

Sustainability

report

2024

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Streparava Embraces Digital


Introduction to the 2024 Sustainability Report and Consolidated Financial Statements

We are pleased to present our 2024 Sustainability Report and Consolidated Financial Statements, available this year exclusively in digital format. This decision marks a concrete step towards greater environmental sustainability, in line with the values and commitments that Streparava upholds every day.

By embracing digital, we not only significantly reduce the environmental impact associated with printing, but also offer you a richer and more interactive reading experience. The digital format allows us to present our results in a more dynamic and accessible way, making it easier to explore and engage with the content.

How to Navigate the Document

To ensure the best possible reading experience, we have designed this document with a strong focus on usability.

Throughout the report, you will find the symbol  highlighting sections that deserve closer attention, such as summary financial tables and more complex data. We encourage you to use your device's zoom function to enlarge these elements and improve readability.

Thank you for your continued support and for joining us on this journey toward more sustainable communication.

Happy reading,
The Streparava Team

Letter of the President

Sustainability Report Between Industrial Innovation, Art, and ESG

Amid the ecological and digital transition, the automotive sector finds itself at the heart of one of the most radical transformations in its history. Sustainability reports are becoming essential tools for transparently communicating car manufacturers’ strategic choices — not only in environmental terms, but also from social, cultural, and governance perspectives. The integration of industry, art, and ESG criteria now serves as a lever for rethinking not just the product, but also the role of the automobile in society.

The transition toward sustainable mobility is one of the top priorities for the automotive industry. Sustainability reports in the sector highlight growing investments in electric vehicles (EVs), research into lower-impact batteries, the development of more ethical supply chains, and materials recycling initiatives. Moreover, the focus is on achieving carbon neutrality throughout the entire vehicle lifecycle — from production to end-of-life. But sustainability isn’t just about the environment: it also means designing safer, more accessible, connected cars that are integrated into an intelligent urban ecosystem.

In the automotive world, art and design have always played a key role in expressing identity, emotion, and innovation. Today, several car manufacturers collaborate with artists, designers,

and architects to promote a more cultural and inclusive vision of mobility. Installations, exhibitions, artistic concept cars, and educational projects have become an integral part of the communication found in sustainability reports. These initiatives help raise public awareness of the value of the transition, creating a dialogue between technology and beauty, between functionality and responsibility.

In the previous report (2023), we explored the theme of “happiness.” As we continue to critically analyze our reports, we recognize that ESG criteria provide the framework through which automotive companies now structure their evolution. On the environmental front, emissions, energy consumption, and green innovations are measured. In the social realm, the focus shifts to workers’ rights, diversity and inclusion within design and production teams, as well as safety as a social value. At the governance level, transparency, business ethics, and stakeholder relations have become essential priorities. A strong ESG report in the automotive sector shows not only figures, but also the positive impact on communities, customers, and future generations. This time, our company engaged with the

“An industry capable of innovating without forgetting people, the planet, and beauty in its broadest sense.”



theme of art not only in the classical sense, but also as a means to explore how art can pave the way toward the ESG world. Concrete examples include initiatives like “Women in Art” and “Soncino Art Design.”

In the automotive sector, the sustainability report is no longer just a technical document: it is a strategic, cultural, and ethical narrative. At a time when the automobile is being called to

reinvent itself — not just as a means of transport, but as a symbol of sustainable progress — the convergence of industry, art, and ESG values paves the way for a new paradigm.

President
Pier Luigi Strepavara

CEO's introduction

In the modern business world, employee engagement has become a cornerstone of success. But what does “engagement” really mean? And how can we ensure that everyone feels like an integral part of our collective journey?

We often tend to think of engagement in terms of large-scale corporate initiatives, but it is the small gestures we make every day that build a strong and inclusive corporate culture. Simple actions such as recognizing individual successes, communicating transparently and encouraging feedback can make all the difference. Every employee should feel seen and valued for their contribution, regardless of their role.

To promote this sense of belonging, our company has adopted a series of well-structured tools and strategies:

- Internal communication and strategy sharing: We use digital notice boards for continuous and interactive information exchange, involving employees in concrete actions such as booking appointments with the company doctor or collecting hours for charitable ini-

tiatives. We share our corporate governance strategy through our sustainability report and ESG 2024 classrooms.

- Training: we invest in the personal and professional growth of our employees with ongoing training courses and career development opportunities.
- Quick Kaizen: regarding the topic of continuous improvement, we encourage employees to be proactive in developing Quick Kaizen, one of the most effective tools for bringing engagement and improvement to the company.

While we focus on the details, we never lose sight of the general view. Engagement must also be strategic and aligned with long-term company objectives. This means listening to ideas and allowing everyone to actively contribute to the growth of the company.

An engaged employee is more likely to feel responsible and involved in the company's success, bringing innovation and dedication to his/her work.

That's why we have various channels for listening and sharing, ranging from ongoing dialogue with employee representatives and trade unions to newsletters and opinion surveys, which also form the basis for future projects. Our commitment to engagement



never stops. We will continue to explore new ways and tools to improve everyone's work experience, recognizing that our human capital is the real driver of our success.

In an era of rapid change and constant challenges, engagement remains our anchor of stability and our guiding light towards a prosperous future. Only through active participation, the sharing of ideas and contributing

to the creation of an increasingly inclusive and motivating work environment can we achieve new goals and turn challenges into opportunities.

CEO

Paolo Streparava

Our way is your **Success**

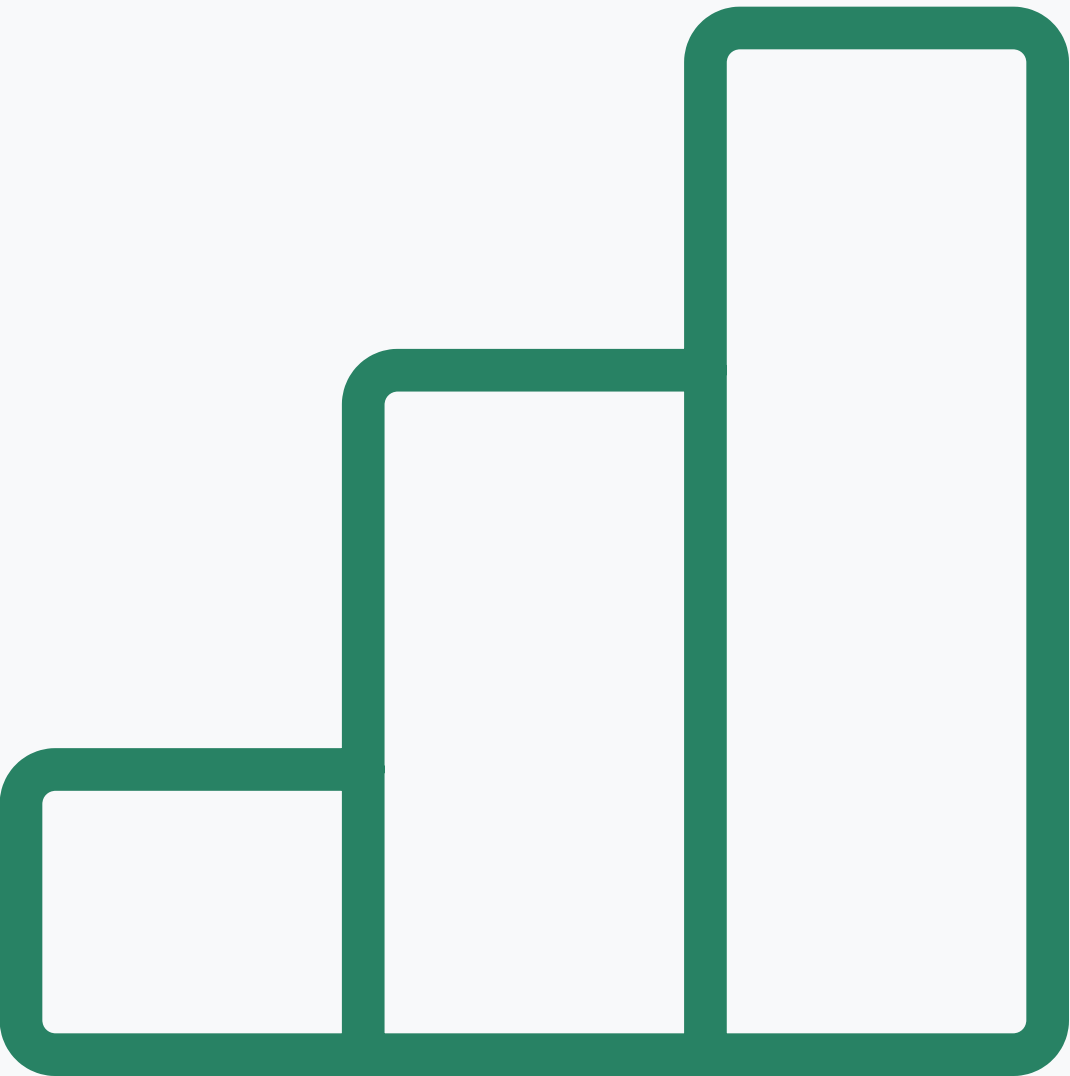
Challenge, well-being, team spirit

Mission and Vision

A family business since 1951

2024 Achievements

Methodological note





Challenge, well-being, team spirit

[GRI 2-23, 2-24]

These are the three elements that structure our daily lives at Streparava. As complicated as it is to base strategies, choices and actions of individuals and the entire company on abstract concepts, we are committed to doing so every day and in every aspect of our business.

The automotive sector, and the industrial world in general, are facing growing **challenges** arising from the imperative to make our impact on the planet and the people who live on it more sustainable. The answers inevitably lie in integrating a responsible approach to ESG issues into corporate strategy. This approach also requires incorporating sustainable innovation into processes in order to comply, in particular, with the key environmental issues: electrification, decarbonization, adaptation to climate change and new regulations.

Even this short list suggests that this is no small **challenge**, which is why we are aware that we must constantly raise the bar. Thus, when we reach a milestone, it becomes the starting point for a new stage of the journey.

For us, **well-being** must necessarily have three dimensions. First and foremost, physical well-being, which also derives from an active, movement-oriented lifestyle; then emotional well-being, which is inextricably linked in a company to the relationships that people establish with each other; and finally, mental well-being, which depends so much on the well-known balance between work and private life, facilitated in recent years by, among other things, new ways of working.

It should come as no surprise, therefore, that over the years the concepts of **Lifestyle Excellence®** and **Lean Leadership** have found their way into our vocabulary, allowing us to apply the lean culture typical of the manufacturing sector, based on minimizing waste, customer value and continuous improvement, to the office environment. For us, social sustainability is based on this approach: we like to say that we are “pre-ESG sustainable”. Since our foundation, we have focused our work not only on economic impact, but also on the positive impact that our companies can have on people’s lives, on workers and on the areas in which they operate.

Team spirit means cohesion, mutual respect, helping those in need, supporting each other in challenges and unity of purpose. We firmly believe that it is also thanks to team spirit that we are able to achieve our goals.

The same teamwork is at the heart of our business management: responsibility and information are shared across the board, in the knowledge that it is only through the contribution of every company and function within the Group that we can constantly exceed our limits and set our sights on more ambitious horizons.



Mission, Vision and Values

Mission, Vision and Values
define our identity and are the
foundations on which we work
today to build the Streparava
of tomorrow.



Mission

We provide high-impact solutions worldwide through the design, validation and production of driveline, chassis and powertrain components and systems.

Our people are committed every day to safety, continuous improvement, reliability and the well-being of all stakeholders today and tomorrow. We are committed to improving our environmental impact.

Vision

Passionate, inspired, sustainable. A global professional team recognized as a provider of key innovative solutions for the mobility of the future.

Values

Team spirit

Well-being

Challenge

One family since 1951.
Ready for future challenges.



A family business since 1951

[GRI 2-1, 2-6]

In 1951, in a deconsecrated church in Cologne, in the province of Brescia, four partners with five workers began producing bolts and screws for the Officine Meccaniche di Brescia. Among them, there was Gino Streparava, our founder.

Since then, Streparava has transformed itself and now manufactures complex systems for the automotive sector, including high-precision powertrains and chassis for leading original equipment manufacturers (OEMs) for motorcycles, cars, buses, commercial and industrial vehicles.

Our journey has been one of product, process and technological application evolution, including the first independent suspensions (1978) and the first rocker assemblies (1998), right up to the latest products for buses, tractors and high-end car components.

In 2024, our Group focused on consolidating its most recent acquisitions, spreading its cul-

ture, governance model and best practices. At the end of the year, we had nine production plants located in Italy, where six of them are based, Spain, India and Brazil, with a total of almost 1,200 employees.

For us, growth also means remaining faithful to our approach: providing tailor-made solutions for each customer, directly managing all stages of the process, from the supply of semi-finished products to mechanical processing and final assembly, and precisely coordinating a global network of suppliers. This is how we guarantee quality, reliability and punctuality in every order.

We are also focusing on the mobility of the future by participating, through our subsidiaries e-Shock and AS.CAR. I., in projects that offer innovative and sustainable solutions linked to the main trends in the automotive sector.

1951

Streparava Establishment Year

1978

1° Suspension

1998

1° Powertrain component

2000

SISA (Spain) Grand opening

SCAL (Brazil) Grand opening

2013

SIND (India) Grand opening

2014

BPT Takeover

2018

SPT Takeover

2019

Shareholdings in E-Shock

2020

Presentation first digital chassis

Alunext incorporation

2022

Lease of Cervati Fonderie business unit

2023

SMT Takeover and establishment

2024

Fonderie Cervati Takeover by Alunext





2024 Achievements

We are aware that numbers sometimes fail to fully convey the success of a business, but we believe they help us understand whether we are on the right track.

For this reason, the graph below presents some of the milestones achieved during the reporting year.



Business

347 mln
aggregate turnover

22,8 mln
Ebitda

+25 mln
investments

+80
of the suppliers located in Italy



Training and safety

16.625
training hours

14,6 ore
hours of training per head

+ 3.000
training hours on Safety and Environment



People

1.045
employees

28%
of collaborators under 30

89
new hires in 2024

<3%
voluntary turnover rate



Environment

✓ Greenhouse Gas inventory
according to GHG Protocol Standards

21%
of energy consumption from renewable sources

3.193
generated by the photovoltaic plant

92%
of waste sent for recovery



Methodological note

[GRI 2-1, 2-2, 2-3, 2-4, 2-5] [ESRS BP-1.5.a,b, BP-2.13]

This ninth edition of our sustainability report maintains our commitment to transparently reporting and describing the Group’s initiatives and performance in the social, environmental and management areas.

Since we have adopted an approach consistent with the CSRD, the new European directive governing sustainability reporting to ensure greater transparency, comparability and reliability of ESG data for companies, compared to previous editions, the scope of reporting has been extended to the entire Group and therefore includes the following companies:

Streparava Holding Spa

Adro (BS) - Italia

Streparava Spa

Adro (BS) - Italia

BPT Borroni Powertrain Srl

Saronno (VA) - Italia

SPT Srl

Valsamoggia (BO) - Italia

Streparava SMT Srl

Erbusco (BS) - Italia

**Streparava Componentes Automotivos LTDA
(hereinafter referred to as SCAL)**

Sete Lagoas (MG) - Brasile

Streparava Iberica SLU (in breve SISA)

Valladolid - Spagna

Streparava India PVT (in breve SIND)

Bangalore - India

Alunext Srl,

Sirone (LC)

Castegnato (BS) - Italia

Compared to the previous report, therefore, the scope also includes the Alunext plants and the offices in Spain and India. Following the closure of one of the Alunext plants in Brescia and the partial transfer of activities and resources to the Castegnato site, the report refers exclusively to the latter¹.

The data and information reported refer to the period between 1 January and 31 December 2024. Where possible, performance indicators are also reported for 2022 and 2023, to assess the dynamic trend over the three-year period.

This document has been prepared with reference to both the 2021 version of the Global Reporting Initiative (GRI) Sustainability Reporting Standards and the European Sustainability Reporting Standards (ESRS). The report has been prepared in accordance with GRI standards. As required by the afore-mentioned standards, the topics reported are derived from a double materiality analysis, carried out by gathering contributions from both internal and external stakeholders. Finally, we would like to point out that the report has not been subject to external verification.

