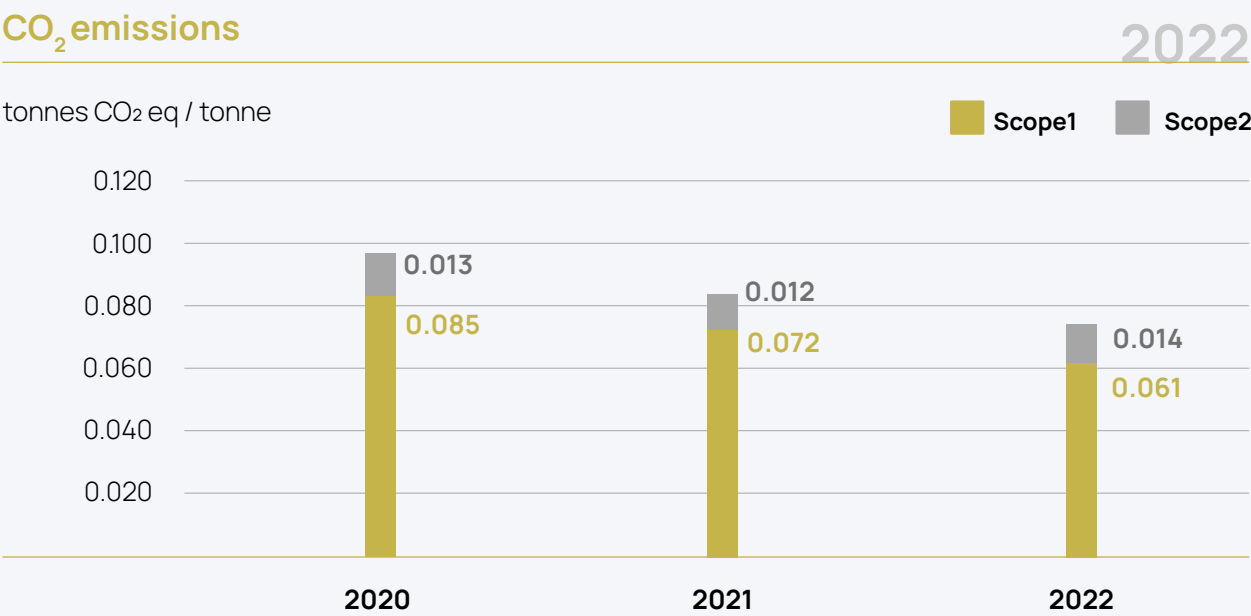
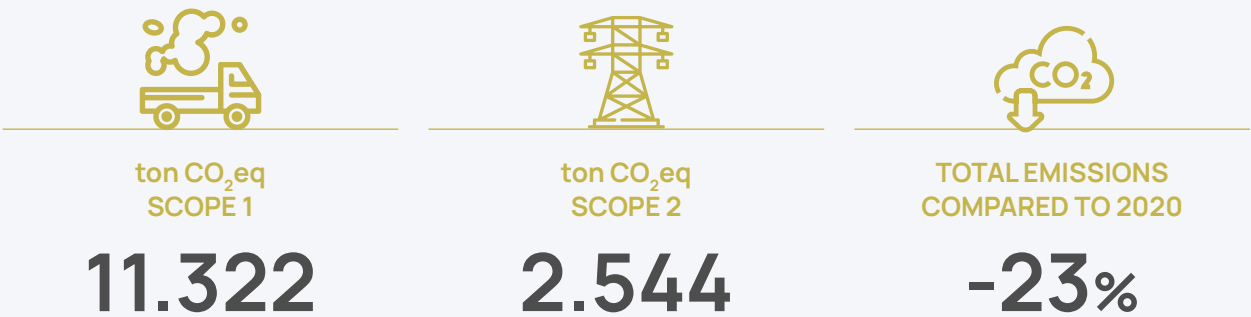
Through careful plant and management choices, we reduce the carbon footprint of our supply chain, helping to combat climate change.

As part of the sustainability **choices implemented by FEPA**, optimized management and process control protect the environment and reduce the Company's ecological footprint by limiting consumption.

Over the years, FEPA has adopted several emission control solutions:

- > photovoltaic panels to reduce emissions from electricity
- > more efficient and high-performance plant technologies, such as the trigenerator at the Mezzani site
- > scheduled and preventive maintenance to ensure functionality and plant efficiency
- > electrification of internal logistics with replacement of diesel forklifts with electric forklifts

The use of natural gas and its combustion is the main source of greenhouse gas emissions produced by the Company.



SCOPE 1 – DIRECT EMISSIONS:
These are activity-related emissions, mainly from the use of fuels, transport of goods, use of company vehicles and, to a small extent, fugitive emissions deriving from refrigeration systems.

SCOPE 2 – INDIRECT EMISSIONS:
Generated by electricity use and the photovoltaic system.

For further information, please refer to the methodological note for the calculation of emissions

5.4 Water resource management

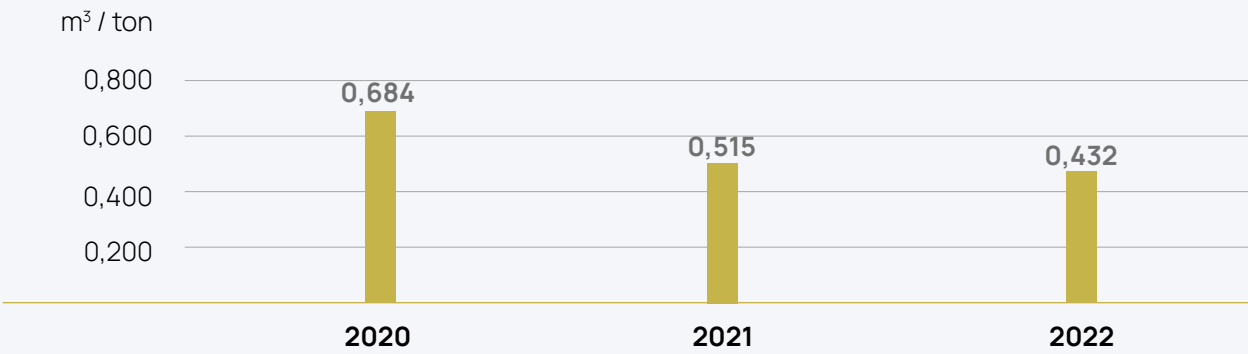
Water is a raw material that plays a fundamental role in the various stages of production and transformation of corrugated cardboard, particularly for:

- > preparation of cornstarch-based glue, necessary for join the paper layers of the cardboard
- > preparation of inks used in printing activities
- > generation of steam in the corrugation plant
- > auxiliary activities for cooling systems, cleaning and washing, and fire protection systems

FEPA uses water from aqueducts or from authorized wells in accordance with concessions regulated by the Emilia-Romagna Region to supply the two plants.



Intensity of water withdrawal 2022



To reduce water consumption, FEPA has developed several initiatives managed by the “**Water Team**”, a technical working group established in 2016 to develop projects aimed at streamlining processes and reducing water consumption. The main activities include:

- Installation of peristaltic pumps on Masterflex printing machines that limit water consumption for washing printing units and ink losses during colour application in the San Polo plant.
- Detailed analysis and modelling of production cycles, the installation of water consumption monitoring systems and the development of guidelines to limit consumption at the Mezzani site.

Both production sites are equipped with water purification systems designed according to the type of discharge and the receiving body to which they are sent.

SITE OF SAN POLO

Receptor body: **sewer**
Purification system: **Chemical-physical**

The water used in FEPA's industrial processes is recovered thanks to a closed-loop system that purifies the water used during production and reuses it to produce cardboard glues.

MEZZANI SITE

Receptor body: **surface water body**
Purification system: **Chemical-physical + Biological**

In order to ensure better control of the water purification process, the Mezzani plant is equipped with a chemical-physical and biological purification plant for the treatment of industrial wastewater: the purification system provides quality water that can be reused for production or discharged into the local surface water body.

To manage any malfunctions efficiently and punctually, the plant is equipped with an automatic reporting system that, in the event of anomalies or criticalities, sends reports to the designated managers so as to guarantee timely intervention.