¹ This organizational update may affect the comparability of certain data with the previous year

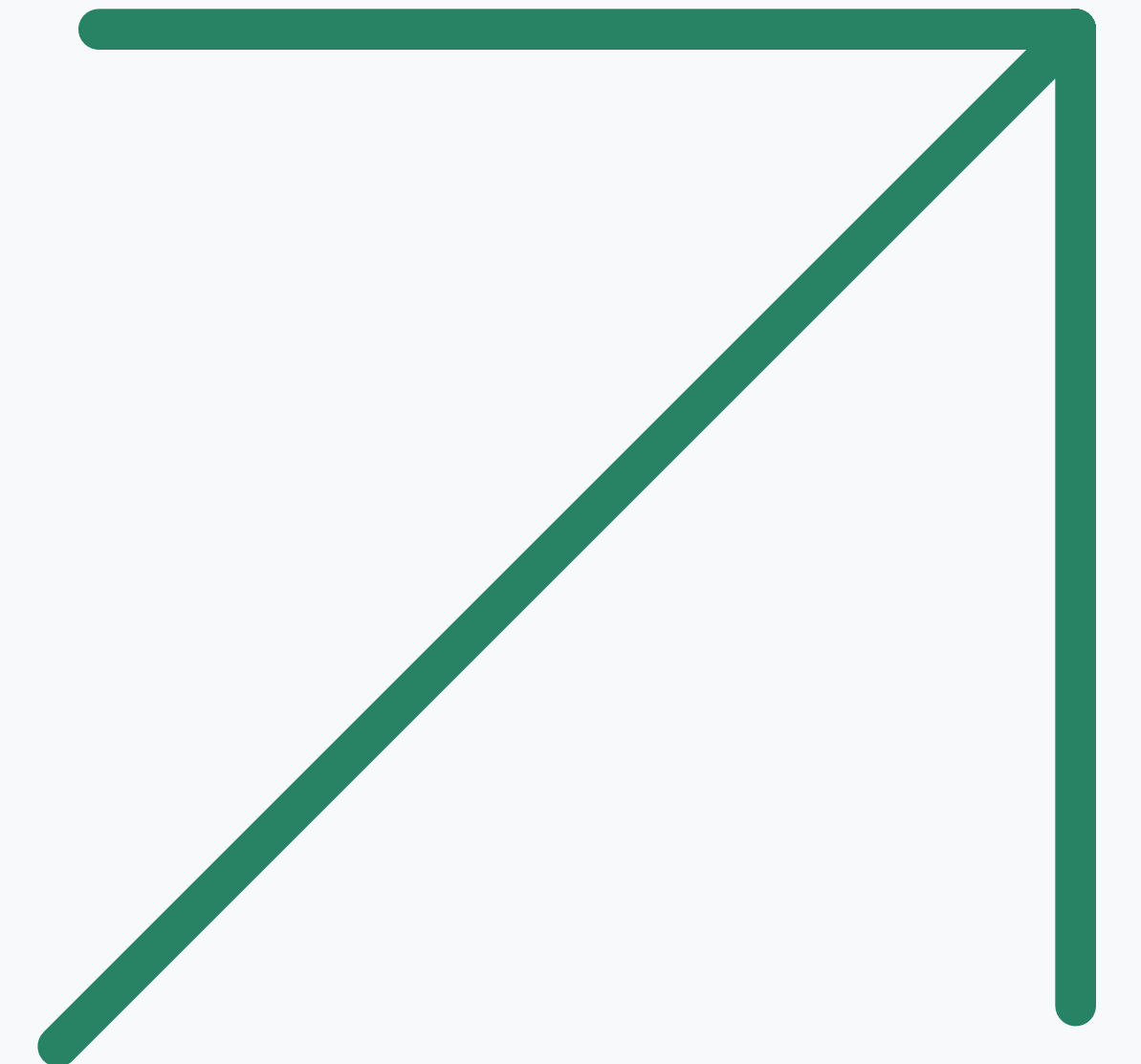
Rooted in the **future**

Corporate structure and value chain

Structure and governance

Economic sustainability and investments

Our products: innovation and
commitment to sustainability





Corporate structure and value chain

Group companies

Streparava Holding SpA
C.S. Euro 12.500.000 V.

Chairman and CEO
Pier Luigi Streparava

CEO
Paolo Streparava

CEO
Erminia Streparava

Directors
Marco Streparava
Enrico Deltratti
Roberto Deltratti
Peter Moelgg
Fabio Faustini

Automotive

100%

Streparava SpA
C.S. Euro 15.000.000 V.

100%

Streparava Iberica SLU
C.S. Euro 1.700.000 V

100%

SPT Srl
C.S. Euro 100.000 V

100%

BPT Borroni Powertrain Srl
C.S. Euro 300.000 V

100%

Streparava SMT Srl
C.S. Euro 10.000 V

99,99%

S.I.B. Participações Empreendimentos LTDA
C.S. Reais 12.912.000 V

99,99%

Streparava India PVT LTD
C.S. Rupees 47.880.000 V

51%

Alunext Srl
C.S. Euro 20.000 V.

24,90%

E-shock Srl
C.S. Euro 11.824 V

Others

4,76%

Superpartes I.C. SpA
C.S. Euro 331,383 V

3,66%

Banca SantaGiulia SpA
C.S. Euro 30.000.000 V

1,67%

AQM Srl
C.S. Euro 4.000.000 V

0,48%

E-Novia SpA
C.S. Euro 192.404,64 V

0,27%

C.S.M.T. Gestione Scarl
C.S. Euro 5.600.000 V.

Chairman and CEO
Pier Luigi Streparava

CEO
Paolo Streparava

Managing Director
Enrico Deltratti

Director
Roberto Deltratti

50%

Streparava Componentes Automotivos LTDA
C.S. Reais 26.410.000 V

100%

Fonderie Cervati Srl
C.S. Euro 10.000 V



Navigating the complexity of our organization's structure is not a simple task. For this reason, we have provided a summary of our Group Companies below.

Streparava Holding S.p.A.

This is the parent company of the Streparava Group, a holding company that focuses on defining strategies and ensuring efficient resource management, promoting collaboration between Group companies to maximize growth and results.

Streparava S.p.A.

Established in 1951, is a leader in the automotive sector, specializing in the production of suspension components, axles and other structural elements for cars, light commercial vehicles and heavy goods vehicles.

Streparava Iberica SLU.

Founded by Gino Streparava in 2000 in Valladolid, in north-western Spain, it manufactures axles for light commercial vehicles in a 3,613 m² factory.

SPT S.r.l.

Acquired in 2016 and located in Valsamoggia, in the province of Bologna, it operates in the powertrain sector with consolidated expertise in the manufacture of engine connecting rods.

BPT Borroni Powertrain S.r.l.

Founded in 1973 and located in Saronno, in the province of Varese, it has been part of our group since 2014; it specializes in the manufacture of crankshafts and camshafts.

Streparava SMT S.r.l.

This company joined our Group in 2023 following the acquisition of the CMO business unit, a company with fifty years of history based in Erbusco, in the province of Brescia, on a 9,000 m² site. It specializes in the production of stamped and welded sheet metal components and in machining for the commercial and industrial vehicle market.

Streparava Componentes Automotivos LTDA.

Present in Brazil since 2000, SCAL was founded to supply vehicle suspensions for the Iveco Daily to Iveco's Brazilian plant. Since 2015, with the continued growth of the then Fiat Group, now Stellantis, the plant has expanded its activities, also starting the production of brake discs and drums.

Streparava India PVT.

The Group's Indian headquarters, it was founded in 2014 and specializes in the production of powertrain components. The Bangalore plant, which covers an area of 7,000 square meters, houses more than 100 advanced machine tools and employs approximately 300 people.

Alunext S.r.l.

A joint venture established in early 2021 between Costamp Group S.p.A., a leader in the design, engineering and production of molds for automotive components, and Streparava S.p.A., produces aluminum alloy castings using various technologies. The company's facilities are spread across two production plants in Sirone and Castegnato.

In addition to the companies that make up the Group, an investment has been made in e-Shock Srl, a company belonging to the e-No-

via group specializing in the development of electronic solutions for vehicle dynamics control. In addition, Streparava S.p.A. has acquired a stake in AS.CAR. I., a spin-off of the Politecnico di Milano, internationally recognized for its research in the field of automation and control systems applied to vehicles.

The result of our collaboration with e-Shock is the chassis digital, a digital chassis that integrates functions related to autonomous driving, connectivity and digitalization.



A decade of excellence in India

This year, we proudly celebrate the 10th Anniversary of Streparava India – a decade of growth, innovation, and unwavering commitment to excellence in the Indian market.

On 11th October 2024, we marked this incredible milestone with a special celebration, graced by the attendance of some members of the CEO committee. It was a moment of pride and reflection as we looked back on our journey and the strong relationships we've built over the years. To honour the dedication

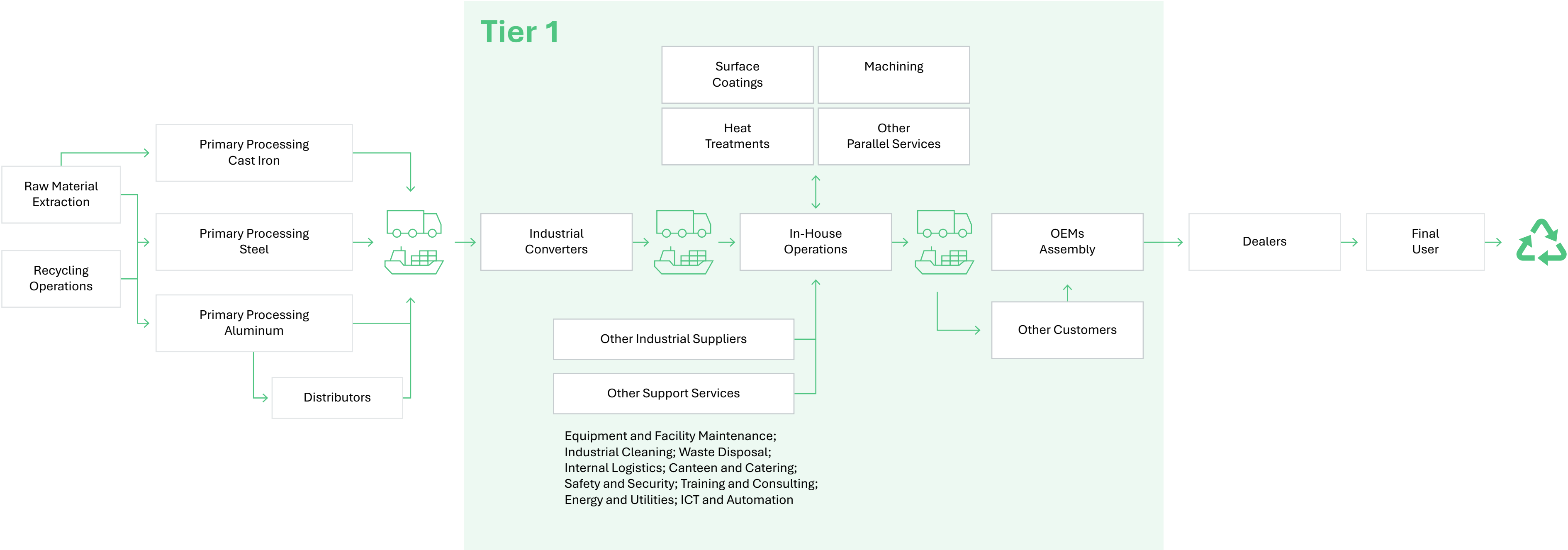
and hard work of our team, we presented Service Awards to our long-standing employees, recognizing their invaluable contributions to our success.

The occasion also marked the inauguration of the new site where the future Streparava India facility will be established. This event represents not just 10 years of excellence in India, but also our continued commitment to driving innovation, fostering teamwork, and delivering value to our customers.



Our value chain

[GRI 2-6, 308-1, 414-1]



Our value chain can be represented as a sequence of levels connecting the origin of raw materials to the end use of our products. Each level – or tier – identifies the entities with which we interact directly or indirectly in the production and distribution cycle.

The first level (tier 1) includes all suppliers and customers with whom we have direct relationships. Upstream are mainly industrial processors who supply us with raw or semi-finished components for our manufacturing processes. Downstream, on the other hand, there are car manufacturers and other intermediate custo-

mers who purchase our finished products. This tier also includes partners who operate in parallel with our activities, helping to complete industrial processing, and local suppliers who provide support, logistics, maintenance and plant management services.

This applies to all Group companies except Alunext, which, as an aluminum foundry, is located at an earlier stage in the value chain. Alunext acts as an industrial transformer and receives materials from companies involved in primary aluminum processing or from specialized inter-



mediate retailers; its direct suppliers are therefore upstream of the tier 1 suppliers of the other Group companies.

Upstream of the value chain, in the phase preceding tier 1, there are the mineral extraction and metal recycling activities that supply the raw materials used in primary processing. It is this phase that feeds industrial processors, which in turn produce the raw components destined for manufacturing companies such as ours. Some companies in the recycling sector, although positioned at the beginning of the chain as indirect suppliers of secondary raw materials, also play a downstream role, purchasing metal waste from us that is derived from processing and reintroducing it into their own production cycles.

Further downstream than our direct customers, the value chain continues with dealers and end users; we currently have no commercial relations with the aftermarket. Once the vehicle has reached the end of its useful life,

disposal operations are activated and, where possible, components are recovered and recycled. Our products are designed to last for the entire useful life of the vehicle in which they are installed and do not require replacement under normal conditions of use. Furthermore, thanks to their high metal content, our components are largely recyclable.

With this sustainability report, we have begun to formally map our value chain with the aim of identifying the most relevant stakeholders for our activities. This work has supported the collection of data necessary for calculating scope 3 emissions within the greenhouse gas (GHG) inventory.

We are currently evaluating how to further deepen this analysis by defining key performance indicators (KPIs) and selecting the most strategic entities from which to obtain accurate and meaningful information.





Structure and governance

[GRI 2-9, 2-10, 2-11, 2-12, 2-13, 2-14, 2-15, 2-16, 2-17, 2-18, 2-25, 2-26, 2-27] [ESRS GOV-1]


Structured and ethical management

Our governance structure is based on a traditional administration and control model. The Board of Directors, appointed by the shareholders’ meeting, is responsible for corporate management, the adequacy of the organizational structure and the control of overall performance.

In addition to the BoD, our governance structure includes a board of statutory auditors, which is responsible for monitoring compliance with the law and the principles of fairness, including aspects related to conflicts of interest.

We also have a Supervisory Body (SB), composed of one external member and one internal member, which is responsible for verifying the functioning, effectiveness and compliance with the Organizational Model provided for by Legislative Decree 231 of 2001 (Model 231) and the Code of Ethics.

The Code of Ethics defines the set of values, rules and ethical and behavioral principles that all Group companies are inspired by in the performance of their activities; it is an integral part of Model 231, which governs the administrative responsibilities of legal entities and companies. Together, these two instruments express the ethical commitments and responsibilities of all Group companies in the conduct of their activities, following principles of fairness, legality and transparency, in full compliance with the laws, procedures and regulations relating to.

In line with the provisions of Model 231, all Streparava Group companies have a **whistleblowing channel**  open to all stakeholders. Reports are collected and managed by the SB in accordance with the provisions of the organizational model. In 2024, no critical issues emerged nor were there any reports received that required specific intervention by the Supervisory Body or the Board of Statutory Auditors. The former nevertheless ensured its constant monitoring, operating independently by monitoring information flows, analyzing company documentation and communicating with internal structures, in line with the provisions of Model 231.

Board of Directors of Streparava

Streparava Holding S.p.A. directly controls 100% of Streparava S.p.A., BPT Borroni Powertrain S.r.l., SPT S.r.l., Streparava SMT S.r.l. Streparava Iberica SLU and Streparava India PVT LTD; the same applies to Streparava Componentes Automotivos LTDA, but through S.I.B. Participacoes Empreendimentos; it also controls 51% of Alunext S.r.l. Pier Luigi Streparava is the Chairman of the Board of Directors and therefore has ordinary and extraordinary management powers.

The shareholders who hold shares in the Holding Company sit on one or more Boards of Directors of the Companies together with independent external members.



Pier Luigi Streparava



Paolo Streparava



Enrico Deltratti



Roberto Deltratti



Rosella Streparava



Marco Streparava



All members of our Board of Directors possess decades of sector-specific experience and firsthand knowledge of the regions where our facilities are located.

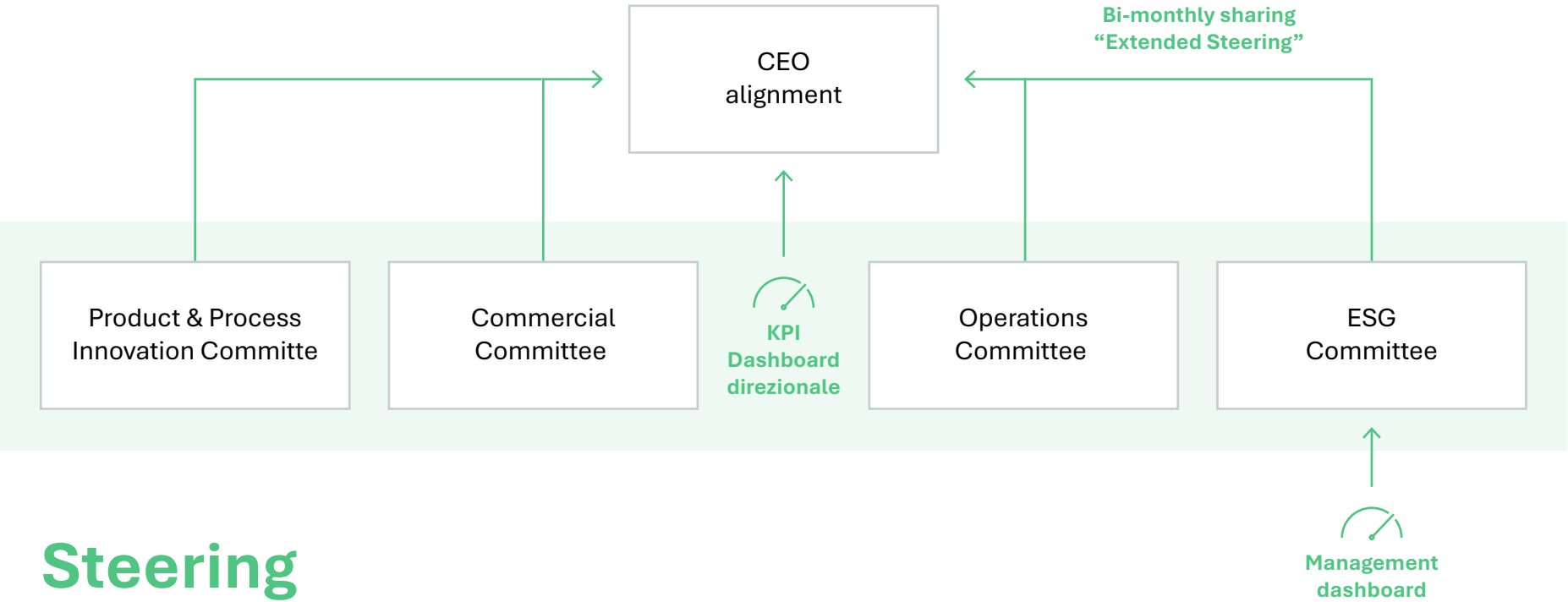
Representation of employees and other workers in governing bodies

Workers’ Safety Representatives (RLS) and the Unitary Trade Union Representative (RSU) are present in all plants. Dialogue with the CEO Committee is constant and constructive, thanks to the participation of some of its members in specific trade union meetings, thus promoting a deeper understanding of the issues raised by workers.