The water monitoring and treatment system not only ensures compliance with the legal and voluntary requirements to ensure the quality of discharges, but also enables management aimed at pollution prevention and environmental protection



PROSPERITY AND SUPPLY CHAIN



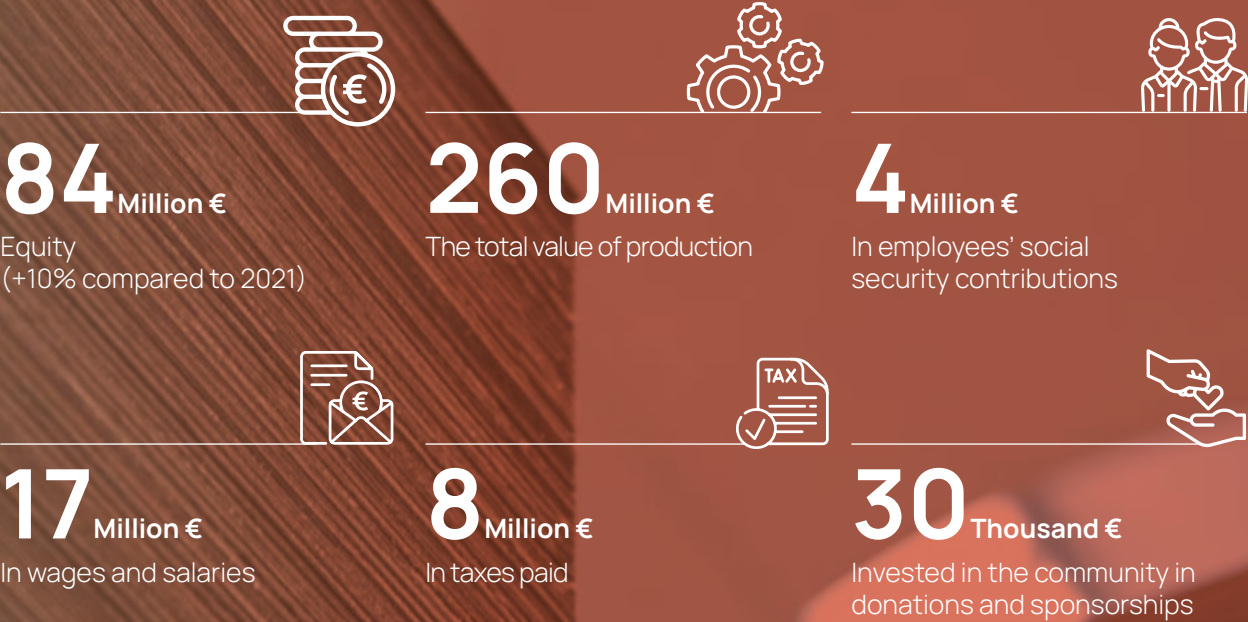
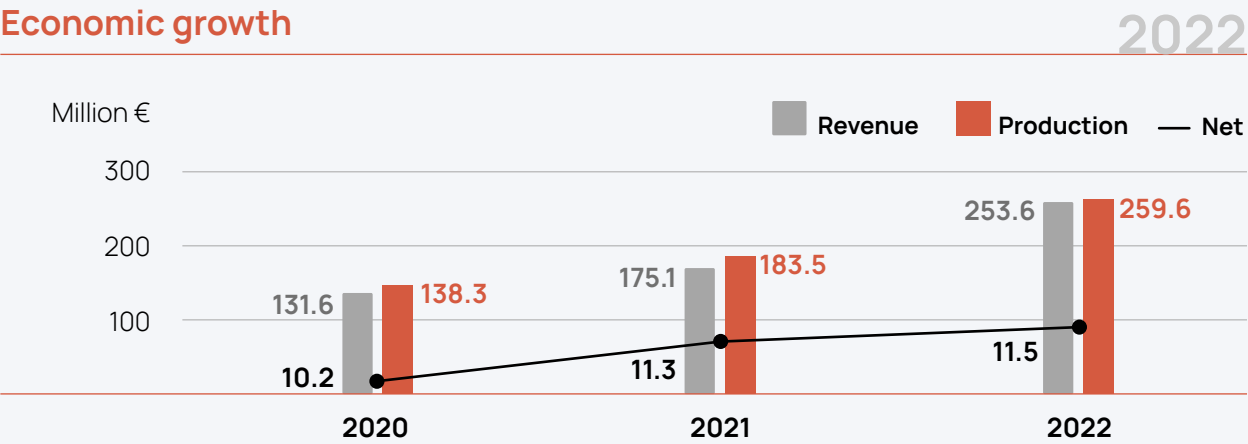
FEPA is ingrained in the territory in which it was born and has grown to become a leader in the packaging sector by virtue of the **relationships of trust and collaboration** it has established with **suppliers, customers, and surrounding communities**. FEPA has always focused on the development of a solid and lasting supply chain, creating **supportive and strategic partnerships** that satisfy its customers and guarantee economic and social prosperity for the local communities in which it operates. Moreover, FEPA has always been known for its constant commitment to supporting environmental protection initiatives.



“ We firmly believe that **helping young people** enter the world of work, enhancing the emerging realities of the territory, and promoting integration into communities goes beyond **Corporate Social Responsibility**, and represents a concrete way to participate in the construction of a better future. ”

6.1 The Growth of FEPA 🔍

FEPA is a leader within Italian innovative corrugated cardboard production sector. FEPA's constant economic growth, particularly since the late 80s, is the result of investments by the Company in **process and training innovations**, which have allowed it to reach an increasingly wide market and maximize the economic potential of the Organization.



FEPA AWARDS AND RECOGNITIONS

Thanks to constant investments in technological innovation and product development, in 2022 FEPA was awarded the **BEST PRINTER CORRUGATED** award, a recognition of excellence in the printing and converting industry in Italy.



For four years, FEPA has been recognized as a “**Champions Enterprise**” by Italy Post Corriere della Sera, ranking among the Italian companies that have grown the most in the last 6 years and have performed best in terms of profitability.



Regarding its commitment to Sustainability and transparency, FEPA annually reviews its rating through **EcoVadis**, a Platform that evaluates performance in terms of Corporate Social Responsibility.

In 2022 FEPA obtained the **SILVER** classification in recognition of the results obtained in the following areas:



Environmental



Social



Respect for Human Rights



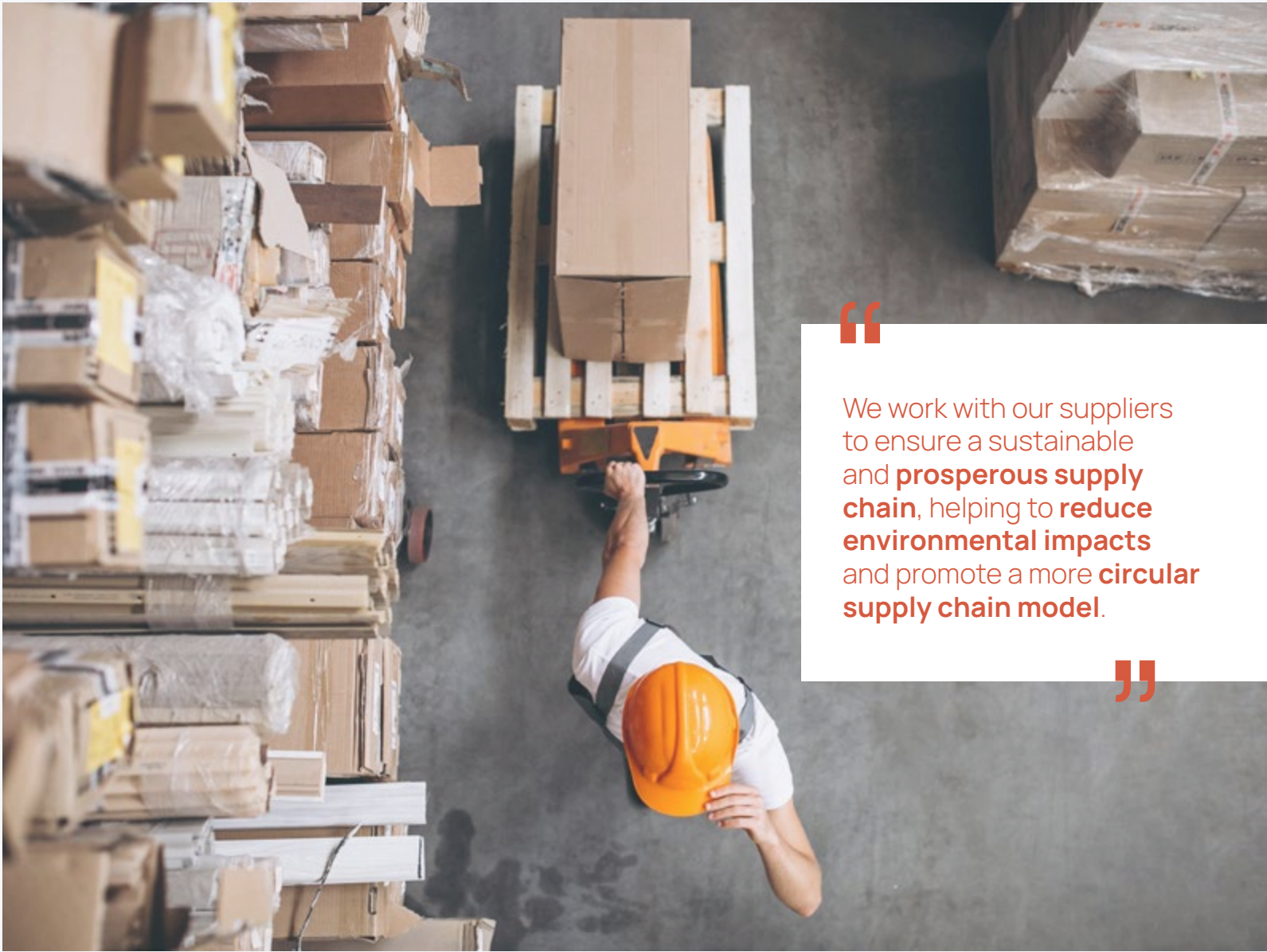
Sustainable Purchasing

2022

6.2 Relations with Suppliers

Every stage of the supply chain, from the procurement of raw materials to the delivery of finished products, can have a significant impact on the **environment, society, and the economy**; Its correct management is, therefore, a **fundamental tool in a company’s sustainability strategies**.

For FEPA, **responsible management of the supply chain** translates into working together with its suppliers towards a more sustainable supply chain model capable of **increasing the prosperity of the territory and personnel**, reducing environmental impacts, promoting social equity, and ensuring the sustainability of activities as a whole.



“We work with our suppliers to ensure a sustainable and **prosperous supply chain**, helping to **reduce environmental impacts** and promote a more **circular supply chain model**.”

Supplier selection

In order to ensure an accurate choice of actors along the cardboard supply chain, FEPA undertakes to select, qualify, and verify that its strategic suppliers operate in accordance with the risk assessment procedures provided for by the Integrated Management System and in compliance with applicable regulations.

Our selection criteria



FSC® Chain of Custody

Control of the chain of custody of paper and specific FSC certifications to ensure the sustainability requirements of our products through supply chain traceability.



Quality

Respect for the quality and reliability of supplies and the management system to ensure high levels of service and product, favouring the creation of long-term partnerships.



Environment

Selection of environmentally relevant suppliers according to their possession of environmental qualification, regulatory, and operational requirements.



Food security

Verification of compliance with operational service and product requirements to ensure the production of safe MOCA (materials and objects in contact with food) products.



Health and safety in the workplace

Control and reduce interference risks to ensure safe operations and workplaces.

For FEPA it is also essential that the selected suppliers demonstrate a willingness to undertake a shared path towards **environmental, social, and ethical responsibility**; To establish a collaborative relationship that goes beyond profit alone, FEPA chooses to communicate to suppliers the objectives and principles of its mission, Code of Ethics, and company policy.

Responsible management of resources:
Chain of Custody certification

In line with the **principles of sustainability and responsible use of resources**, FEPA has implemented a Chain of Custody Management and Control System that guarantees the traceability of materials derived from wood and from sustainably managed forests certified in accordance with FSC standards.

The checking of the origin of the paper from the selected suppliers and the traceability in the processing and transformation phases allows FEPA to demonstrate in a correct, transparent, and controlled manner the **active contribution to responsible forest management**.





Supplier distribution

FEPA has 704 active suppliers, most of which are located in the national territory (90%). 9% are located in Europe, with only 1% of suppliers present in non-EU countries.

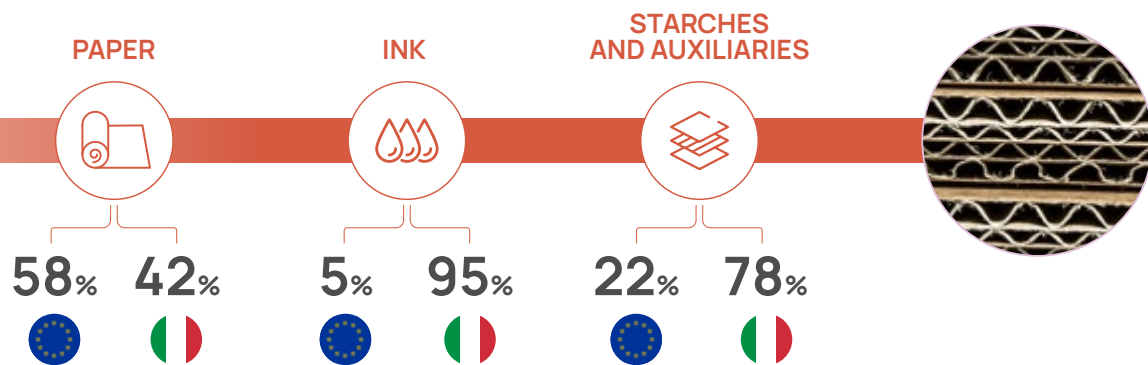


FEPA has always believed in the importance of establishing solid, lasting relationships with suppliers, favouring, as much as possible, a “zero km” supply network. This allows FEPA **to guarantee greater flexibility and agility in the management of supplies and services and to contribute to developing and growing the entrepreneurial fabric of the territory.**

Paper: High performance corrugated cardboard, produced by FEPA, requires the use of quality paper with weights that are not easily supplied in Italy. Despite this, FEPA has managed over the years to build a solid supply network within Italy, thus reducing the economic and environmental impacts related to transport and feeding the virtuous circle of the paper recycling market. In volumes: 41.7% IT, 57.9% EU, 0.4% Non-EU.

Ink: for flexographic printing, water-based liquid inks (also recycled) and natural pigments are used that make the finished product 100% recyclable. 95% of pigments and binders are sourced from Italian suppliers (within 260km); the remaining 5% comes from the EU.

Starches and auxiliaries: To ensure a fully recyclable product, FEPA produces 100% natural glues based on corn starches in-house. 78% of the raw materials are sourced from within Italy - of which 99% comes from within 250km of FEPA production sites; 22% comes from Europe.



Our supply chain projects



Paper Procurement

Reduce the procurement of virgin fibre paper and give preference to fibre sourced from forests controlled through the FSC certification system.

Purchase of tarches

Use of corn starches (for the creation of glue) from 100% certified, natural, and non-GMO crops.

Packaging of the finished product

Reduction of the thickness of the stretch film used for the packaging of the finished product and total elimination where possible. Project for the recovery and reuse of the plastic straps used for the packaging of the finished product, aiming for circularity.



Internal handling

Replacement of diesel forklifts with electric trucks and use of solutions with reduced environmental impact with lithium batteries.

Transport

Optimization of logistics by using the same carriers of inbound raw material for the collection of waste paper, helping to reduce emissions.

6.3 Attention to consumers

Attention to consumer health and safety

Through targeted risk analysis, customized design and supervision of the supply chain and production processes, FEPA can assure consumers **of the highest quality and safest packaging for personal, household, and food-related uses**.