Application of business management in the field: committees

Our corporate management is inspired by the principles of governance. To provide an overview of the Group’s operations, the members of the Board of Directors participate in committees dedicated to specific aspects, which involve more operational members and cover all plants. Following the Hoshin Kanri approach described in the following paragraphs, each committee, which meets periodically, is assigned specific projects from the so-called “HK matrix” and

Governance Model through Operational Committees



Steering

each meeting concludes with an action plan to be implemented. The same approach is also applied to the management of critical issues relating to the topics dealt with by the committees. The chairmen of the four committees, together with the Chief Financial Officer (CFO), the Strategy Deployment Manager and the Chief Manufacturing Officer, sit on the CEO Committee, chaired by the CEO of the holding company. The CEO Committee monitors business performan-

ce and KPIs at Group level, identifies key issues and defines countermeasures, and incorporates new strategic opportunities into the overall business plan. Finally, all function representatives and directors of each plant are members of the Steering Committee. This committee defines the strategic direction of the Group and ensures both a broad, clear and timely overview of the situation and short decision-making times through streamlined processes.



Sustainability governance

Sustainability issues are largely embedded in the company’s day-to-day operations and therefore they fall within the remit of the same governance structures. They are responsible for mitigating negative impacts and enhancing positive ones, while monitoring ESG risks and opportunities.

In order to focus more closely on these issues, we have also set up an ESG Committee, which includes:

- Chief Human Capital Officer
- Strategy Deployment Manager
- Chief Financial Officer
- Chief Manufacturing Officer
- Plant Operation Manager of all facilities
- Health and Safety Manager
- Representatives from the human capital, safety and environment, facilities and energy departments
- Members of the Board of Directors of the companies

The committee’s activities extend to all Group companies and involve identifying, planning and guiding the implementation of specific projects in the ESG areas, ensuring that these actions are consistent with ordinary management. The committee is made up of managers and executives from the individual companies, who also meet on other occasions, including the Group steering committee, which outlines and monitors the Group’s strategy.

The ESG Committee is also responsible for measuring and communicating sustainability performance, including reporting. In line with other initiatives, these activities are coordinated and managed by the committee members, who are responsible for their preparation and may present the outcomes to the CEO Committee.

We are aware that sustainability is a very broad and constantly evolving subject, which is why we implement initiatives to study and strengthen the individual skills of the members of the ESG Committee and other governing bodies with the involvement of external expert consultants.

Our strategic approach

At Streparava, strategies are developed using the Hoshin Kanri tool, a methodological approach that allows the steps necessary for the success and growth of the company to be defined. This is implemented using a matrix containing medium- to long-term strategies, 12- to 18-month objectives and a list of implementation projects.

Hoshin Kanri allows us to link together our vision, strategies, objectives and improvement projects, and forms the basis and support for our ESG strategies. Hoshin Kanri is a key tool for a company that grows and develops based on what it has built in the past, while at the same time cultivating a strong focus on the future with long-term strategies and new and ambitious objectives.

The corporate strategy is updated annually during Focus Day, a three-day working meeting preceded by a team-building event aimed at consolidating the relationship between all members of the steering committee, strengthening trust and collaboration.

The Focus Day is prepared every year starting in July/August with very precise and detailed planning and it usually takes place in October. The Focus Day agenda is very busy because contributions must be collected from all participants and space must also be given to presenting the context in which Streparava operates each year. In fact, the context, especially the external one, changes every year: just think of the geopolitical

Having a strategy means having a defined goal, although this does not mean that is cannot be changed or adapted to the times and events.

scenarios, the market situation and the macro-economic conditions we have experienced in recent years. Nevertheless, the strategies for the previous year have been confirmed for 2024, focusing mainly on the following aspects:

- increase in Group turnover, in the premium, agricultural and commercial vehicle sectors;
- exploration of mechatronic products;
- continuation of the ESG strategy;
- personal excellence, referring to the well-being of the individual;
- operational excellence, relating to factory performance;
- competitive value chain development.

The achievement of the Group’s objectives depends on the involvement and commitment of all those who contribute to Streparava’s success.

Therefore, everyone must work conscientiously to ensure that the company can continue to grow and offer the highest standards of quality to its customers and employees.

HOSHIN KANRI (HK)

Hoshin Kanri (HK) is a methodology derived from Japanese organizational culture:

Ho	Direction
Shin	Compass needle
Kan	Control
Ri	Logic

It is an integrated management approach that combines strategic and operational management, aligning a company’s functions and activities with its strategic objectives.



Supply chain governance and supplier relations

Supply chain management is a key area in Streparava's governance model. The purchasing function, known within the company as **Procurement**, strategically oversees the entire procurement process, which accounts for approximately 75% of the Group's turnover.

Suppliers are selected and managed based on criteria that integrate quality, efficiency and compliance with ethical, social and environmental principles. These are formalized in the **Code of Ethics for Suppliers**, inspired by international standards such as the Universal Declaration of Human Rights, ILO conventions and ISO and IAF regulations.

Although signing the Code is not currently mandatory, we encourage all suppliers to adopt it and require them to extend their principles to subcontractors and third parties involved in the supply chain.

The Code defines commitments in the areas of human rights, labor, health and safety, environmental protection, anti-corruption and transparency. Currently, there are no systematic environmental or social audits of suppliers, nor are there any incentive mechanisms linked to ESG performance, but monitoring tools are in place, such as **vendor rating**³, applied to all Group plants and updated in 2024 for the new SMT plant as well.

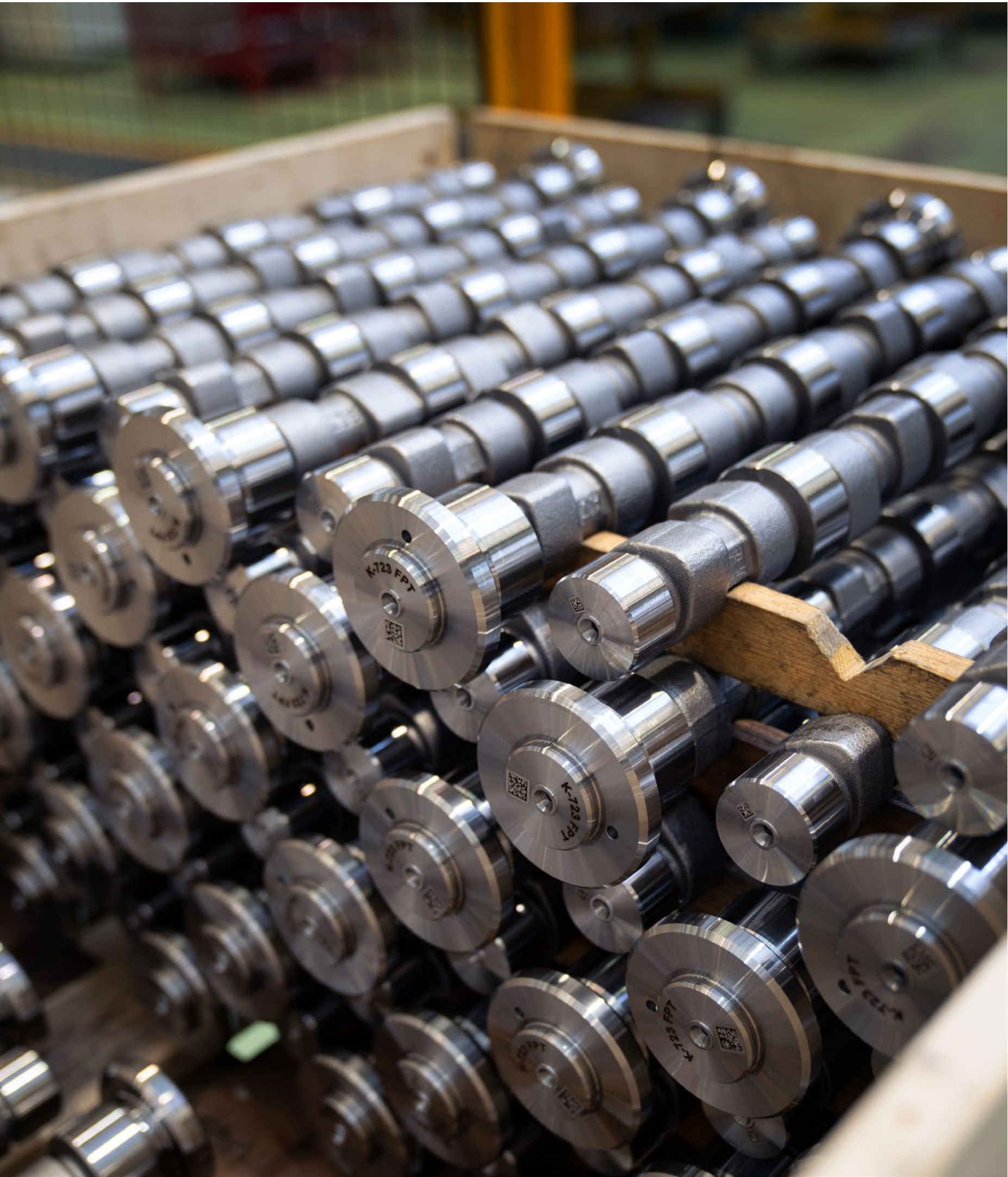
Two strategic projects contribute to strengthening the governance of the supply chain:

- **Corporate Supplier Development** program, aimed at improving the technical and organizational capabilities of strategic suppliers;
- **SWITCH**, a preventive risk assessment system for the supply chain (economic, geopolitical, climatic and operational), which allows for the planning of targeted interventions.

We include clauses in our contracts with suppliers that refer to environmental and social criteria through references to the Supplier Quality Manual and the Code of Ethics, and we adopt sustainable procurement policies, although we have not yet formalized specific quantitative targets or launched training activities on ESG issues aimed at the supply chain.

We recognize the importance of local roots and, where possible, we prefer to work with local suppliers.

Finally, we offer our suppliers clear, contractually defined payment terms and ensure that they are systematically complied with, thus contributing to the stability and reliability of the value chain.



³ A systematic and standardized supplier evaluation and classification process that allows the creation and monitoring of a checklist based on identified evaluation criteria. At Streparava, there are criteria related to quality, logistics and purchasing



Economic sustainability and investments

[GRI 201-1]

The economic value distributed is the economic share that we produce and which is allocated to the various stakeholders of the company.

Over the course of 2024, consolidated revenue decreased by 1,6% compared to 2023, dropping to a total of just over 347 million in the consolidated financial statements.

The economic value was distributed as follows:

68,9%
to suppliers of raw materials
11,4%
to suppliers of services
13,7%
to employees
0,5 %
to Public Administration
1,5 %
to capital providers

Through its operations, Streparava not only guarantees its own daily operations and business continuity over time, but it also supports the continuity of its various stakeholders over time by distributing value to them.

Investments

Innovating and renewing processes is essential to maintaining a leading role in an increasingly competitive market influenced by external factors.

The global conditions of recent years have impacted the lives of every one of us in all areas, and the world of work has certainly been affected. The Group’s total investments amounted to over 25 million euros, covering the purchase of specific equipment and the installation of machinery and plant, with a particular focus on robotic work centers, as well as expansion costs.

In all plants, production growth and the start of new major orders have required new industrialization and the adaptation of plants to the new situation, with significant efforts in redefining layouts and improving the existing production process.

	2024	2023
VALUE OF PRODUCTION (Values expressed in thousands of €)	349.308	362.272
Sales revenue	347.223	352.733
Changes in inventories of work in progress, semi-finished and finished products	-2.999	4.702
Increases of non-current assets from in-house production	819	701
Extraordinary proceeds	4265	4.136
Other items	4.723	2.908 €
DISTRIBUTED ECONOMIC VALUE	333.310	340.937
Operating Costs	280.865	288.650
Costs for raw materials	229.498	239.060
Costs for services	37.920	37.032
Costs for the Use of Third-Party Assets	7.520	7.158
Changes in raw material inventories	820	535
Other operating expenses (after taxes)	4.862	4.665
Extraordinary charges	245	200
Value distributed to employees	45.803	44.608
Staff costs	45.803	44.608
Value distributed to capital suppliers	4.884	3.569
Interest and other financial charges	4.884	3.569
Value distributed to P.A.	1.758	4.110
Current taxes	2.585	4.798
Deferred and prepaid taxes	-827	-688
ECONOMIC VALUE WITHHELD	20.721	24.243
Depreciation/ Impairment/ Revaluation	12.464	11.113
Operating (or loss) profit	8.511	13.443
Operating profit (or loss) attributable to non-controlling interests	-254	-313



Our products: innovation and commitment to sustainability

[GRI 201-1]

An integrated vision

The market requires skills that can respond to challenges in a global context where uncertainty and dynamism are at very high levels.

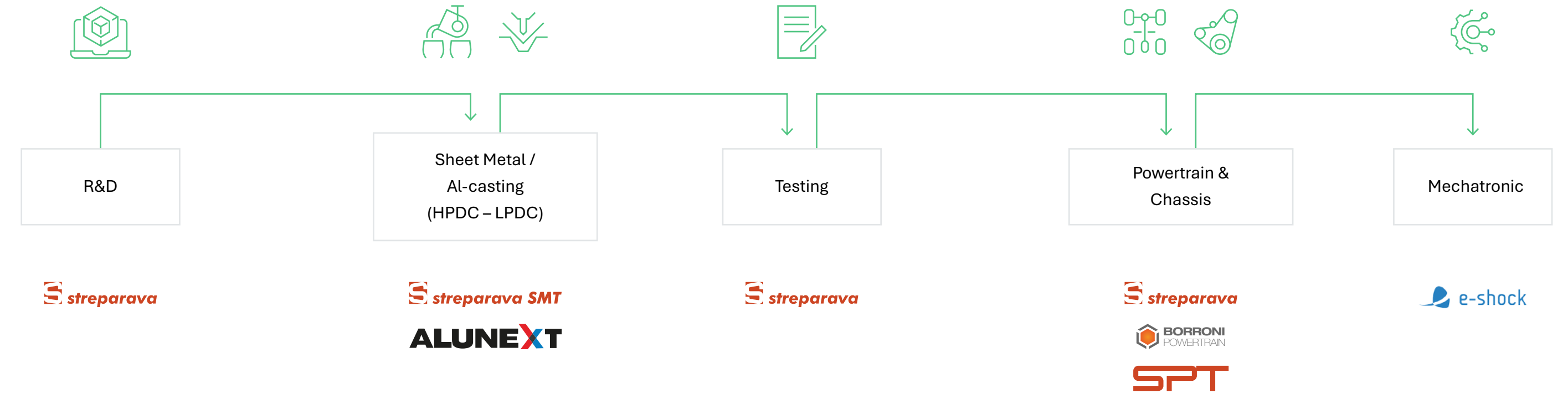
This is why we believe it is essential to invest in high-impact innovation and promote solid, mutually beneficial relationships throughout the entire value chain, continuing to build relationships based on trust and collaboration with customers and suppliers.

A complete supply chain

Today, we can consider ourselves a complete and coordinated design and production chain. Constant investment in people development and cutting-edge technologies has enabled us to become a structure capable of operating from design to production, including prototyping, testing, validation and industrialization of products.

Thanks to our approach, customers can choose which phase to entrust to us and obtain exactly what they need.

We are able to manage every production phase, coordinating suppliers from all over the world and guaranteeing high-quality results for every order, within the agreed delivery times.





The outlook for sustainable mobility

In the current context of transformation in the automotive sector, it is evident that vehicles are taking on a new identity, transforming themselves from simple means of transport into truly intelligent devices on wheels.

The transformation of traditional vehicles into connected and intelligent platforms involves a paradigm shift and increasingly requires companies such as ours to develop solutions within the scope of the so-called new mobility.

Within this transformation, there are four megatrends that are redefining the future of mobility:

- 1. mobility models
- 2. autonomous driving
- 3. digitalization
- 4. electrification

We are aware of the challenges and opportunities presented by these changes, which is why we are actively committed to integrating them into our innovation strategy.

We are also aware that some of these trends can accelerate the industry’s path towards greater environmental sustainability. This is the case with electrification and the mobility models offered by car and ride sharing, but also with innovative solutions such as our digital rolling chassis: the starting point was **ROB.Y**, the name of the complete technology demonstrator, which

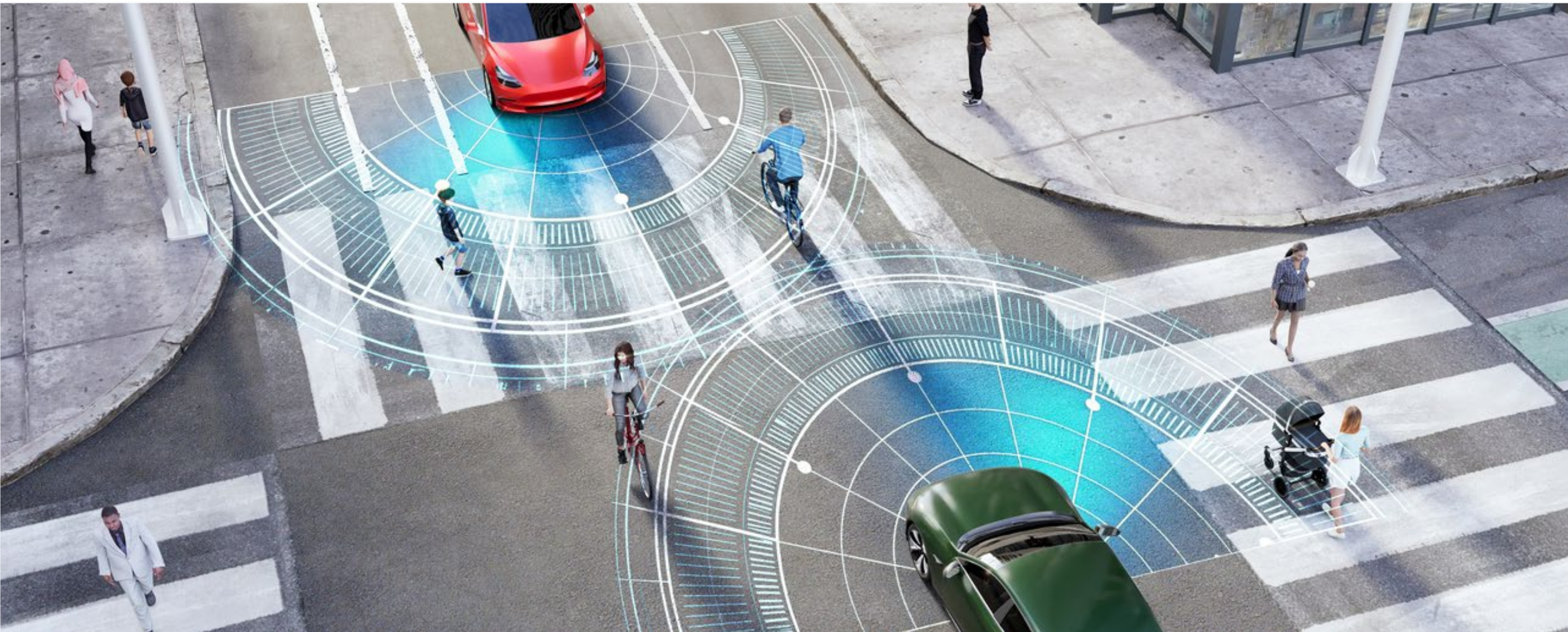
represents the combined capabilities of Streparava and e-Shock in developing and integrating sensors, controls and drives in an electric and autonomous vehicle.

The vehicle is now a living lab for our technological developments and served as the basis for the first proof of concept of our first electronic product: OBWE.

OBWE: On Board Weighing Equipment

The OBWE (On Board Weighing Equipment) project is an innovative initiative developed by Streparava in collaboration with e-Shock and IVECO, with the aim of improving road safety and operational efficiency in transport. The OBWE system uses advanced sensors and algorithms to accurately calculate the actual weight of vehicles, allowing the total mass indicated on the vehicle registration document to be monitored and complied with. This is essential to ensure passenger safety and prevent damage to the vehicle caused by overlo-

ading, such as increased braking distances, loss of control and accelerated wear and tear on components. Compliance with European legislation, in particular Implementing Regulation 2019/1213, which requires the installation of on-board weighing systems for commercial vehicles with a mass exceeding 3.5 tons, is a key element of the OBWE project. This compliance not only contributes to road safety but also helps to reduce environmental impact by reducing component wear and emissions. The collaboration between Streparava, e-Shock





and IVECO has led to significant results, such as the recognition obtained thanks to the Innovative Together award at the Iveco Beyond Days in June 2022.

Initial tests on vehicles equipped with the OBWE system, particularly on the Daily MY24 platform, have shown very positive results, highlighting the accuracy of the data acquired, which is well within the tolerances required by law.

In addition to regulatory compliance, the OBWE project also offers multiple opportunities to further improve operational efficiency and sustainability.

For example, the integration of mass data and load distribution can be used to optimize transport operations, reducing operating costs and environmental impact. In addition, the data acquired can be used to improve the functioning of other electronic systems in the vehicle, such as the brake distributor, air suspension, automatic cruise control and retarder.

This not only helps improve the efficiency of individual vehicles but also promotes the adoption of more sustainable technologies

across the entire transport sector. In conclusion, the OBWE project represents an important step towards road safety, demonstrating our ongoing commitment to innovation and operational excellence. We are excited to continue working with our partners to develop and implement increasingly advanced solutions for the mobility of the future.

Electrification

In the electric vehicle sector, there are ongoing developments in axle suspensions specifically designed for these applications, with increasingly challenging requirements in terms of compactness, lightness and efficiency, including the product's carbon footprint⁵.

In this context, leveraging the voltage ranges available on vehicles, there are opportunities for the development of electromechanical drives in the chassis sector, which are the focus of some Research & Development activities.



Finding your way around a technical sector such as ours is not easy, which is why it is useful to briefly review the main categories of components we deal with: chassis and powertrain.

Chassis

The chassis, often translated into Italian as telaio, is the supporting structure of a vehicle: at Streparava, we design, test and manufacture components for independent wheel suspensions for vehicles (traction and non-traction), wheel assemblies for axles and mechanical components for cars, commercial vehicles, buses, off-road vehicles, trucks and agricultural vehicles.

Independent front suspensions have been part of our offering since 1978: we carry out final assembly on dedicated lines, with automated controls and safety parameter recording, managing a complex bill of materials with more than two hundred components and dozens of suppliers located all over the world.

Powertrain

The production of powertrain components generally includes all products that transform engine power into wheel movement. Since 1995, we have been designing, testing and manufacturing powertrain components for various sectors of the automotive industry. We started by manufacturing rocker arms for heavy vehicles equipped with heavy-duty engines. From there, we expanded

our product range to include crankshafts and camshafts, connecting rods, engine braking systems and transmission components. The acquisitions of BPT Borroni Powertrain and SPT are aimed at strengthening the powertrain area thanks to their significant know-how in this field.

Contribution to sustainable mobility

The issue of environmental sustainability is also relevant to the chassis and powertrain product areas. Since 2010, we have developed, tested and patented an independent suspension system for zero-emission vehicles, the new generations of electric commercial vehicles and small city buses. The future of the automotive industry will also be lightweight.

That is why, in addition to manufacturing aluminum components for suspensions, we have designed, validated and patented solutions for suspension control arms in extruded aluminum or High Pressure Die Casting (HPDC) cross members, achieving weight reductions of up to 50% compared to the original design.

Testing center

Founded in 2006 and certified by Accredia since 2014, our testing center is the heart of the Group's innovation and a benchmark for research and development of new components. This area was designed and created with the aim of validating products through rigorous testing and measurement, reproducing the real conditions

to which they will be subjected and scrupulously analyzing the data obtained. In addition to serving the Group's internal needs, our laboratory is designed as an independent service cen-

ter, where we can work closely with our partners to develop customized solutions that meet their specific needs.



Mercedes-Benz





The stages of our processes

Our procurement proposal consists of three main phases.



Preparation of semi-finished metal products

This ranges from aluminum casting, carried out at Alunext’s plants using three possible methods (high and low pressure or gravity casting), to sheet metal components, which undergo shearing, bending and laser cutting processes.

Mechanical processing

We carry out precision mechanical processing on aluminum, steel and cast iron, using four- or five-axis machining centers for chassis and powertrain components.

Assembly and special treatments

It covers the advanced stages of assembly and treatment of components for complex systems, including thermal systems, induction hardening and friction welding.





Certifications

We have identified management systems as an organizational model that allows us to comply with mandatory requirements and continuously improve in terms of quality, environment, health and safety. Not only that: we also consider them fundamental elements for the sustainable development of the entire Group.

Our policies in this area cover quality, the environment, safety, social responsibility, energy management and privacy, considering the entire system of needs and expectations that arise from the context in which we operate and from the various stakeholders and interested parties.

At Streparava S.p.A., the integrated management system dedicated to safety and the environment has been in place since 2005, with the effective implementation of actions aimed at reducing our impact on the planet. With the increase in the number of companies belonging to the Group, this management system has also seen its boundaries expand, with approaches tailored to the specific characteristics of each individual plant and the fundamental support of the functions and managers. As proof of this approach, BPT Borroni Powertrain embarked on the certification process in 2023, concluded with the passing of the first audit, aimed at obtaining the integrated ISO 14001/45001 Safety and Environment certification, in January 2024.



The Group’s strategic objectives include both extending management systems to plants that do not yet have them – including, where appropriate, obtaining the relevant certifications – and evaluating the adoption of new systems, such as ISO 50001 for energy management, to further strengthen environmental performance and operational efficiency.

Adoption status of certifications and other instruments by Group companies

Company	EN ISO 9001	IATF 16949	EN ISO 14001	EN ISO 45001	EN ISO 17025	TISAX	NIS 2	Modello 231 *	GHG Inventory
Streparava Spa	✓	✓	✓	✓	✓	✓	Under adoption	✓	✓
Streparava Iberica SLU	✓	✓							✓
SPT Srl	✓	✓						✓	✓
BPT Borroni powertrain Srl	✓	✓	✓	✓				✓	✓
Streparava SMT Srl	✓	Being planned						✓	✓
Streparava Componentes Automotivos LTDA	✓	✓	✓						✓
Streparava India PVT LTD	✓	✓	✓						✓
Alunext Srl P1	✓	Being planned					Under adoption	✓	✓
Alunext Srl P3	✓	✓					Under adoption	✓	✓

* Foreign companies are managed in accordance with Model 231 Italy

“Being planned” refers to the year 2025

ESG path

The Streparava ESG model

The double materiality analysis

ESG Strategic Plan





Creating shared value means achieving economic success while contributing to the progress of the community; a challenging goal, which also involves integrating environmental issues and social needs into corporate strategies.

At Streparava, we began doing this in 2022, thus moving towards increasingly responsible management and more sustainable growth, as well as being able to generate a positive impact for stakeholders.

In the coming years, we intend to strengthen our ESG policies and the committee responsible for them, which will first have to deal with the entry into force of the Corporate Sustainability Reporting Directive (CSRD), the European directive that requires a growing number of companies, including ours, to report on their environmental, social, and governance performance according to standardized criteria, setting improvement targets.

We also want to measure our impact in the environmental, social, and governance areas, with a focus on improvement that we would like to be evaluated by our stakeholders.





The Streparava ESG model

[GRI 201-1]

An ambitious roadmap

Our approach to ESG management involves defining a roadmap for implementing sustainability in business: each strategy is linked to specific objectives and projects that have been assessed in terms of feasibility in terms of resources and will be monitored through dedicated KPIs.

The roadmap thus becomes an operational tool capable of:

- **harmonizing** the sustainability strategy with the corporate strategy and business objectives.
- **pursuing** sustainability objectives along the identified strategic lines.;
- **keeping** priorities, actions, costs, and timelines under control.

The ESG roadmap is the result of a structured process that involves continuous monitoring and updating to ensure that it remains consistent with internal and external conditions. For this reason, in 2024 we again carried out a double materiality analysis, which guides us in identifying the issues that are relevant to us and the elements that make them so.

Thanks to this process, we have updated our strategic plan dedicated to sustainability, aligning it where necessary with new requirements.





The double materiality analysis

[GRI 2-29, 3-1, 3-2] [ESRS BP-1, IRO-1]

Double materiality analysis is the methodology chosen to identify the issues of financial relevance and priority impact on which to base our future strategies, summarized in the ESG strategic plan.

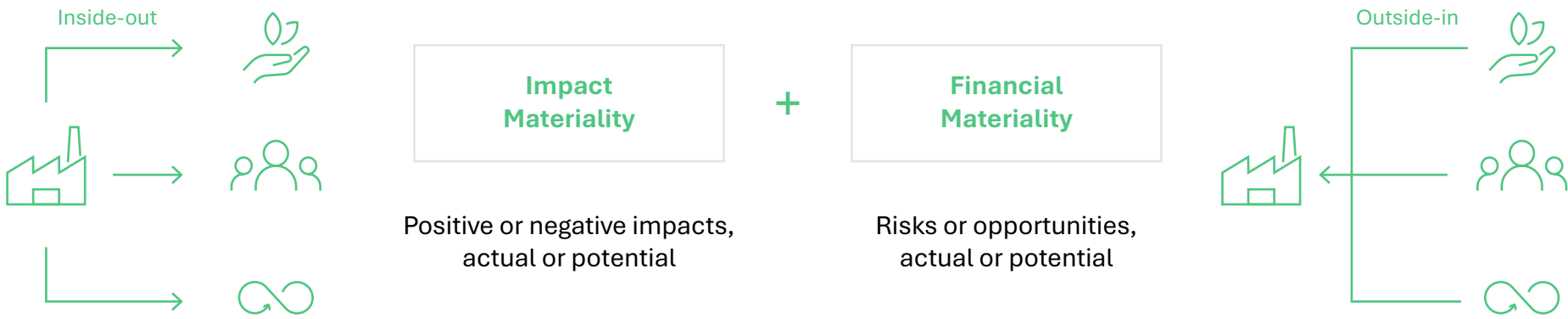
Materiality refers to the threshold at which issues become sufficiently relevant to be reported and on which we are committed to developing policies and initiatives, as well as setting improvement targets.

This analysis provides a more complete overview of the positive and negative impacts that the company has or may have on the economic, environmental, and social context in which it operates, with the risks and opportunities that each issue has on financial performance and short-, medium-, and long-term positioning.

Since 2024, we have chosen to structure our double materiality analysis in line with European reporting standards (ESRS). By integrating impact materiality with financial materiality, previously treated by separate standards, the ESRS introduces the concept of double materiality and impacts, risks, and opportunities (IRO).

The process involved the following steps.

- 1. **Context analysis and stakeholder engagement.** Study of industry standards, geographical and business contexts, competitors, and involvement of internal and external stakeholders, including experts from the financial and ESG worlds, to identify aspects of potential interest to our Group.
- 2. **Identification of relevant IROs.** Formulation of aspects of interest in relation to IROs and their assessment to determine their relevance, distinguishing between the Group’s various plants.
- 3. **Identification of material issues and materiality matrix.** Association of relevant IROs with material issues and construction of the matrix.



The stakeholder engagement process is a central element in this process. By listening to internal stakeholders, such as employees and union representatives, and engaging in dialogue with external stakeholders, such as suppliers, customers, local communities, financial institutions, and universities, we are committed to understanding expectations and needs that may vary greatly, giving priority to issues that contribute to the long-term strength of the company, while respecting social, environmental, and governance issues.



The involvement of our strategic stakeholders was conducted taking into consideration:

- **stakeholders “affected”:** individuals or groups who are or may be affected by the positive or negative effects of the decisions and activities of the company and its direct and indirect commercial relationships along the value chain.

- **users of sustainability statements:** parties interested in corporate sustainability policies (existing and potential investors, creditors, credit institutions, insurance companies) as well as other users, including the company’s business partners, trade unions and social entities, civil society and non-governmental organizations, analysts, and academics

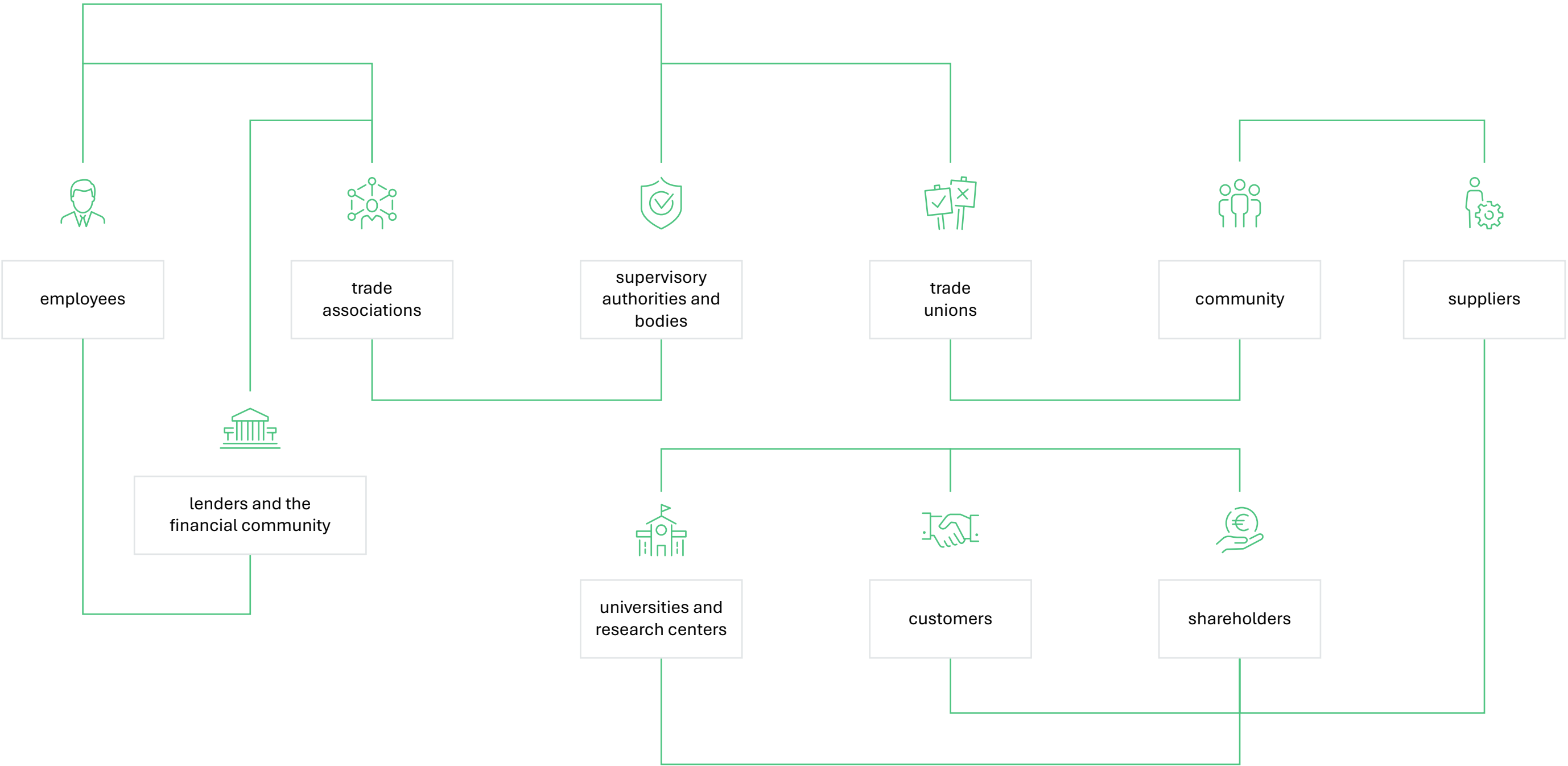
The engagement process was implemented in accordance with the guidelines of the AA1000 Stakeholder Engagement Standard (AA1000SES) 2015, identifying first and foremost the stakeholders most relevant to the Group. After identifying the categories of stakeholders along our value chain, we assessed them based on the following principles

- **Responsibility:** the stakeholders to whom we have, or may have, legal, financial, and operational responsibilities in the form of regulations, contracts, policies, or codes of conduct.
- **Influence:** stakeholders with the power to influence or make decisions about the company’s operations.
- **Proximity:** the stakeholders with whom we interact most, both internally and externally.