FEPA has adopted the FSSC 22000 standard as a reference to implement the certified Food Safety Management System. **Thanks to the attention, rigor and commitment of FEPA's interdisciplinary internal team ("Food Safety Team")** there have been no food-safety related non-conformities linked to FEPA products (GRI: 416-1).



At the Mezzani site, the HPC 420 scheme, a global standard for Safety and Quality Management Systems for **Home & Personal Care products**, was adopted. This system integrates the FSSC22000 requirements (applicable to the food sector) to the non-food sector, offering a high level of integration.

The HPC 420 certification confirms the importance for FEPA to ensure controlled production processes and product quality as well as a constant attention to consumers.



Product labelling

As a packaging manufacturer, FEPA started a project in 2021 that is aimed at optimising the management of the flow of information and related communication. This was initiated in anticipation of the mandatory **environmental labelling** of products placed on the market starting in January 2023.

Market and labelling requirements



Market B2B – Business to business – Packaging intended for B2B, for example, packaging intended for the industrial sector, transport, logistics or exhibition activities, may not present information on the final destination of the packaging, but must report the coding of the composition materials in accordance with **Decision 129/97 / EC**.



Market B2C – Business to Consumer – B2C packaging, e.g. packaging intended for final consumers, must have both the **coding of composition materials according to Decision 129/97/EC, and the "end-of-life" collection information**.

Due to the nature of the products produced for B2B, FEPA was able to convey information through transport documents, thus avoiding the environmental impacts related to the disposal and refurbishment of printing systems.

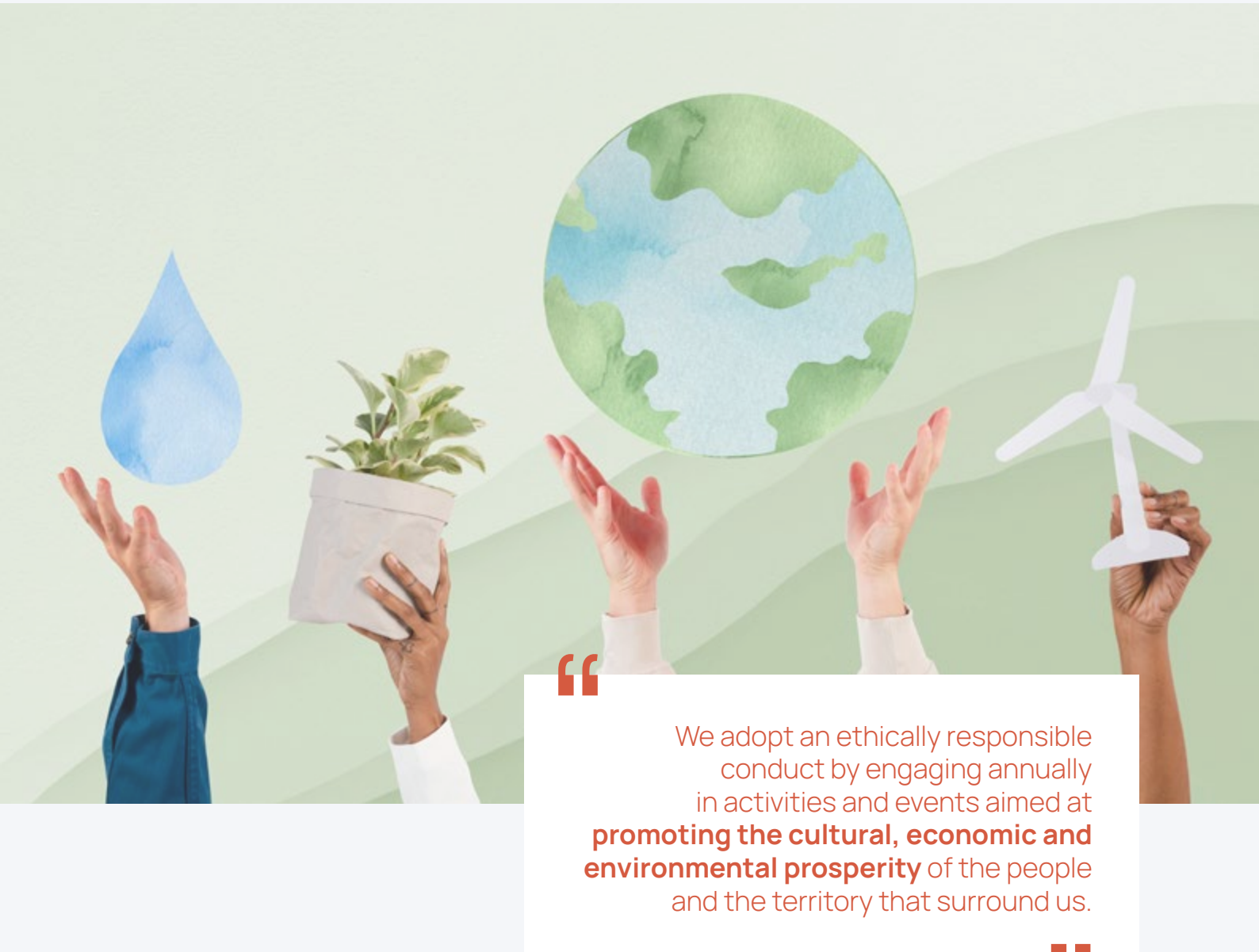
Labels, trademarks, and logos related to the packaging, or its direct services printed on the product are verified in accordance with the procedure of organizational management systems.

Thanks to the attention and rigor of the controls, no case of misleading communications has ever involved FEPA products (GRI: 417-2).



6.4 Relations with Local Communities

For FEPA, **ensuring ethically responsible business conduct** means taking an active role in favour of the community and the people of the area, to promote cultural, environmental, and social well-being. For this reason, in line with some of the Sustainable Development Goals, FEPA is committed every year to participate in and finance initiatives that raise awareness of sustainability issues, bring young people closer to the world of work, help guarantee health care services to the most fragile, support the local gastronomic culture, and encourage the creation of meeting spaces open to all.



“ We adopt an ethically responsible conduct by engaging annually in activities and events aimed at **promoting the cultural, economic and environmental prosperity** of the people and the territory that surround us. ”

Clean up - Plastic Free



Disseminate relevant information and awareness for sustainable development and lifestyles in harmony with nature

*In line with SDG 12, aimed at reducing the spread of waste in the environment and promoting more sustainable lifestyles, in 2022 FEPA sponsored the “**Clean up**” event of Plastic Free (plasticfreeonlus.it), a voluntary association created to inform and raise awareness of the danger of plastic pollution.*

The event, held throughout Italy, saw the collaboration of thousands of people, institutions, and businesses who worked together to clean up plastic waste, preventing it from being dispersed in the environment and helping to create healthier, cleaner living spaces for everyone.

The mission of the Plastic Free association is similar to the sustainability objectives pursued by FEPA, which in turn is committed to adopting a circular supply chain model, minimizing the production of waste through recovery and recycling processes of the materials used.



Attention to local communities



Ensuring healthy living and promoting well-being for all at all ages

In accordance with its principles of social sustainability, FEPA is committed to facilitating access to essential quality healthcare services, protecting the physical and mental well-being of the most fragile people.

Italian Association of Amyotrophic Lateral Sclerosis



To celebrate December 25 with a gesture of care, for Christmas 2022 FEPA chose to support the Italian Association of Amyotrophic Lateral Sclerosis (ALS) of Parma by participating in the fundraiser "Dona di Slancio" for families affected by ALS, a progressive neurodegenerative disease that affects brain nerve cells.

The Association, founded in 1983, is responsible for providing assistance and care to people with ALS, promoting information on the disease, and encourages the competent structures to take adequate and qualified care of the sick.

Dynamo Camp – Right to happiness



FEPA recognises the importance of protecting the most vulnerable individuals, in particular children and young people. For this reason, in 2022 the Company has chosen to financially support the "Right to happiness" project of Dynamo Camp, an association founded in 1988 that offers free Recreational Therapy programs to children aged 6 to 17 suffering from diseases, in therapy or in post-hospitalization.

Support for culture

To encourage the sense of belonging of surrounding communities and promote the dissemination of Italian gastronomic culture, FEPA has chosen to sponsor events that enhance the dishes and products of the territory and create opportunities for meeting and sharing between people.

The Supper of the Thousand



After a two-year hiatus due to the pandemic, in 2022 the "Cena dei Mille" returned to Parma. This is an Italian gastronomy event of which FEPA is a technical sponsor. The event, which aims to enhance the territory and celebrate the culinary tradition of the city, capital of the Food Valley, and long-standing supplier of excellent products, consists of a table of 400 meters in the historic city-centre, with 180 people at work including chefs, restaurateurs, and service staff.

In addition to playing the role of technical sponsor, FEPA contributed to the evening by providing personalized corrugated cardboard objects exclusively for the event, demonstrating how this material can also be used for refined and eco-friendly design products.

Food Valley Bike Festival



In 2022, on the occasion of World Environment Day, FEPA sponsored and supported the Food Valley Bike Festival, a three-day event organized by the Municipality of Sorbolo/Mezzani, where one of FEPA's plants is located.

The initiative promotes three pillars connoting the identity of the territory, such as gastronomy, sport, and culture. On June 4, a bike ride of about 80 km from Parma to Busseto was carried out, interspersing pedaled sections immersed in nature with nine culinary stages dedicated to tasting and discovering the typical products of the place.

Cinema under the stars



To celebrate the summer of 2022, FEPA has chosen to support a local initiative of the Municipality of Torrile dedicated to open-air film screenings, with options for all ages and free admission. Promoting and encouraging the well-being and sense of belonging in a community means spreading culture in all its forms, creating opportunities for meeting, and sharing open to all.

APPENDICES AND GLOSSARY



Contents of the Report

(GRI: 2-2, 2-3, 2-4, 2-5)

This sustainability report has been prepared following the example of the GRI Standard according to the updates introduced in 2021. Since there is still no Industry Standard applicable to FEPA, the selection of material topics and their reporting was carried out independently, following GRI 3 "Material Topics" and the Specific Standards referring to each material topic. The detailed list of reported indicators can be found in the GRI Content Index appendix.

The scope of this Declaration refers only to the single member company, FEPA SPA.

The information and data that make up this document refer to the year 2022 (from 1 January 2022 to 31 December 2022), in line with the financial reporting period. They are also presented alongside the data from the two previous years (2020-2021) to better illustrate trends over time. This edition of the sustainability report is not subject to external assurance, however, the financial statements from which the economic performance data are derived are subject to external audit by PricewaterhouseCoopers SpA pursuant to Article 14 of Legislative Decree 27/01/2019 No. 39.

This edition of the report constitutes the first draft of the sustainability report (there are therefore no revisions of information with respect to previous reports) and will serve as a guide for outlining the strategic objectives in the area of sustainability, which will be presented in the next edition of the report.

The sustainability report is subject to internal audit by the ESG Manager and is approved by the Board of Directors.

Declaration of use	FEPA SpA reported the information cited in this GRI content index for the period from 1 January 2022 to 31 December 2022, inspired by GRI standards.
GRI reference from which FEPA drew inspiration for the Report	GRI 1 - Fundamentals - version 2021
Relevant GRI industry standards	There are currently no Industry Standards for the sector in which FEPA operates

Materiality analysis

To identify material topics, a structured process aimed at understanding the expectations of FEPA stakeholders was developed.

This materiality analysis process is divided into the following phases:

- Analysis of the sector:** the preliminary phase of materiality involved the analysis of documents disclosed by sector-specific associations and organizations, benchmarks of sustainability reports published by a panel of companies in the sector, and the main sustainability documents published by the most important international sustainability organizations.
- Analysis of the Sustainability Committee:** once the sector topics had been identified, the *internal committee* assessed the significance of the impact for each of the topic observed.
- Stakeholder engagement:** a stakeholder engagement campaign was carried out to acquire more points of view and information than would be possible through an exclusively internal analysis.
- Assessment of the analyses:** phase that involved the union of the results obtained from the previous steps and the selection of the resulting material topics.

Evaluation of the committee

The different sustainability issues were analyzed to determine whether FEPA's activity was able to generate impacts (positive or negative) in this regard by assessing their relevance. Each issue was then analyzed using four criteria and attributing to each criterion a weight from 1 to 3, where 1 indicated an impact of low relevance while 3 a highly relevant impact. The final score for each issue was then calculated as an average of the scores attributed to each criterion.

Commitment to the issue	Presence of the issue in policies or official documents (e.g. Code of Ethics, Voluntary Policies, Official Reporting Documents) and related monitoring. Presence of specific programs/projects on the issue.
Regulatory influence	Presence or absence of rules that affect FEPA's freedom to decide in relation to the issue.
Effects on the environment	Reversibility of the negative impacts and of the benefits of the positive impacts.
Impact on society and community	Positive or negative effects on society and surrounding communities.

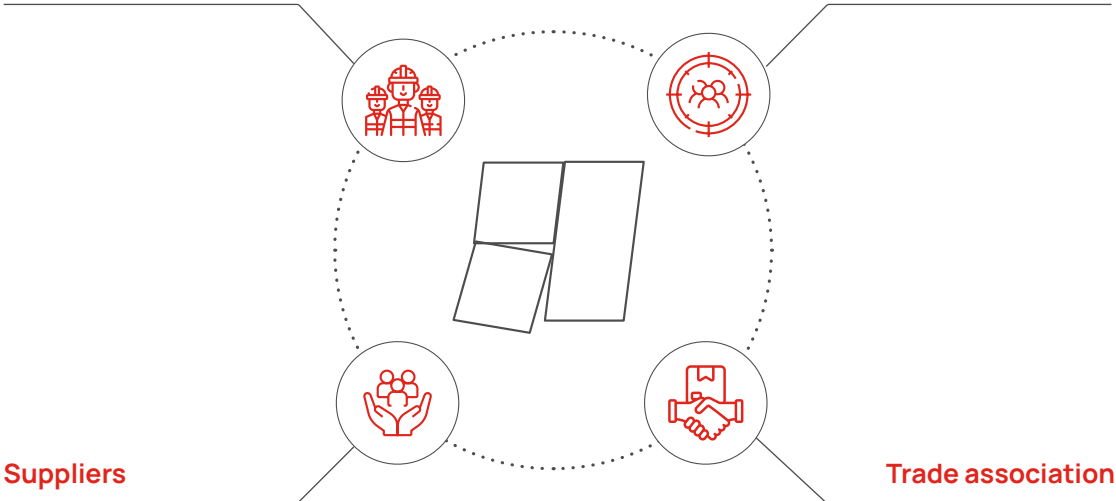
Stakeholder Engagement

To ensure that the assessment of the relevance of the impacts generated by the organization was shared with all the stakeholders potentially affected by these impacts, FEPA identified some categories of stakeholders to be involved in the analysis.

The involvement was achieved through the administration of a questionnaire that allowed all subjects to express an opinion on the relevance of the impacts for each sustainability issue. The judgment was expressed using a value scale from 1 to 3, where 1 indicated an impact of low relevance while 3 indicated a highly relevant impact.