- **Dependency:** stakeholders who directly or indirectly depend on the organization’s activities and operations in economic/financial terms.
- **Representativeness:** stakeholders who, through regulation or custom and culture, can legitimately act as spokespersons for a cause.

We then defined how to listen to stakeholders, opting for indirect involvement through a document analysis that reconstructed their requests about priority issues.

For each category, we then conducted a survey on at least three subjects, extracting the key aspects to translate them into impacts, risks, and opportunities to be submitted for evaluation by company management.



The involvement of our strategic stakeholders was fundamental; it allowed us to define a path focused on what are the main priority ESG issues for Streparava.

The insights we gained from the 2022 engagement are still valid and have been used to

update the double materiality analysis; we are also studying more targeted forms of engagement with the aim of gathering more valuable contributions.






Priority ESG issues

The steps described above have enabled us to compile a list of priority ESG issues for Streparava, presented below, which will help to focus on the sustainability actions to be implemented in the coming years.

Among the issues that were carefully evaluated but not considered relevant are Water and Pollution, for which an explanation should be provided.

- **Water:** according to ESRS standards, the measures already adopted to manage negative impacts reduce the degree of impact. In view of the actions already implemented to prevent any polluting water spills, and considering the small amount of water used in our production processes, this issue was therefore deemed not relevant.
- **Pollution:** this issue was found to be relevant to our value chain, particularly downstream, in the use phase of our products. However, regarding these aspects, please refer to the reports of our customers who integrate our components into the finished product, on which the overall performance depends.

Scope	Topic	Aspect
 Environment	Climate change (ESRS E1)	Adaptation to climate change
		Mitigation of climate change
		Energy
	Use of resources and circular economy (ESRS E5)	Resource inflows, including resource use
		Waste
 Social	Own workforce (ESRS S1)	Working conditions
		Equal treatment and opportunities for all
		Other employment-related rights
	Involved communities (ESRS S3)	Economic, social and cultural rights of communities
	Consumers and end users (ESRS S4)	Personal safety of consumers and/or end users
 Governance	Corporate conduct (ESRS G1)	Corporate culture
		Management of supplier relationships, including payment practices



Contribution to the Sustainable Development Goals of the UN 2030 Agenda

The 2030 Agenda for Sustainable Development is an action plan for people, the planet, and prosperity. Signed on September 25, 2015, by the 193 member countries of the United Nations, including Italy, and approved by the UN General Assembly, the Agenda defines 17 goals for sustainable development (Sustainable Development Goals – SDGs), divided into 169 targets or goals to be achieved in the environmental, economic, social, and institutional spheres by 2030.

The goals set for sustainable development are globally valid, affecting and involving all countries and components of the socio-economic system, from private companies to the public sector, from civil society to information and culture operators: no one is excluded, nor should anyone be left behind on the path necessary to bring the world towards greater sustainability.

Businesses are called upon to contribute to the achievement of the SDGs by adopting increasingly responsible business models and investing in people, innovation, technological development, and environmental protection. In developing our ESG Strategic Plan, we have also taken the SDGs into account, linking them where possible to our own objectives.

ESG Strategic Plan

The ESG Strategic Plan is the tool with which the Group intends to structure its vision of sustainability in an organic manner, defining measurable objectives and concrete operating methods to achieve them.

The document is currently being drafted: the work undertaken has involved an in-depth review of the company’s situation, followed by a detailed internal discussion aimed at assessing the relevance and feasibility of possible areas of intervention.





Although the process is still underway, it has been possible to identify an initial set of goals consistent with the company’s strategy and the United Nations Sustainable Development Goals (SDGs).

The goals reported have been extracted from the plan currently being developed and reformulated to make them suitable for reporting, while maintaining clarity, concreteness, and consistency with the approach followed to date.

The environmental goals aim to progressively reduce the impact of production activities, promoting efficiency in the use of resources and the adoption of sustainable practices throughout the value chain.

In the social dimension, the focus is on people’s well-being, safety, skills development, and inclusion, with the aim of strengthening a fair, participatory, and locally focused working environment.

Environmental goals

Material topic	SDG	Long-term goal	Short-medium-term goal
Climate change	 	Continue to improve energy management efficiency	Evaluate the implementation of a certifiable energy management system in at least one plant
		Increase adaptation to climate change	Consider conducting a prospective climate risk analysis, based on medium- to long-term scenarios, applied to at least one of the company’s plants
Use of resources and circular economy		Continue to improve resource use efficiency	Define and implement at least one project per year that includes reducing the resources used and/or reducing the waste produced

Social goal

Material topic	SDG	Long-term goal	Short-medium-term goal
Own workforce		Continue to evolve the welfare and worker support system	Continue to improve and expand existing initiatives in response to requests from our employees Implement at least one initiative per year in each plant on the topic of “Welfare and well-being of workers
		Continuously improve occupational health and safety management	Pursue a strategy to reduce risk factors in work environments
Involved communities		Continue and expand training local initiatives	Identify additional educational institutions with which to establish partnerships



The governance goals are aimed at strengthening consistency and integration within the Group, promoting the sharing of common practices and tools.

Particular attention is paid to the ability to respond in a structured manner to stakeholder requests for information and to the development of ESG skills, which are increasingly central to business management.

Governance goals

Material topic	SDG	Long-term goal	Short-medium-term goal
Corporate conduct		Promote greater harmonization among Group companies, enhancing the specific characteristics of each entity	Standardize good business practices across all Group companies
			Extend ISO 14001 and 45001 certifications to other Group facilities
		Improve the ability to respond to market information requests	Implement a structured system for calculating product carbon footprints
		Continue to raise awareness and knowledge of ESG issues	Continue strategic training for management and key company roles



Human capital

Approach to social issues and policies

Our people

Community development and support





Approach to social issues and policies

[GRI 3-3, S1-1 – Policies relating to own workforce]

People are our true strength because, through their daily commitment, talent, and energy, they help make us more solid, dynamic, and ready to face the challenges of the future.

We place human capital at the center of our strategy, integrating fundamental elements such as health and safety, training, the promotion of diversity, well-being, and dialogue with the local community into our business processes. The Code of Ethics outlines the principles on which we have based our way of working: compliance with the law, promotion of human dignity and health, fairness in career paths, attention to safety, and the enhancement of skills.

Although many of these aspects are already protected by law, we choose every day to affirm them with conviction and to reiterate our concrete commitment to all employees, including the most vulnerable categories, as recommended by European sustainability standards.

Our ESG policy reinforces and follows these principles, prioritizing the protection of the physical and mental well-being of workers, inclusion, and the adoption of international best practices. Adherence to recognized references such as the Universal Declaration of Human Rights, the ILO Conventions, and the United Nations Global Compact demonstrates our commitment to acting responsibly and transparently.

To promote integrity and legality, we have adopted an Organizational Model 231 that includes risk prevention measures and an accessible and secure whistleblowing system that guarantees the possibility of reporting any non-compliant behavior, even anonymously.

In the area of health and safety, some Group companies have implemented a management system compliant with the international ISO 45001 standard, which provides a structured framework for identifying and controlling risks related to work activities. Even at other production sites that are not certified, we apply internal procedures and monitoring tools consistent with the regulations, confirming our cross-cutting commitment to promoting a solid culture of prevention.





Our people

The diversity of our workforce

[GRI 2-7, 2-8, 2-30, 401-1]

Our employees are the beating heart of our Group and the most important resources for the success of our business activities: their well-being is an absolute priority.

The demographic profile of the workforce provides a useful snapshot of its composition, distribution by age, gender, and role, and its evolution over time.

In 2024, we have 1,045 employees, joined by 90 people involved in work placement programs, i.e., hired on temporary contracts within the Group: the total is 1,135 workers. Eighty-one percent of employees are hired on permanent contracts, while 97% work full-time.

The figure for employees with permanent contracts is strongly influenced by the subsidiary Streparava India, where the specific

characteristics of the territory require a high number of staff with this type of contract (192 employees): excluding this location from the calculation, 98.6% of the remaining employee-

es have permanent contracts. In line with the characteristics of the manufacturing and automotive sector, the workforce is predominantly male (89% of the total).

Employees by gender and Contract Type

Contract	Male	Female	Total	%
Permanent contract	751	91	842	81%
Temporary contract	184	19	203	19%
Full time	923	95	1018	97%
Part time	12	15	27	3%
Total	935	110	1045	
%	89	11		

Below are details of the resources used in each company.

1045

Employees

90

Not employees¹

¹ The category of non-employees includes all workers with temporary employment contracts, also known as temporary workers. In locations that employ this type of worker, we apply the same contractual and remuneration conditions as for directly hired workers.

	Streparava Spa e Holding			BPT			SPT			Streparava SMT		
	2022	2023	2024	2022	2023	2024	2022	2023	2024	2022	2023	2024
Employees	380	387	396	72	77	76	50	48	44	-	45	48
Male	340	342	350	69	74	72	35	34	32	-	42	45
Female	40	45	47	3	3	4	15	14	12	-	3	3
Not employees	65	48	49	22	24	18	11	9	14	-	24	7
Male	62	45	47	22	24	18	10	7	13	-	24	7
Female	3	1	3	0	0	0	1	2	1	-	0	0
Total	445	435	445	94	101	94	61	57	58	-	69	55

	Alunext			Streparava Brasile			Streparava India			Streparava Spagna		
	2022	2023	2024	2022	2023	2024	2022	2023	2024	2022	2023	2024
Employees	49	135	129	73	70	73	303	269	264	15	15	15
Male	49	126	118	59	49	57	295	257	249	13	13	13
Female	0	9	11	14	21	16	8	12	15	2	2	2
Not employees	10	4	1	0	0	0	-	-	-	1	3	1
Male	10	4	1	0	0	0	-	-	-	1	3	1
Female	0	0	0	0	0	0	-	-	-	0	0	0
Total	59	139	130	94	101	94	303	269	264	16	18	16



Group company employees are hired in accordance with the contractual provisions applicable in the various geographical areas. In companies operating within Europe, the relevant National Collective Labor Agreement (CCNL) is applied, where applicable.

In companies operating outside Europe, hiring is carried out in accordance with trade union agreements or individual contracts that comply with local regulations.

The workforce has a balanced age distribution, reflecting a valuable generational balance.

Employees turnover

	Streparava Spa e Holding		BPT		SPT		Streparava SMT		Streparava Brasile		Streparava Spagna		Alunext		Totale 2024
	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	
No. of employees departures	25	23	9	12	9	6	4	1	21	23	0	0	21	20	85
Resignation	8	8	4	8	2	4	0	0	3	8	0	0	nd	8	36
Retirement	8	7	3	3	4	1	0	1	0	1	0	0	nd	0	13
Other motivation	9	8	2	1	3	1	4	0	18	14	0	0	nd	12	36
Total	387	396	77	76	48	44	45	48	70	73	15	15	135	129	781
Turnover	6,5%	5,8%	11,7%	15,8%	18,8%	13,6%	8,9%	2,1%	30,0%	31,5%	0,0%	0,0%	15,6%	15,5%	10,9%
of which voluntary turnover	2,1%	2,0%	5,2%	10,5%	4,2%	9,1%	0,0%	0,0%	4,3%	11,0%	0,0%	0,0%		6,2%	4,6%

Employees by age

Age	N.
<30 years	289
30 to 50 years	525
>50 years	231
Total	1045

Both during the selection process and throughout career development, we seek out and value talent with the aim of placing “the right person in the right place.” We continuously invest in human capital with a view to improving, developing, and seeking out the best professionals. We structure and take particular care in the induction of new employees, paying atten-

tion to the aptitudes, desires, and aspirations of candidates: we seek out and evaluate talent by examining all the relational, personal, and career aspects of future colleagues. In terms of departures, a total of 85 people left the Group in 2024, representing a rate of 10.9%. The number of voluntary resignations was 36, representing a percentage of 4.6%.² The turnover

rate is the main indicator of staff retention, i.e., the ability to hire and manage the people who work with us: in the case of Streparava S.p.A., for example, the percentage is much lower than the regional and sector averages³; in other plants, the result is in line with or slightly higher than the reference averages.

¹ Not considered Streparava India

²“HR Dashboard – 2025 edition” prepared by the Confindustria Brescia Research Center



Employee well-being and welfare initiatives

[GRI 401-2]

Caring for people is not only a value, but also a responsibility that guides us every day

We believe that people’s well-being is the first step in building a solid reality, and we know that a good balance between body and mind also depends on the working environment. That’s why we provide our employees with concrete, daily care on several levels, as demonstrated by our initiatives dedicated to nutrition, sports, psychological support, work-life balance, and attention to families.

Since 2021, we have given shape to this commitment by structuring a real action plan for well-being to make the professional environment a place where people feel welcome, motivated, and able to give their best, in harmony with themselves and others.

Support for families

Supporting our employees’ families means strengthening our mutual bond even beyond the workplace.

Since 2001, we have been offering scholarships to our employees’ children to support their right to education: over the years, thanks to an investment of €225,000, we have supported around 300 students. In 2024, the traditional award ceremony was attended by 18 students.

Moving together, inside and outside the company

Physical activity is not just a matter of health, but also a way to get together, build relationships, and feel part of a group. We have done this by participating in sporting events such as the Brescia Art Marathon, the Lake Run Pisonne-Marone, the Red Run promoted by the Italian Red Cross, and the StraWoman, events that combine sport, culture, and solidarity.

In 2023, we brought back our company soccer team, which is registered in the CSI league and made up entirely of employees: an example of team spirit that combines play and work life. With the Good Movement Catalog, each employee can share their walking or cycling routes and inspire others to get moving.

Regarding nutrition, we promote healthy, complete, and balanced habits, providing employees with the tools to understand how this is the

basis of personal well-being. Where space allowed, we created company restaurants with the support of Società Pellegrini. At our Adro headquarters, we promote healthy eating with the Color Codes initiative, a project developed by the Lombardy Region’s Work Health Promotion (WHP) system with the aim of making it easier to identify balanced meals.

Since 2023, we have provided free nutritional counseling to employees, giving them the opportunity to continue the program in a facilitated manner. The initiative has attracted great interest, involving over 65 employees.

At the BPT and SPT headquarters, we have launched a project called Taste Diversity, which offers traditional regional dishes accompanied by explanations on the company’s digital noticeboards.

Physical and psychological well-being

Physical well-being has always been one of our corporate values, and protecting it also involves effective prevention systems: thanks to the support of our company doctor, we provide free and voluntary flu vaccinations at our offices.

Similarly, we are increasingly attentive to the mental health of our employees. In 2024, we launched Fuori orario, a series of free meetings on psychological well-being for employees at our Italian offices. Together with experts from

Mindwork, we discussed anxiety, stress, burnout, parenting, and digital well-being, offering practical tools for dealing with everyday challenges. At our Brazilian office in Sete Lagoas, we have set up an online psychological help desk that offers timely listening and support to employees.

Streparava is present

How can we make all the people in our offices, who have different backgrounds, experiences, and characteristics, feel part of a single organization? To answer this question, we organized Streparava C’è (Streparava is present), an initiative shared with our subsidiaries BPT, SPT, and SMT: in May 2024, we invited employees from our offices in Erbusco (BS), Varese, and Bologna to a day dedicated to exchange and mutual understanding among colleagues at our headquarters in Adro.

Corporate agreements

We establish agreements with local facilities to encourage physical activity among employees and their families, offering financial support and simplifying work-life balance.

Some examples include sports facilities such as swimming pools, gyms, and fitness classes, as well as food services and medical facilities.



In our company, listening to and valuing people means creating the conditions for continuous, authentic and shared improvement.