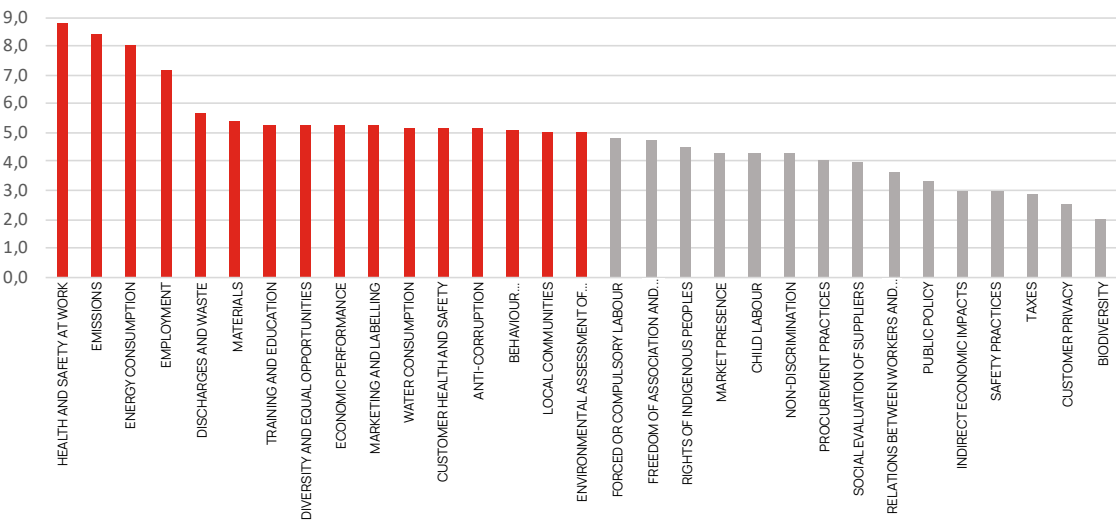
Employees

Clients



The use of the same scale of values by FEPA and its stakeholders for the evaluation of the different sustainability issues made it possible to combine the results obtained from the two previous phases and to calculate the average relevance score for each issue.

At this point, by ordering the different issues on a scale of values from the highest to the lowest score, and setting a minimum threshold of relevance, it was possible to divide the issues to be considered relevant from those that are not. The materiality threshold was set by dividing the range of values of the results from 1 to 9 and setting the minimum threshold score to 5 (corresponds to 55%).



Social dimension - additional data and information

MANPOWER
GRI: 2-7, 2-8, 401-1, 405-1

The data about the workforce, located 100% in the Italian national territory, are calculated on 31 December of the reporting year.

The number of employees/non-employees (predominantly associated with the role of blue-collar workers) is calculated as the number of persons with full-time equivalent (FTE).

		WORKERS								
	Units	2020 Data			2021 Data			2022 Data		
		MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL
Employees	N°	282	41	323	287	45	332	332	49	381
Non-Employees	N°	43	5	48	85	5	90	73	2	75
TOTAL	N°	325	46	371	372	50	422	405	51	456

		TYPE OF DECISION-MAKING BODY		
Units		Data 2022		
		MEN	WOMEN	TOTAL
CDA	N°	6	1	7
Board of Directors	N°	3	2	5
Board of Auditors	N°	1	2	3

TYPE OF DECISION-MAKING BODY										
	Unit	TOTAL	MEN				WOMEN			
			Total men	< 30 years	30-50 years	>50 years	Total years	< 30 years	30-50 years	>50 years
Board of Directors	Nº	7	6	0	1	5	1	0	0	1
Management Committee	Nº	5	3	0	1	2	2	0	1	1
Board of Auditors	Nº	3	1	0	0	1	2	0	0	2

Below is the detail of the workforce associated with the category of employees.

EMPLOYEE JOB ROLES										
Units		2020 Data			2021 Data			2022 Data		
		MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL
Executives	N°	7	1	8	7	1	8	8	3	11
Middle management	N°	11	2	13	13	2	15	13	2	15
Office employees	N°	44	28	72	46	29	75	55	29	84
Workers	N°	220	10	230	221	13	234	256	15	271
Internships	N°	0	0	0	0	0	0	0	0	0
TOTAL	N°	282	41	323	287	45	332	332	49	381

EMPLOYEE JOB ROLES										
Units	2020 Data			2021 Data			2022 Data			
	MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL	
Fixed-term	Nº	2	1	3	0	0	0	1	0	1
Indefinite	Nº	280	40	320	287	45	332	331	49	380
TOTAL	Nº	282	41	323	287	45	332	332	49	381

EMPLOYMENT CONTRACTS										
Units	2020 Data			2021 Data			2022 Data			
	MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL	
Fixed-term	Nº	282	37	319	287	41	328	331	45	376
Indefinite	Nº	0	4	4	0	4	4	1	4	5
TOTAL	Nº	282	41	323	287	45	332	332	49	381

100% of employees are covered by a collective agreement: Settore Cartotecnica Industria.

EMPLOYEE SENIORITY				
Years of service	Units	2020 Data	2021 Data	2022 Data
> 30	N°	3	6	6
> 15 < = 30	N°	47	55	59
> 5 < = 15	N°	92	97	84
> 2 < = 5	N°	67	103	121
< = 2	N°	114	71	111
TOTAL	N°	323	332	381

NEW HIRES				
Age of new hires	Udm	2020 Data	2021 Data	2022 Data
< 30	N°	9	3	6
> = 30 e < 50	N°	10	14	30
> = 50	N°	8	12	8
TOTAL	N°	27	29	44
% OF TOTAL EMPLOYEES	%	8%	9%	12%

EMPLOYEES WHO ARE MEMBERS OF TRADE UNIONS				
Units		2020 Data	2021 Data	2022 Data
Employees enrolled	Nº	66	68	71

HEALTH AND SAFETY AT WORK
(GRI: 403-9; 403-10)

ACCIDENT DATA AND INDICES						
	EMPLOYEES			NON-EMPLOYEE WORKERS		
	2020 Data	2021 Data	2022 Data	2020 Data	2021 Data	2022 Data
Hours worked	460.055	633.311	629.393	76.380	115.891	145.959
Deaths as a result of accident	0	0	0	0	0	0
Accidents with serious consequences	0	0	0	0	1	0
Work-related injuries	16,00	16,00	16,00	0	8	13
Work-related ill health	0	0	0	-	-	-
Frequency index ¹	34,8	25,3	25,4	-	69,0	89,1
Severity Index ²	0,9	0,4	0,6	-	1,3	1,6
Risk index ³	30,9	10,3	14,8	-	87,0	141,6

¹ The frequency index correlates the number of injuries to the measure of exposure to risk (it is calculated by dividing the number of accidents with the absence of more than 3 days multiplied by 1,000,000, compared to the hours worked).

² The severity index relates the severity of the injury and the extent of exposure to risk (it is calculated by dividing the number of days lost beyond 3 days multiplied by 1,000, compared to the hours worked).

³ The risk index correlates with the frequency and severity indices.

TYPE OF INJURY				
Units		2020 Data	2021 Data	2022 Data
Burn	Nº	0	1	1
Fracture	Nº	0	0	2
Contusion	Nº	4	5	6
Distortion	Nº	3	5	2
Wound	Nº	5	2	0
Crush	Nº	3	3	4
Abrasion	Nº	1	0	1
TOTAL	Nº	16	16	16



Environmental dimension - additional data and information

WASTE AND BY-PRODUCTS (GRI: 306-3)

SPECIAL WASTE PRODUCED				
	Units	2020	2021	2022
TOTAL WASTE GENERATED	t	1.221	1.367	1.377
Waste destined for recovery	t	429	405	482
Waste destined for disposal	t	792	962	895
Hazardous waste	t	2	124	6
<i>dangerous for disposal</i>	t	1	121,5	5,5
<i>dangerous for recovery</i>	t	1	2,5	0,5
Non-hazardous waste	t	1.219	1.243	1.371
<i>Not dangerous for recovery</i>	t	428	402,59	482
<i>Non-hazardous for disposal</i>	t	791	840,49	889

BY-PRODUCTS				
	Units	2020	2021	2022
TOTAL BY-PRODUCTS	t	17.458	23.280	24.205

RECOVERY PERFORMANCE				
	Units	2020	2021	2022
RECOVERED WASTE AND BY-PRODUCTS	%	95,8	96,1	96,5

ENERGY CONSUMPTION (GRI: 302-1; 302-3)

ENERGY CONSUMPTION WITHIN THE ORGANIZATION				
	Units	2020	2021	2022
TOTAL ENERGY CONSUMPTION	GJ	229.109	261.924	250.849
Electricity consumed (from the grid)	GJ	25.334	29.401	35.304
Natural gas consumed	GJ	196.134	223.576	205.634
Electricity consumed (photovoltaic)	GJ	1.580	2.099	3.203
Other energy sources	GJ	4.088	4.519	4.373
ENERGY INTENSITY	GJ/tonne	1,76	1,49	1,32

Factors: • 1 kWh = 0,0036 GJ • Calorific value of methane: 0.03884 GJ/ Nm³



EMISSIONS
(GRI: 305-1; 305-2; 305-4)

CO ₂ EMISSIONS				
	Udm	2020	2021	2022
Total emissions (Scope 1 and 2)	t CO ₂ eq.	12.348	14.395	13.875
Scope 1 emissions – direct	t CO ₂ eq.	10.763	12.268	11.322
Scope 2 emissions – indirect from energy consumption	t CO ₂ eq.	1.586	2.127	2.554
Total emission intensity (Scope 1 and 2)	tonneCO ₂ eq/ton	0,09	0,08	0,07

Methodological Notes for the calculation of emissions:

the allocation principle of ISO 14064 was used for the calculation of emissions, in particular:

- **Scope1:** The calculation takes into account emissions from stationery and process combustion, combustion from the transport of owned vehicles, fugitive emissions FGAS.
- **Scope 2:** The calculation takes into account the emissions related to the supply of electricity from the grid and production by photovoltaic system.