Listening to employees

Dialogue with employees is the basis of a corporate culture founded on trust and discussion. We have adopted a genuine open-door policy, encouraging constant and transparent exchange between people and management. We have established a point of contact in the Human Capital (HC) area at each site, who can be approached freely to share needs, report critical issues, or make proposals.

This direct and accessible channel of communication is essential for promptly identifying individual and collective needs, understanding the internal climate, and strengthening the sense of trust and participation.

Dialogue with employees and analysis of their feedback enable us to take corrective action, implement support initiatives, or pursue improvement paths, contributing in a concrete way to organizational well-being and the development of a work environment that meets everyone's needs.

In this context, we have also decided to implement the Kaizen model, which literally means “change for the better” and refers to the possibility for each person to contribute to the enhancement of the organization by providing ideas, observations, and experiences gained in the field.

The Quick Kaizen system makes improvement accessible to everyone: every employee can propose simple but significant solutions, such as modifying tools, alternatives for setting up the workstation, or overcoming unsafe situations.

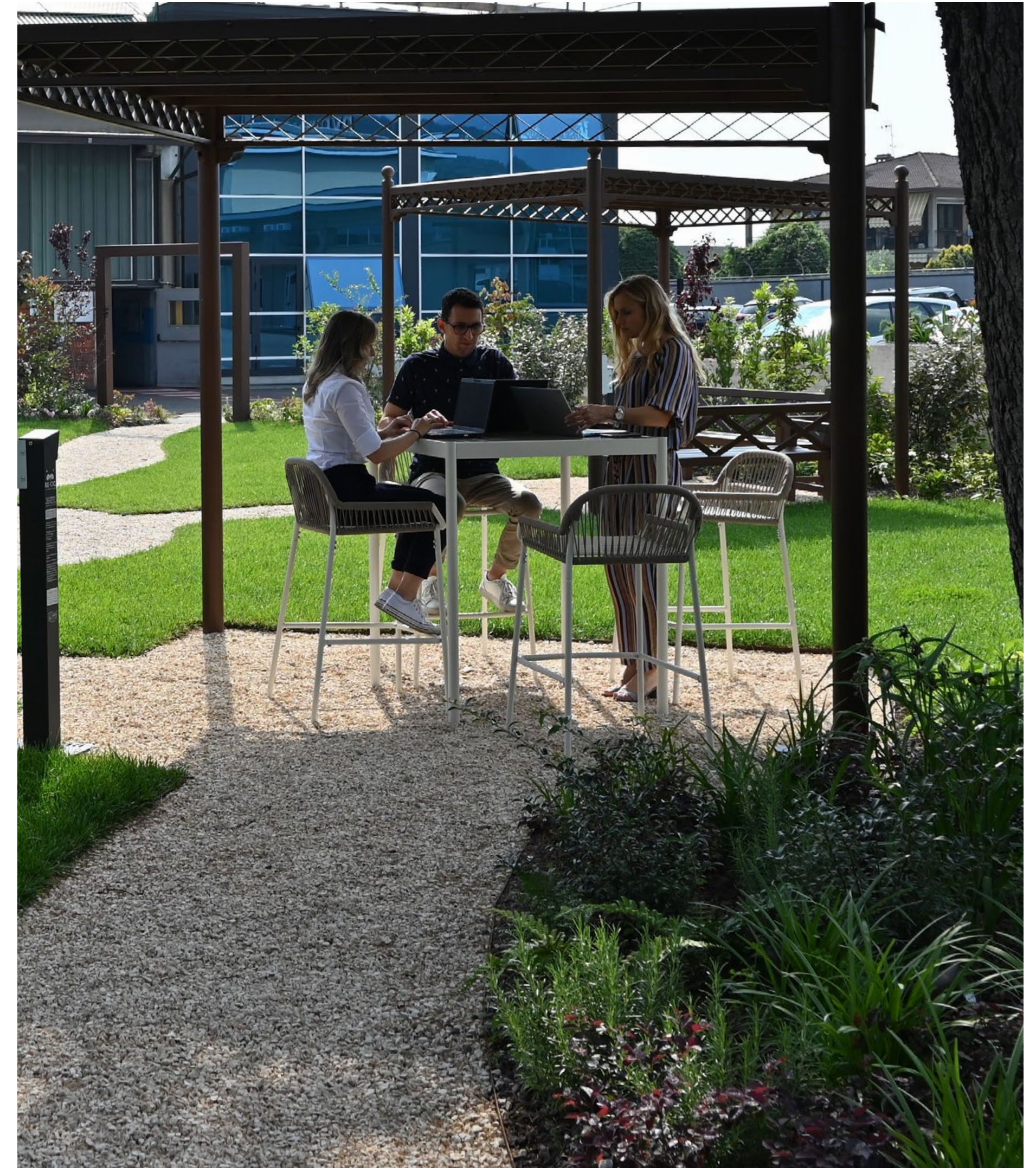
Generated by careful observation and a deep understanding of the context, the proposals are then formalized in a structured way that stimulates critical thinking, a sense of responsibility, and active participation. Each suggestion accepted by the Quick Kaizen evaluation committee is assigned a score, which is reflected in financial recognition for employees upon reaching certain thresholds

Some data about Quick Kaizen:

Almost 4,000 Quick Kaizens implemented since 2015

16,000 euros awarded as bonuses

Kaizen of the month, award ceremony for the best monthly proposal with a themed gadget





Training and personal and organizational growth

[GRI 404-1, 404-2]

We make training an integral part of our organization as it serves to develop concrete skills, update knowledge, and refine methods.

We invest in training activities that support people in their roles and contribute to operational effectiveness and quality of work, within clear and defined processes.

Training hours

	Total hours			Average hours		
	Female	Male	Total	Female	Male	Total
Employees	2.512	13.244	15.756	22,8	14,2	15,1
Not employees	24	845	869	6,0	9,8	9,7
Total	2.536	14.089	16.625	22,2	13,8	14,6

Average hours of training per employee

	2022	2023	2024
Streparava Spa e Holding	18,5	17,6	13,3
BPT	15,2	17,3	16,6
SPT	17,8	13,7	15,7
Streparava SMT	nd	10,6	13,4
Streparava Brasile	nd	nd	81,6
Streparava India	2,6	3,7	3,9
Streparava Spagna	nd	31,9	21,2
Alunext	8,6	5,9	4,6

We organize a variety of training courses. In addition to the mandatory safety courses required by current legislation, in 2024 we invested in staff skills development through a multi-level training program. We enhanced our courses in technical skills (hard skills) but also strengthened transversal skills (soft skills) by offering courses on ESG issues.

ESG Training

Every year, we allocate a significant portion of our training to topics related to the three ESG pillars: in 2024, we counted more than 3,000 hours in total and almost 400 employees involved in topics such as Governance and corporate strategy, Management and reduction of environmental waste, and Communication.

We intend to raise awareness of the topics covered and disseminate information on how our company works and the strategic direction it has taken to create greater involvement.

Currently, we have planned this initiative only for Streparava S.p.A., repeating it over the years and also planning it for 2025; however, the necessary activities are underway to extend the project to the Group’s other Italian plants.



Lean Academy

Training plays a central role in our cultural and organizational evolution. In collaboration with Lenovys, a consulting firm and long-term partner, we promote a new way of working that is oriented toward individual well-being and collective performance.

Through systematic personal and managerial development courses, we promote a method at every level that encourages a focus on value-added activities known as Gold Activity. Among its benefits are a reduction in wasted time and an increase in the effectiveness of daily work.

Thanks to Lean Academy, a digital platform that is always accessible with over 25 hours of training content and enriched with continuous updates, we strengthen skills such as increasing concentration, overcoming multitasking, and the ability to delegate consciously.

We include this approach in a broader plan that involves adopting the Lean Lifestyle® Company model, which interprets the principles of Lean Thinking in an evolutionary way and focuses on people’s well-being and professional growth.

The Lean Lifestyle® Company model

To fully leverage human, organizational, and technological potential, Streparava has adopted the Lean Lifestyle® Company model, an evolution of Lean Thinking designed to benefit not only processes but also people.

Lean Lifestyle® promotes a way of working that creates ever-increasing value for the customer by limiting waste and starting from balance and individual development.

To spread this culture in a structured way, the Steering Committee has defined a Decalogue of the Lean Leader: a guide that orients managers’ behavior and is based on principles such as focusing on value-added activities, effective planning, continuous improvement, responsible delegation, openness to change, and work-life balance.

Master’s and advanced training courses

We firmly believe in improving the skills of all our people and encouraging them to participate in high-level training courses promoted by some of our partners active in the areas where we operate: Isfor, AQM, Anfia, and Confindustria. Below are some of the most significant examples:

- The Executive Master Lean Lifestyle® Leadership, which explores the Lean Leader management model, and Impact Innovation, which aims to provide the keys to generating high-impact innovation and facilitating a system of corporate open innovation.
- Master’s in Business Management and Innovation, developed by Confindustria Brescia, Isfor, and the University of Brescia with the aim of teaching and enhancing managerial skills that can be applied in today’s competitive environment.
- Quality and Testing Center, through the constant updating of the skills required by automotive regulations (VDA 6.3:2023 for process auditors, ISO 17025, IATF 16949:2016 auditors, and ISO 9001:2015).

On-the-job operational training

Even in production departments, awareness of organizational and safety issues is of central importance and is one of the aspects we address from the moment new employees join the company.

Training begins at the time of hiring with a period of shadowing and mentoring by more experienced colleagues to achieve operational autonomy and learn key concepts in terms of safety, quality, and continuous improvement.

Confirming the crucial nature of this introductory phase, we have recorded over 7,000 hours of on-the-job training.



Skills evaluation and growth plan

[404-3]

We believe in professional growth through an integrated approach that enhances individual skills, behaviors, and potential, as well as encourages listening, discussion, and continuous advancement.

To emphasize our constant focus not only on the professional aspects but also on the human aspects of each employee, we have created an evaluation system called Human Capital Review.

The process consists of three main stages:

- **Skills Evaluation:** assessment of technical and soft skills aimed at developing personalized training plans based on identified gaps.
- **Trust Evaluation:** analysis of behavior in relation to company values using the Trust questionnaire completed by managers.
- **Performance Management and goal sharing:** definition and updating of individual goals with the active involvement of employees and alignment with managerial expectations to support each person’s growth path.

We apply the evaluation process to the white-collar category and in 2024 we extended it to all employees of Italian companies. In addition, the evaluation standards are being further extended at the corporate level.

For the blue-collar category, on the other hand, we envisage other formalized methods for evaluating their proactivity and behavioral and technical skills with a view to developing and consolidating their productive versatility.

Periodic Review of Employees

	No. of people			% of people		
	Female	Male	Total	Female	Male	Total
Dipendenti	86	650	735	78%	70%	70%
Non dipendenti	4	84	88	100%	98%	98%
Totale	90	734	823	79%	72%	73%

% of Employees with periodic review

	2024
Streparava Spa e Holding	100%
BPT	100%
SPT	100%
Streparava SMT	100%
Streparava Brasile	100%
Streparava India	27%
Streparava Spagna	15%
Alunext	44%



Diversity & Inclusion

[GRI 401-3]

Valuing differences means creating the conditions for inclusive, fair, and respectful work environments.

It is not just a matter of complying with regulations, but of facilitating a culture of real integration in which formal equality of rights is accompanied by equity in access to opportunities.

Gender diversity

In the automotive sector, female representation has historically been limited, mainly due to the composition of the labor market. In our case too, women account for only around 10% of the Group's total workforce. Aware of the cultural role that corporate organizations play and the essential contribution that greater gender diversity brings; we are acting with awareness-raising and training initiatives.

In 2024, we joined Posto Occupato (The-Never-To-Be-Ended Seat) an initiative promoted in collaboration with the Municipality of Adro for the International Day for the Elimination of Violence against Women on November 25.

Two red chairs, placed in central locations such as the canteen and the multipurpose room, symbolically commemorate victims of violence, accompanied by information materials and useful contacts in case of need.

On March 8, 2025, International Women's Rights Day, we will also offer a training event to reflect on gender equality issues and the opportunities that can be created for a more equitable and inclusive society.

Cultural and religious integration

Our workforce, which includes more than twenty nationalities, enriches our corporate environment. We consider this diversity to be an asset and manage it with care and respect, adopting organizational measures that facilitate everyone's participation and respect for differences.

In several cases, we have introduced measures such as the creation of special prayer rooms, improvements in meal preparation, and internal awareness initiatives to promote inclusion and encourage coexistence based on mutual understanding.

Family leave

Our focus on personal and family needs also translates into full access to leave for family reasons, available to all employees in Italy, Spain, and Brazil. We encourage those interested to take advantage of this opportunity without fear for their career path.

In 2024, 119 people took family leave: 98 men and 21 women. In India, where legislation does not provide for this right, we are nevertheless committed to ensuring forms of flexibility that are compatible with local regulations.





Safety and health

[GRI 403-1, 403-2, 403-3, 403-5, 403-6, 403-7, 403-8, 403-9, 403-10]

We have always considered the protection of people’s health and safety to be a priority and an essential requirement, for which we must ensure high standards.

In 2024, we recorded 24 accidents among employees and 8 among non-employees, with an overall rate of 15.17. However, we did not detect any cases of occupational diseases.

Recordable injuries and work-related ill health

	2024	2023	2022
Recordable work-related injuries	32	23	17
Injury frequency rate	15,17	10,72	8,85
No. of work-related ill health	0	0	0

Health and Safety Performance

	Streparava Spa e Holding			BPT			SPT			Streparava SMT		
	2022	2023	2024	2022	2023	2024	2022	2023	2024	2022	2023	2024
Recordable work-related injuries	9	8	16	0	1	1	2	2	3	nd	4	4
Hours worked	665.133	694.890	670.068	157.489	157.095	154.030	99.013	88.657	105.468	nd	77.697	99.583
Injury frequency rate	13,53	11,51	23,88	0	6,37	6,49	20,2	22,56	28,44	nd	51,48	40,17

	Streparava Brasile			Streparava India			Streparava Spagna			Alunext		
	2022	2023	2024	2022	2023	2024	2022	2023	2024	2022	2023	2024
Recordable work-related injuries	2	1	5	1	0	0	0	1	0	3	6	3
Hours worked	187.511	207.134	220.053	713.312	657.888	606.008	28.617	28.571	28.366	68.790	233.591	226.188
Injury frequency rate	10,67	4,83	22,72	1,4	0	0	0	35	0	43,61	25,69	13,26



We monitor health and safety at work by applying a management system based on the fundamental requirements of the ISO 45001 standard, certified for Streparava S.p.A. and BPT Borroni Powertrain, but which covers all employees, even in non-certified companies. We are constantly committed to adopting good practices, sharing them with our suppliers as well.

In this way, we follow a systematic approach aimed at the progressive improvement of health and safety measures and safeguards, which helps us to clearly and transparently define roles and responsibilities and to identify and assess work-related hazards and risks in accordance with Legislative Decree 81/2008 for Italy and equivalent regulations for foreign establishments.

We conduct this investigation by drafting and continuously updating the Risk Assessment Document (DVR), which is the result of collaboration between the employer, the competent doctor, the workers' safety representative (RLS), the head of the protection and prevention service (RSPP), supervisors, and technical consultants who calculate specific risks. With the DVR, we plan the objectives and processes to be implemented to ensure appropriate levels of health and safety at work, updating them based on the results of periodic monitoring.

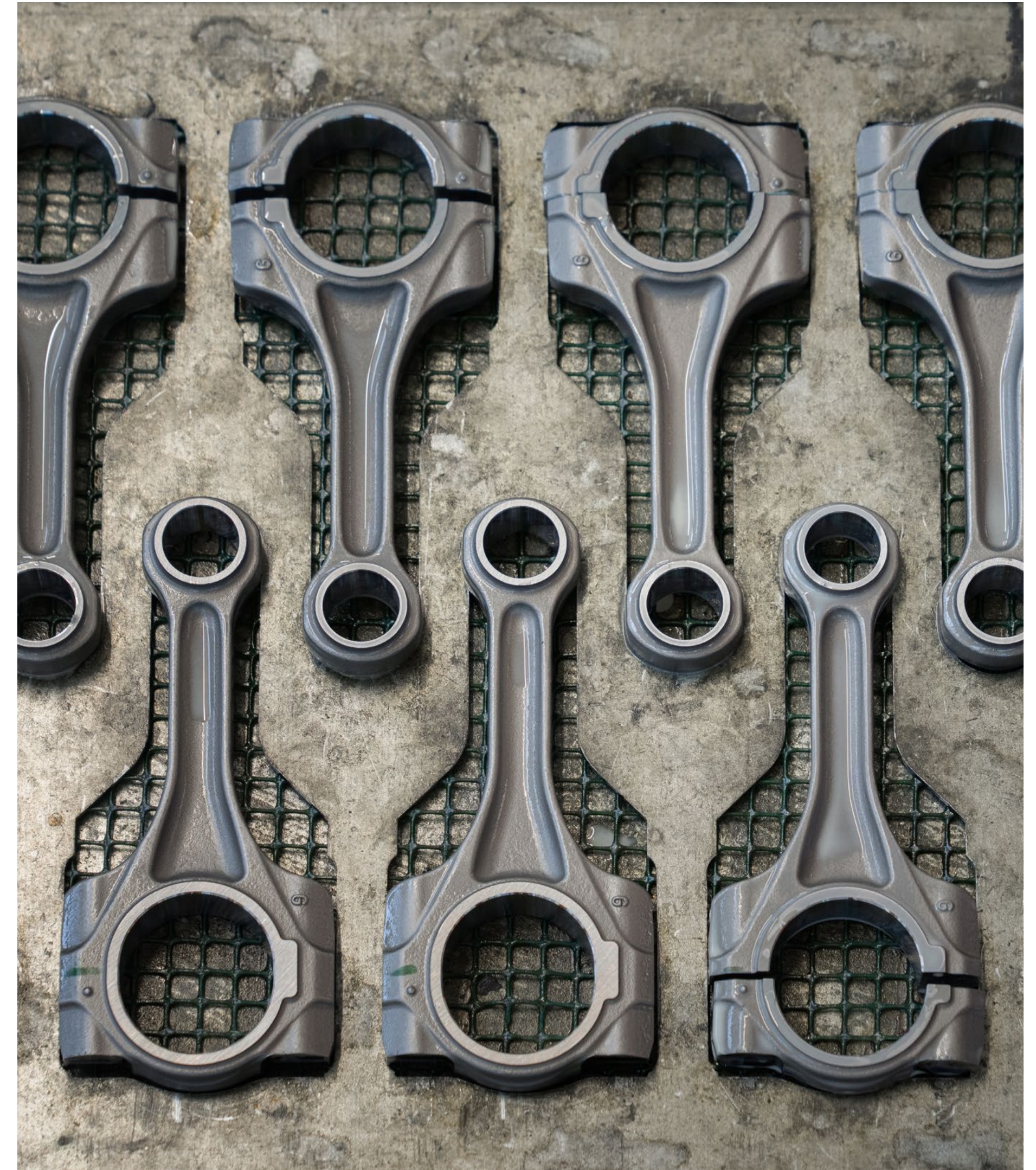
We also intervene in the risk matrix because of any near misses that may have occurred during the reference period and the results of subsequent investigations. To identify the causes and take appropriate corrective action in relation to a near miss or accident, we initiate an internal investigation process headed by the RSPP. In addition, we report non-compliance in a dedicated register and plan and monitor follow-up actions until the critical issues are fully resolved.

We give our workers the opportunity to report hazards or potentially dangerous situations through various channels and tools. In addition to referring to the supervisors, whose presence in the departments is always guaranteed, all workers can directly activate a Quick Kaizen to report safety issues in the plant and suggest a solution. Other key figures for monitoring potential reports are the delegates elected by representatives of the trade union representatives, i.e., the Workers' Safety Representatives (RLS): our staff has elected six people from various corporate contexts, all of whom are union members.

Monitoring actual or potential accidents allows specialized personnel to intervene promptly to prevent, correct, and eliminate any problems and critical issues that may arise in the course of work. We believe it is essential to prevent any type of risk and accident, which is why we

consider it essential to promote an increasingly solid culture of safety with concrete and targeted actions. We are committed to raising awareness among workers and collaborators through the channels available to us; we invest in training because we are convinced that teaching methods are the key to achieving high levels of health and safety. Our specialized internal staff carries out mandatory safety training, personally committing themselves to involving all levels of the organization.

We entrust the occupational health service and the role of the competent doctor, which we have tried to make unique in the territories where possible, to the joint management of Human Capital and the Safety Office. In addition to carrying out the regular clinical activities required by health protocols, the service allows employees to request additional consultations for work-related checks and visits.





Community development and support

Community connection

[GRI 3-3]

Community connection is not only geographical, but also based on relationships, exchanges, and active participation.

Over time, we have chosen to invest energy and resources in social, cultural, and educational initiatives that respond to the needs of local communities, with a particular focus on the most vulnerable groups.

These are complemented by collaborations with schools, educational institutions, and universities to promote career guidance, internships, and work-study programs. Our involvement stems from a sense of belonging to a context that we consider an integral part of our journey and future development.

Internships, work-study programs and relations with schools

Strengthened by our ties with some of the leading educational institutions in the provinces where we operate, we create work-study programs, internships, and first job placements that allow high school and college graduates to get a first-hand look at the business world. We strongly believe in the Higher Technical Institutes (ITS) system and have been partners with ITS Lombardia Meccatronica since its foundation.

Every year, we host students on internships, many of whom have gone on to become part of our workforce.

In May, we launched the third year of the work-study program with the Marzoli Higher Education Institute in Palazzolo sull’Oglio, aimed at mechatronics experts enrolled in their final year. We reserved the project for two classes, for a total of about fifty students, providing 40 hours of training with our in-house teachers as experts in the automotive sector.

The students learned how our company works and the organizational flows that characterize it.

We structured the project with the aim of creating a connection with the students, guiding them towards an informed choice of post-diploma path.

11
No. of students in university internships

3
No. of students in ITS and IFTS internships

51
Students in Work-Study Programs

97
No. of students hosted in Dual Learning





Community initiatives

Fairs and events

We provide constant and frequent support for initiatives taking place in our local areas, participating in industry events and trade fairs that allow us to showcase our company to students and professionals who want to learn more about us. Some examples of events we have taken part in are Domani Lavoro, a multidisciplinary fair that presents Brescia-based companies to young students and graduates, and Futura Expo.

High-impact circular economy

It is possible to combine environmental awareness with industrial waste from the production process and social impact on the local area: proof of this comes from the project Il sogno inizia a letto (The dream begins in bed) launched by our headquarters in Brazil. The activity involves the production of large quantities of good quality wood waste from pallets used to transport incoming materials, which are usually sent for disposal or recycling. However, from 2023, we have decided to give these materials a new lease of life by adopting a more useful circular economy principle: reuse. The project involves collaboration with a government association

dedicated to the rehabilitation of prisoners (APAC⁴), located near our headquarters. In this prison, which is distinguished by its person- and work-centered approach, prisoners follow academic, psychological, and legal training courses, practice sports, religious, and spiritual activities, and learn a trade. Another unique feature is the contribution of instructors, who are also inmates, who have acquired knowledge through previous professional experience or, when necessary, at local vocational schools

With a 2023 project, SCAL participated in the creation of a small carpentry workshop by donating some basic equipment and supplying wood as raw material. The idea arose because of our ongoing involvement in social projects and our awareness of operating in a country like Brazil, which is marked by significant social problems. The main purpose, agreed with the APAC association, is to build cribs and beds to donate to families in need. In this way, we transform waste into furniture that can offer comfort and dignity to those in need and give many children the chance to dream of a better future. Furthermore, this activity actively contributes to the social reintegration of prisoners involved in manufacturing.

Associations and foundations

For years, we have been dedicated to supporting foundations, associations, and universities located in the areas where we operate: financial contributions through donations are only a small but significant part of our contribution to the needs of the community. Below are some of the main examples.

Fondazione Il Bullone. On March 15, 2024, Lilac Ribbon Day dedicated to eating disorders, we supported Fondazione Il Bullone, a non-profit organization active in the workplace inclusion of young people who are facing or have faced a journey linked to these disorders. The Foundation promotes the value of social responsibility by bringing together people, organizations, and businesses. All members of the Steering Committee participated in a team-building day at the Foundation’s headquarters, creating posters and visuals for the fundraising campaign. In the following weeks, we launched the fundraiser, involving all employees at our Italian plants. Finally, we decided to double the amount raised to be allocated to Il Bullone.

Support for culture: sponsoring projects that support culture and its dissemination has been

one of our social objectives since day one. Our initiatives in support of the Teatro Grande in Brescia are a step in this direction. For many years, we have supported the Italian Cancer Research Association (AIRC) by participating in the initiatives that the association promotes annually, such as the sale of Easter eggs, and by making direct financial donations. Similarly, we actively collaborate with various local organizations:

the Sci Club Sarnico, with its project Insieme non ci sono barriere (Together there are no barriers) dedicated to special athletes, the Gruppo Volontari Ambulanza di Adro (Adro Ambulance Volunteer Group) and the Vigili del Fuoco Volontari di Palazzolo sull’Oglio (Palazzolo sull’Oglio Volunteer Fire Department).



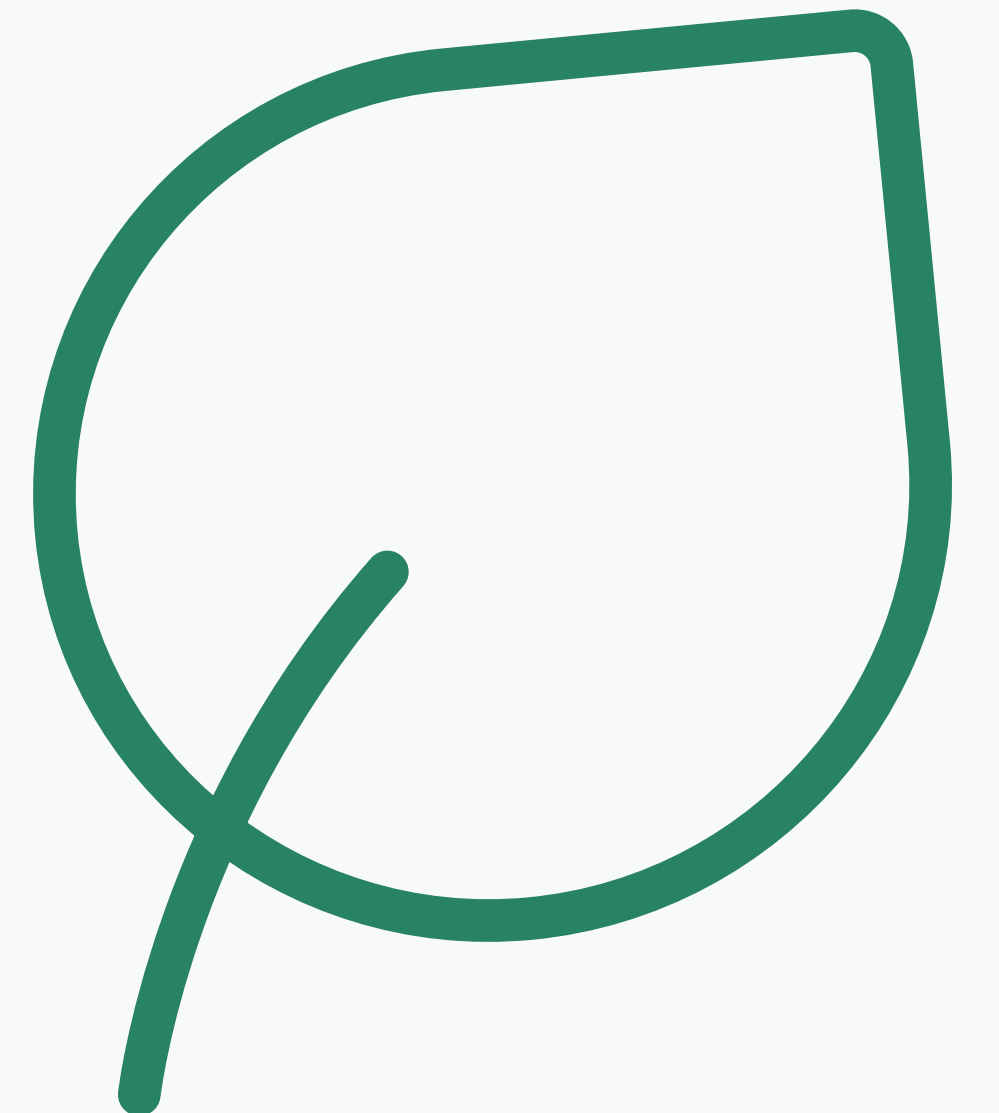
⁴APAC system. Currently implemented in 43 Brazilian cities, the alternative method of resocialization called the Association for the Protection and Assistance of Convicts (APAC) has a recidivism rate of 30%. In traditional prisons, the percentage rises to 90%. On average, non-recidivism (in crimes) is 70%. In some APAC areas, the rate reaches 98%.

Our contribution to protecting **the environment**

Approach to environmental issues and policy

Resource use and the circular economy

Energy and climate





Approach to environmental issues and policy

[GRI 3-3, E1-2 Policies relating to climate change mitigation and adaptation, E5-1 Policies relating to resource use and the circular economy]

In a global context characterized by growing environmental and climatic challenges, it is essential to be aware of the impact of our activities and to commit to managing them responsibly.

For this reason, with the same passion and determination with which we pursue excellence in our products and customer relations, we invest time and energy in progressively reducing the environmental impact of what we do, focusing on both the efficient use of resources and the optimization of production flows.

To ensure effective management of environmental issues, we have implemented an **Environmental Management System** aimed at promoting an efficient and safe production model. This tool makes our approach to these issues structured and based on principles of responsibility, regulatory compliance and continuous improvement. Not only that: protection of the planet is also reflected in our Code of Ethics, which defines the criteria and standards for ensuring respect for the environment and the adoption of best operating practices.

Several Group companies also operate in accordance with the requirements of the international standard ISO 14001, which guarantees systematic control of environmental processes. In parti-

cular, the plants of Streparava S.p.A., BPT Borroni Powertrain, Streparava Brazil and Streparava India are certified.

Our Environmental Management System is subject to annual audits conducted by independent third parties to verify full compliance with the requirements of ISO 14001 and ensure that certification is maintained or renewed. These audits provide an opportunity to identify further areas for improvement.

The assessment of environmental risks is extended to all Italian plants, regardless of certification. This assessment considers both the risks that could compromise the company's operational continuity and the environmental impacts potentially generated by production activities.

Based on these analyses, we adopt corrective and preventive measures aimed at limiting impacts and strengthening the Group's environmental resilience.





Resource use and the circular economy

Careful and efficient use of resources is essential for improving the quality of production processes and reducing environmental impact. Through targeted interventions and progressive actions, it is possible to initiate optimization processes that promote more responsible and sustainable management over time.

Inflows of resources

[GRI 301-1, 301-2, 301-3, E5-4 – Inflows of resources]

The Streparava Group’s activities are based on advanced industrial processes, where efficient and responsible resource management is a key factor in reducing environmental impact and ensuring high quality standards in the products manufactured.

Within the Group’s production sites, incoming resources are mainly divided into three categories:

- metallic raw materials
- packaging materials
- auxiliary process materials

Raw materials are at the heart of mechanical processing and vary according to the specialization of the Group companies. The main materials processed are **carbon steel** and **cast iron**, which are sourced in the form of **forgings** or **semi-finished components**, depending on the production chain.

The exception is Alunext S.r.l., a Group company specializing in the forging of light alloys, which manufactures **aluminum alloy** components mainly from ingots.

We also use a variety of packaging materials, including **corrugated cardboard**, **plastic film**, **wooden pallets** and **specific protective materials**, which guarantee the safety and integrity of the product until delivery.

During the reporting period, Group companies handled a total of 57,349 tons of materials, divided between raw materials, packaging materials and auxiliary materials. Of these, approximately 48 per cent consisted of recycled materials.

The main raw materials used in production processes are of mineral origin, and therefore come from **non-renewable sources**, with a **recycled material component of approximately 44%**. Our share of renewable materials is linked solely to packaging, of which approximately 87%, equal to 455.55 tons, consists of materials from renewable resources.

Within this share, approximately 88% consists of wood derivatives, such as pallets, crates, and other supports; the remaining 12% consists of cellulosic materials, such as paper and cardboard, used mainly for secondary packaging, internal protection, and light packaging. The remaining packaging material comes from non-renewable sources. The impact of packaging material is reduced by the frequent and widespread use of returnable packaging, i.e., containers designed to be used multiple times.

Tons of materials used¹

Company	Raw materials	Packaging	Total	of which recycled (%)
Streparava Spa	35.516,43	219,86	35.736,29	35
Alunext	3.801,70	228,17	4.029,87	78,8
BPT	445	15,96	460,96	47,7
SPT	795,54	11,7	807,24	53
Streparava SMT	2343,72	-	2.343,72	66,2
Streparava Brasile	12576,5	36	12.612,50	78,9
Streparava India	1227,73	11,94	1.239,67	0
Streparava Spagna	118,95	-	118,95	0,3
Total	56.825,57	523,63	57.349,20	48

Tons of renewable and non-renewable materials used²

Company	Renewabl	Non-renewable
Streparava Spa	191,67	35.544,62
Alunext	224,27	3.805,60
BPT	12,9	448,06
SPT	8,9	798,34
Streparava SMT	-	2343,72
Streparava Brasile	15	12.597,50
Streparava India	-	1.239,67
Streparava Spagna	-	118,95
Total	452,74	56.896,46

¹Intercompany purchases, i.e., purchases between different companies within the Group, are not taken into account for calculation purposes.

²“Renewable materials” are those obtained from natural sources that regenerate at a rate compatible with human production cycles (e.g., wood, paper, plant fibers). “Non-renewable materials” include those derived from exhaustible resources or that require long regeneration times, such as metals, minerals, and fossil-based materials (e.g., conventional plastics).