The emission factors were calculated using the scientific software SimaPro 9.5.0.0 and using the Ecoinvent 3 database in relation to the choice of datasets.

The San Polo and Mezzani sites have a specific Single Environmental Authorization (SEA) for the management of water discharges and emissions into the atmosphere.



MATERIALS
(GRI 301 - 1)

MATERIALS				
	Units	2020	2021	2022
Renewable materials	t	132.348	175.267	192.079
Non-renewable materials	t	921	1.208	1.258
Total materials	t	133.269	176.475	193.336

WATER CONSUMPTION AND DISCHARGE
(GRI: 303-3; 303-4)

WATER WITHDRAWAL				
	Units	2020	2021	2022
TOTAL WATER WITHDRAWAL	ML	87	88	80
Withdrawal from well	ML	83	81	76
Withdrawal from aqueduct	ML	4	7	4
Withdrawal from other sources	ML	0	0	0
WATER WITHDRAWAL INTENSITY	m ³ /tonne	0,68	0,51	0,43

There are no water withdrawals associated with areas subject to water stress.

WATER DISCHARGE				
	Units	2020	2021	2022
TOTAL WATER DISCHARGE	ML	9,6	9,2	8,9
Discharge to sewer	ML	3,5	3,2	3,0
Discharge into surface water body	ML	6,1	6,0	5,8
Discharge to other receptors	ML	0	0	0

The San Polo and Mezzani sites have a specific Single Environmental Authorization (SEA) for the management of water discharges and emissions into the atmosphere.

Economic dimension - additional data and information

ECONOMIC VALUE DIRECTLY GENERATED AND DISTRIBUTED
(GRI: 2-9, 201-1, 205-3, 206-1)

ECONOMIC GROWTH				
	Units	2020	2021	2022
Turnover	€	131,552,349	175,075,147	253,584,016
Revenues	€	138,278,660	183,478,792	259,592,400
Net	€	10,173,565	11,332,012	11,507,058

EMPLOYEE WAGES AND BENEFITS				
	Units	2020	2021	2022
Wages and salaries	€	12,740,958	14,547,935	17,098,327
Social security contributions	€	3,453,872	3,871,121	4,374,863
Severance pay	€	799,434	892,335	994,631
Total personnel costs	€	16,994,264	19,333,595	22,554,712

ADDITIONAL BALANCE SHEET DATA				
	Units	2020	2021	2022
Total net worth	€	66,719,695	76,684,289	84,181,377
Payments to governments by country	€	6,140,039	4,844,031	2,971,997
Total income tax	€	280,189	3,065,670	7,668,106
Economic value retained	€	16,092,798	13,559,067	18,299,897
Operating costs	€	122,185,862	169,919,726	241,292,503

Payments to capital providers 2022: 4,930,107€

SUBSIDIARIES AND INVESTEE COMPANIES

Participation in subsidiaries

- SANDA SERVICE SRL 100% sole shareholder
- SPG DESIGN SRL 100% sole shareholder
- REAL ESTATE AMY SRL 100%
- CART-ONE SRL 50%

Governance

Members of the Board of Directors

- Chairman of the Board of Directors: GABBI GABRIELLA
- CEO: FERRETTI FAUSTO
- Councillor: FRANZOSI PIER PAOLO
- Councillor: ZIEMACKI GIORGI
- Councillor: AGADI PAOLO
- Director: DI FEDERICO SIMONE
- Director: CP BOARD COMPANY S.R.L.

Proxies

Active for plant managers proxies in the field of health, safety and environment.

Other company disclosures

Anti-corruption - FEPA is not interested in corruption events or incidents
Anti-competitive behaviour - On 13 January 2023, the Council of State, in acceptance of the appeal proposed by the AGCM, reformed the decision of the Lazio Regional Administrative Court which, at first instance, had fully exonerated Sandra S.p.A. (now FEPA S.p.A.) from the accusation of participation in the so-called Intesa packaging. ACGM will have to reformulate the amount of the penalty to be paid by FEPA as the Council of State has decreed the abnormality of the previous calculation. FEPA, having noted with regret the above, confirming its line of extraneousness to the affair, has given a mandate to its lawyers to activate all the necessary initiatives in each location.

Correlation to GRI Standard

GRI Standards	Information	Location	Note
GENERAL DISCLOSURES			
GRI 2: General Disclosures – 2021 version	2-1 Organizational details	Chapter 1 We at Fepa Chapter 2 Products and Target Markets Paragraph 7.1	-
	2-2 Entities included in the organization's sustainability reporting	Paragraph 7.1	-
	2-3 Reporting period, frequency and contact point	Paragraph 7.1	-
	2-4 Restatements of information	Paragraph 7.1	-
	2-5 External assurance	Paragraph 7.1	-
	2-6 Activities, value chain and other business relationships	Chapter 2 Products and Target Markets	-
	2-7 Employees	Appendix: Social dimension - additional data and information	-
	2-8 Workers who are not employees	Appendix: Social dimension - additional data and information	-
	2-9 Governance structure and composition	Paragraph: Responsible Governance Appendix: Social dimension - additional data and information	-
	2-10 Nomination and selection of the highest governance body	-	nr
	2-11 Chair of the highest governance body	Paragraph: Responsible Governance Appendix: Social dimension - additional data and information	-
	2-12 Role of the highest governance body in overseeing the management of impacts	Paragraph: Responsible Governance	-
	2-13 Delegation of responsibility for managing impacts	Appendix: Social dimension - additional data and information	-
	2-14 Role of the highest governance body in sustainability reporting	Appendix: Materiality Analysis	-

The "nr" indicates disclosures not yet reported in this report.

GRI Standards	Information	Location	Note
GRI 2: General Disclosures – 2021 version	2-15 Conflicts of interest	-	nr
	2-16 Communication of critical concerns	-	nr
	2-17 Collective knowledge of the highest governance body	-	nr
	2-18 Evaluation of the performance of the highest governance body	-	nr
	2-19 Remuneration policies	-	nr
	2-20 Procedure to determine remuneration	-	nr
	2-21 Annual total compensation ratio	-	nr
	2-22 Statement on sustainable development strategy	Letter to the stakeholders Paragraph: 1.5. Values and the Control System Chapter: 3. TOWARDS SUSTAINABLE DEVELOPMENT	-
	2-23 Policy commitments	Letter to the stakeholders Chapter: 3. TOWARDS SUSTAINABLE DEVELOPMENT	-
	2-24 Embedding policy commitments	n.a.	n.a. first report
	2-25 Processes to remediate negative impacts	-	nr
	2-26 Mechanisms for seeking advice and raising concerns	Paragraph: Health and Safety at Work Appendix: Materiality Analysis	-
	2-27 Compliance with laws and regulations	-	nr
	2-28 Membership associations	Chapter 2 Products and Target Markets	-

2-29 Approach to stakeholder engagement	Appendix: Materiality Analysis	-
2-30 Collective bargaining agreements	Paragraph: Staff Protection and Management	-

GRI Standards	Information	Location	Note
MATERIAL TOPICS			
GRI 3 - Material topics	3-1 Process to determine material topics	Appendix: Materiality Analysis	-
	3-2 List of material topics	Paragraph: Sustainability Report and Materiality Analysis Appendix: Materiality Analysis	-
ECONOMIC PERFORMANCE			
GRI 201: Economic performance	201-1 Direct economic value generated and distributed	Appendix: Economic dimension - additional data and information	-
ANTI-CORRUPTION			
GRI 205: Anti-corruption	Art. 205-3 Confirmed incidents of corruption and actions taken	Appendix: Economic dimension - additional data and information	-
ANTI-COMPETITIVE BEHAVIOUR			
GRI 206: Anti-competitive behaviour	206-1 Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	Appendix: Economic dimension - additional data and information	-
RAW MATERIALS			
GRI 301: Materials	301-1 Materials used by weight or volume	Appendix: Economic dimension - additional data and information	-
	301-2 Recycled input materials used	Paragraph: Circular Economy and Waste Management	Valorized for the paper raw material
ENERGY CONSUMPTION			
GRI 302: Energy	302-1 Energy consumption within the organization	Paragraph: Energy Consumption Management	-
	302-3 Energy intensity	Appendix: Environmental dimension - additional data and information	-
WATER CONSUMPTION			
GRI 303: Water and Effluents	303-3 Water withdrawal 303-4 Water discharge	Paragraph: Water resource management Appendix: Environmental dimension - additional data and information	-
MANAGEMENT OF GREENHOUSE GAS EMISSIONS			
GRI 305: Emissions	305 - 1 Direct (Scope 1) GHG emissions 305 - 2 Energy indirect (Scope 2) GHG emissions from energy consumption 305-4 GHG emissions intensity	Paragraph: Management of atmospheric emissions Appendix: Environmental dimension - additional data and information	-

GRI Standards	Information	Location	Note
WASTE GENERATION			
GRI 306: Effluents and Waste	306 - 3 Significant spills	Paragraph: Circular Economy and Waste Management Appendix: Environmental dimension - additional data and information	-
ENVIRONMENTAL ASSESSMENT OF SUPPLIERS			
GRI 308: Supplier Environmental Assessment	308-1 New suppliers that were screened using environmental criteria	Paragraph: Relations with Suppliers	-
EMPLOYMENT POLICIES			
GRI 401: Employment	401-1 New employee hires and employee turnover	Appendix: Social dimension - additional data and information	-
WORKERS' HEALTH AND SAFETY			
GRI 403: Occupational Health and Safety	403-9 Work-related injuries 403-10 Work-related ill health	Paragraph: Health and Safety at Work Appendix: Social dimension - additional data and information	-
TRAINING OF WORKERS			
GRI 404: Training and Education	404-1 Average hours of training per year per employee	Paragraph: Talent training and development	-
DIVERSITY AND EQUAL OPPORTUNITIES			
GRI 405: Diversity and Equal Opportunity	405-1 - Diversity of governance bodies and employees	Appendix: Social dimension - additional data and information	-
NON-DISCRIMINATION			
GRI 406: Non-discrimination	406-1 Incidents of discrimination and corrective actions taken	Paragraph: Staff Protection and Management	No cases of discrimination were found in organizational management (GRI: 406-1)
LOCAL COMMUNITIES			
GRI 413: Local Communities	413-1 Operations with local community engagement, impact assessments, and development programs	Paragraph: Relations with Local Communities	-
CUSTOMER HEALTH AND SAFETY			
GRI 416: Customer Health and Safety	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	Paragraph: Attention to consumers	-
LABELLING AND MARKETING			
GRI 417: Marketing and Labeling	417-2 Incidents of non-compliance concerning product and service information and labelling	Paragraph: Attention to consumers	-

Glossary

AUDIT SMETA	Social auditing methodology which allows companies to evaluate their site and suppliers to understand working conditions in their supply chain.
EXTERNAL ASSURANCE	Assessment by an external entity provided on the basis of explicitly stated principles and professional verification standards, which expresses a conclusion intended to strengthen the degree of trust of the assessed element.
AUDIT	Independent evaluation to obtain evidence for a given object.
B2B	"Business-to-Business" marketplace that refers to commercial transactions between companies.
B2C	"Business-to-Consumer" marketplace which refers to commercial transactions that take place directly between a company and end consumers.
BEST PRACTICES	The set of methodologies or approaches with the best operational characteristics and the best quality indicators considered the most effective and successful in a given field or sector.
CLIMATE CHANGE	A long-term phenomenon that involves significant alterations in Earth's climate patterns, including increases in global temperatures, variations in rainfall regimes, and impacts on ecosystems, biodiversity, and human society, due to increased anthropogenic greenhouse gas emissions.
CONVERTING	The process by which a desired product (ex. Paper, toilet paper, paper towel) is produced from a large reel.
RECEPTOR BODY	Hydraulic system that receives the wastewater from the water drain.
CO ₂	A unit of measurement used to quantify different greenhouse gas emissions in a common unit.
EMISSIONS	The release into the environment of substances or pollutants, often as a result of human activities such as industry, transport, or energy production.
ESG	The set of standards that are considered to assess the sustainable performance and responsibility of a company in environmental, social and governance terms ("Environmental, Social, Governance").
ENVIRONMENTAL LABELLING	Identification of packaging placed on the market, to indicate its composition and facilitate its collection, reuse, recovery, recycling and proper disposal by the consumer.
FOOD SAFETY TEAM	Interdisciplinary organizational group dealing with the correct application and evaluation of food safety aspects.
GREENHOUSE GASES	The set of substances present in the atmosphere that generate the greenhouse effect, capturing the heat of the sun and contributing to global warming.
GRI	An international organization of independent standards that helps businesses, governments, and other organizations understand and communicate their impact on issues such as climate change, human rights, and corruption.
ENVIRONMENTAL IMPACT	Total or partial change, negative or beneficial, to the environment, resulting from an organization's activities, products, or services.

CARBON FOOTPRINT	A measure that expresses the total greenhouse gas emissions (generally expressed in tonnes of CO ₂ equivalent) associated directly or indirectly with a product, service, or organisation.
INBOUND	The set of logistics processes that precede the production process.
KEY ACCOUNT	Professional figure or team within a company that is entrusted with relationships with the most important customers, developing and proposing strategies that satisfy both parties.
KPIs	Key performance indicators, a quantifiable measurement used to assess the success or performance of an activity or organisation against set objectives.
CIRCULAR MODEL	An economic model that aims to maximize resource reuse, reduce waste, and regenerate natural systems through strategies such as recycling, restoration, and reuse.
BUSINESS MODEL	Working methods, processes and financial models, that include technology, consulting, and service offerings.
GMOs	Acronym for "Genetically Modified Organism" which refers to organisms, such as plants or animals, that have been genetically altered using genetic engineering techniques to introduce specific characteristics.
SOCIAL SECURITY CONTRIBUTIONS	The costs and financial obligations that a company must incur to provide benefits to its employees, such as contributions to social security, health insurance, or other corporate welfare programs.
CALORIFIC VALUE	Energy that can be obtained by completely converting a unit mass of an energy carrier under standard conditions.
STAKEHOLDERS	Persons or organisations who have direct or indirect interests in a business, project, or activity and may influence or be influenced by the decisions, actions, and results of the business, project, or activity.
BY-PRODUCTS	Production waste that can be managed as goods and not as waste, if they meet all the conditions provided for by law (Article 184-bis of Legislative Decree 152/2006).
SUPPLY CHAIN	The sequence of interconnected activities and processes involving the production, transport, and distribution of goods or services from the supplier to the final consumer.
TPM	Acronym for "Total Productive Maintenance", which indicates the set of activities aimed at prevention and continuous improvement of business processes, especially through the involvement of operators.
UNITS	Unit of measurement.

Comments on the Sustainability Report

We are aware that listening to and involving stakeholders is essential to improve our sustainability reporting; any suggestions, requests for clarification, or reports on the FEPA report or on the sustainability actions undertaken can be forwarded to the following contact:

sustainability@fepagroup.com



FEPAGROUP.COM