Outflows of resources

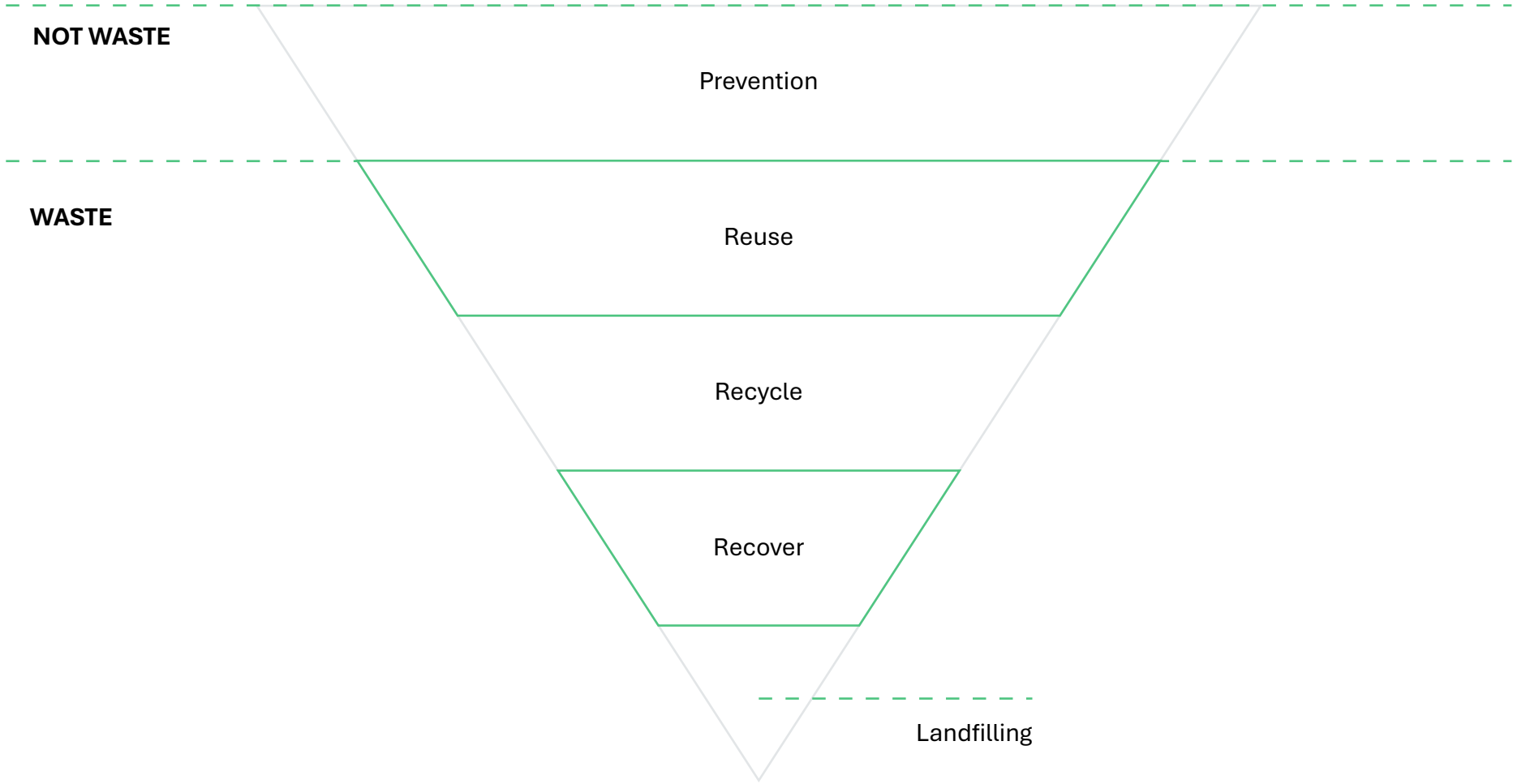
[GRI 306-1, 306-2, 306-3, 306-4, 306-5, E5-5 – Outflows of resources]

The circularity of our business model is based on reducing waste and conserving virgin resources. All the projects we launch undergo a detailed cost-benefit analysis that allows us to evaluate their potential economic return and reduction in terms of environmental impact.

We know that structured waste management allows materials to be reintroduced into production processes, generating additional value. The main types of waste come from mechanical processing and industrial treatments: metal residues, particularly steel, account for the largest

share, followed by sludge, oily emulsions, and waste oils from chemical surface treatments, for which specific management and disposal methods are required in accordance with the regulations of the countries where the plants are located.

Below are the data on waste produced in 2024, broken down by macro-destination (recovery/disposal) and by type (hazardous/non-hazardous).



		Preparation for reuse	Recycling	Other recovery operations	Tot.	% su tot.
Waste directed to recovery operations (tons)	Hazardous waste	0	0	740	740	10
	Non-hazardous waste	0	1.278	4.877	6.155	82
	Directed to recovery	0	1.278	5.617	6.895	92
		Incineration	Landfill	Other disposal operations	Tot.	% su tot.
Waste directed to disposal (tons)	Hazardous waste	0	154	79	233	3%
	Non-hazardous waste	31	324	27	382	5%
	Directed to disposal	31	478	106	615	8%
2024 TOTAL WASTE					7.510	



Reduction in wooden packaging

The first activities involved the recovery of wooden packaging and were then extended to other types of waste, including those previously destined for disposal. The reduction in wooden packaging was organized through a system of returnable packaging to a specific supplier and the sale of items that could be reused.

The initiative has enabled, on the one hand, the recovery of approximately 50% of Streparava S.p.A.'s wooden packaging and, on the other, the economic valorization of a product that would otherwise have been treated as waste.

Plastic recovery

Regarding plastic waste, following an internal mapping exercise, collection systems have been defined for three main categories:

- Urban plastic (from vending machines)
- Plastic from industrial packaging
- High-quality plastic (joint caps for protecting mechanical components).

For high-quality plastic, a collection system has been set up at the assembly stations to ensure quality and recovery. Joint caps, for example, were previously handled as mixed packaging, but now have a new destination.

Finally, to reduce single-use plastics, in addition to distributing reusable water bottles to all staff, in 2023 we installed still and sparkling water dispensers in all break areas and company restaurants at our plants.

Management of production waste

In all our plants, metal shavings generated by precision machining are entrusted to specialized suppliers who reintroduce them into the industrial cycle in the form of secondary raw materials, thus reducing the use of virgin resources. This is the context for our collaboration with Padana Rottami, a subsidiary of Acciaierie Venete, which in turn is a supplier to Streparava, reintroducing the shavings into the foundry production cycle.

Two other projects, currently under evaluation, are also noteworthy:

- the recovery of waste from the painting process, such as masking, thinners, PPE and paint spatters; a new use for this waste could involve its recovery as solid and liquid fuel.

- the purchase of a plant for the treatment of oily emulsions that operates by separating water and oil; this would allow for a reduction in water consumption, with the reintroduction of approximately 500 cubic meters of water into the production cycle, and a reduction in the amount of waste to be disposed of.

Smoker point Re-Cig

In addition to the main industrial flows, since 2022 we have been collaborating with Re-Cig, a company that collects and recovers cigarette butts, transforming them into non-toxic plastic material (Re-CA® cellulose acetate) that can be used in the production of small objects.

In 2024, the project was active only at the Adro plant: 59.5 kg of cigarette butts were collected, equivalent to approximately 142 kg of CO2 equivalents. For 2025, the goal is to increase this amount by extending the initiative to the Italian plants of Streparava S.p.A., BPT, SPT and SMT.

The promotion of the project was accompanied by an awareness campaign on the topic of smoking, which can be discussed with the com-

pany doctor.

Separate waste collection

The company's separate waste collection system has been reviewed and systematized in all Italian plants, with changes to the bins in offices, production areas and break areas. The aim of the review is to encourage all employees to dispose of waste correctly, thereby reducing the amount classified as general waste.



Energy and climate

The climate crisis is one of the most obvious effects of humanity’s unsustainable presence on the planet that hosts us. A change of pace can no longer be postponed, and we have embarked on a specific path in this area as well.

Energy efficiency

[GRI 302-1, 302-3, E1-5 Energy consumption and energy mix]

The energy consumption of our Group’s companies depends heavily on the type of activities carried out at the various production sites.

Electricity accounts for the largest share (55,6%) and is mainly used to power machinery for mechanical processing and assembly lines.

This is accompanied by the consumption of natural gas (41.4%9, which is used in heat treatment, painting processes, space heating and, to a lesser extend, for the company kitchen.

Finally, petroleum-based fuels, used to power company vehicles, account for a residual share of total energy consumption (3,0%).

Energy consumption and mix - Year 2024

Sources	Consumi GJ
Fuel consumption from crude oil and petroleum products	5.599
Fuel consumption from natural gas	76.435
Fuel consumption from other non-renewable sources	472
Consumption of purchased or acquired electricity, heat, steam, and cooling from fossil sources	63.898
Total fossil energy consumption Share of fossil sources in total energy consumption (%)	146.404 79%
Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources	27.312
Consumption of self-generated non-fuel renewable energy	11.500
Total renewable energy consumption Share of renewable sources in total energy consumption (%)	38.812 21%
Total energy consumption	185.216

Energy Consumption by Company – Year 2024

Company	Renewable GJ	Non-renewable GJ	Total GJ
Streparava Spa	13.702	56.879	70.581
Alunext	8.602	56.097	64.699
BPT	3.274	7.509	10.783
SPT	2.875	8.173	11.048
Streparava SMT	495	4.266	4.761
Streparava Brasile	9.090	844	9.934
Streparava India	727	10.426	11.153
Streparava Spagna	47	2.210	2.257
Total energy consumption	38.812	146.404	185.216

As regards electricity, we are gradually increasing our use of renewable sources, both through self-production and through certified supply contracts.

Since 2023, the Streparava S.p.A. plant in Adro has had a photovoltaic system with a capacity of 4.6 MWh, which provides 24.66% of the plant’s energy consumption. The Streparava SMT plant in Zocco di Erbusco also has a photovoltaic system installed in 2024 with a capacity of 440 kWh.

In 2024, the Group’s photovoltaic systems produced a total of **3,193.77 MWh** of electricity. Of this, approximately **65%** was **self-consumed**, directly contributing to the energy needs of the companies; the remaining **35%** was **sold to the grid**.

At the same time, part of the electricity purchased from the grid comes from renewable sources, as documented by the **Guarantees of Origin (GO)** attached to the relevant supply contracts. In particular, the **Streparava Brazil** plant in Sete Lagoas meets **100%** of its electricity needs through energy from renewable sources, certified by Pacifico Energia Serviços Ltda.



Alunext, **BPT**, and **SPT** plants also use electricity from renewable sources, accounting for **42%**, **35%**, and **34%** of their total electricity consumption, respectively, thanks to supply contracts partially covered by Guarantees of Origin.

In total, **21% of the energy consumed in 2024 will come from renewable** sources: an encouraging result, but one that we want to continue to improve in the coming years, above all by purchasing a greater share of certified energy from renewable sources.

The following table shows our energy intensity, calculated as the ratio between total internal energy consumption and total production for the reference period, equal to approximately 64,594 tons.

Energy intensity - Year 2024

	[GJ/ton]
Total energy consumption compared to production	2,87

Improving energy management and reducing consumption are one of the cornerstones of our ESG approach. To this end, we conduct periodic analyses of production processes and plants with the aim of identifying and implementing technical and organizational solutions that can increase energy efficiency.

A key element of this commitment has been the acquisition of in-depth knowledge of current consumption. The collection, analysis, and interpretation of energy data has allowed us to highlight the main areas of inefficiency and define improvement actions.

Below are the most significant examples of the interventions carried out at the Adro plant of Streparava S.p.A. Some activities were started in 2024 and will be completed in the first months of 2025.

The **economic feasibility** of each intervention was assessed by analyzing the **B/C** (Benefit/Cost) ratio, i.e., the ratio between the expected benefits and the costs of the investment. This indicator allows us to estimate the economic efficiency of the interventions: a value greater than 1 indicates that the benefits exceed the costs, making the investment worthwhile. All the projects reported had a **B/C value greater than 1**, with peaks of up to **almost 5**.

Energy improvement projects	kWh saved	Year of conclusion
Programming and automatic shut-off of aspirators in the weekend	66.886	2024
Presence sensor and inverter installation for the aspirator modulation in production department	25.200	2025
Leaks fixing on compressed air system	427.600	2024
Thermal dissipation reduction through installation of automated door	2.272	2024
Voltage optimisation with ICOPOWER setup for reducing grid losses	506.500	2024

ICOPOWER System
Optimization of electricity consumption

ICOPOWER is an electrical device designed to improve the energy efficiency of industrial plants. It acts on the quality of electrical energy by reducing losses due to dispersion, non-linear loads, and reactive components. The system allows you to:

- **reduce active energy consumption without modifying existing systems;**
- **stabilize voltage and improve power factor;**
- **minimize peaks and distortions in electrical flows;**
- **monitor energy parameters in real time, with verification of results.**

This technology is particularly relevant in the manufacturing sector, where unstable or inefficient power supply can cause waste, premature wear of equipment, and higher operating costs.

With a view to making energy consumption increasingly efficient, we are considering adopting an energy management system that complies with ISO 50001.

The implementation of this standard would represent a further step towards a structured and systematic approach to energy efficiency, allowing us to integrate consumption monitoring and optimization processes with corporate strategies





Emissions management

[GRI 305-1, 305-2, 305-3, 305-4, E1-6 Gross GHG emissions from scopes 1, 2, 3 and total GHG emissions]

In 2024, we also launched a structured process for assessing greenhouse gas (GHG) emissions by compiling our first GHG inventory. This activity enables us to map and understand the main sources of emissions for all our plants, laying the foundations for the development of effective mitigation and reduction strategies, both in the short and long term. The carbon footprint calculation was conducted in accordance with the most widely recognized international standards, in particular the **Greenhouse Gas (GHG) Protocol** and the **UNI EN ISO 14064-1:2018** standard, which distinguish emissions into three categories:

Scope 1

direct emissions, resulting from sources owned or controlled by the organization. These include both stationary sources (such as boilers and heating systems) and mobile sources (company fleets);

Scope 2

indirect emissions associated with the generation of electricity, heat or steam purchased and consumed by the organization. Two methodological approaches are used to account for these emissions:

- **Location-based**, which calculates emissions using average emission factors relative to the energy mix of the country in which the organization operates, thus reflecting the average trend in national electricity production.
- **Market-based**, which instead considers the

organizations’ ability to make informed choices on the energy market, calculating emissions based on the so-called national residual mix of guarantees of origine (GO), depending on the actual supply of renewable energy

Scope 3³

indirect emissions that occur throughout the entire value chain, upstream and downstream of the company’s activities. Specifically, the following categories have been included:

- **purchase of materials, packaging, outsourced services and water** (cat. 1);
- **emissions related to the entire fuel and energy cycle not included in scopes 1 and 2**(cat. 3);
- **upstream and internal transportation and distribution** (cat. 4);
- **waste and wastewater management** (cat. 5);
- **employee business travel and commuting** (cat. 6 and 7);
- **downstream transport and distribution of finished products** (cat. 9).

Emissions assessment is part of an already established reporting system. Since 2015, we have participated in the **Carbon Disclosure Project (CDP)**, the leading global system for

³In accordance with the principle of relevance and materiality, categories considered insignificant for the Group’s activities or not applicable have been excluded from the analysis, including capital goods (cat. 2), upstream and downstream leasing (cat. 8 and 13), use and end of life of products sold (cat. 10, 11, 12), franchising (cat. 14) and investments (cat. 15).

Greenhouse gas (GHG) emissions	Year 2024 [tCO2eq]
Scope 1 GHG emissions	
Gross Scope 1 GHG emissions	4.843,72
Scope 2 GHG emissions	
Gross Scope 2 GHG emissions - location based	8.212,92
Gross Scope 2 GHG emissions - market based	10.503,48
Scope 3 GHG significant emissions	
Gross Scope 3 GHG emissions - location based	177.603,25
Gross Scope 3 GHG emissions - market based	177.685,57
Cat 1. Purchased goods and services	167.624,51
Cat 3. Fuel- and energy-related activities (not included in Scope 1 or 2) – location based	2.856,69
Cat 3. Fuel- and energy-related activities (not included in Scope 1 or 2) – market based	2.939,01
Cat 4. Upstream transportation and distribution	2.278,84
Cat 5. Waste generated in operations	1.037,55
Cat 6. Business travel and 7. Employee commuting	2.059,86
Cat 9. Downstream transportation and distribution	1.745,80
Total GHG emissions	
Total GHG emissions – location based	190.659,89
Total GHG emissions – market based	193.032,77

measuring and disclosing climate impacts. The annual completion of the CDP Climate Change questionnaire is a valuable tool for monitoring the evolution of corporate environmental policies and identifying areas for improvement.

The score assigned by the CDP also allows us to compare the Group’s environmental performance with that of similar companies internationally, promoting continuous improvement in climate change governance.

Below are the data relating to greenhouse gas emissions, expressed in tons of CO2 equivalent. The following table shows the intensity of greenhouse gas emissions, calculated as the ratio between total CO₂ equivalent emissions (scope 1, 2, and 3, according to both the location-based and market-based approaches) and total production for the reference period.

GHG emissions intensity - Year 2024	
	[tCO2eq/ton]
Total GHG emissions (location-based) relative to production	2,95
Total GHG emissions (market-based) relative to production	2,99

Taxonomy

Regulatory Framework

Eligible Activities for the Taxonomy

Taxonomy Alignment Assessment

Reporting of Financial Information



Regulatory Framework

The European Taxonomy, introduced by Regulation (EU) 2020/852 and subsequent amendments, is an EU-wide tool designed to direct capital towards activities that substantially contribute to achieving the objectives of the European Green Deal:

- climate change mitigation;
- climate change adaptation;
- sustainable use and protection of water and marine resources;
- transition to a circular economy;
- pollution prevention and control;
- protection and restoration of biodiversity and ecosystems.

To achieve these goals, the Taxonomy guides investors towards more sustainable projects and activities by providing them with reliable and transparent information.

According to the regulation, economic activities eligible for inclusion in the Taxonomy (referred to as “eligible activities”) are those capable of making a substantial contribution to one or more environmental objectives.

An eligible economic activity can also be considered environmentally sustainable (and therefore defined as “aligned”) when it meets the so-called “technical screening criteria” established by delegated regulations.

With the issuance of Regulation (EU) 2021/2139 and subsequent amendments at the end of 2022, the technical screening criteria for the first two climate objectives were defined, while those for the remaining four objectives, together with the lists of eligible activities, were published in 2023 through Regulation (EU) 2023/2486.

Regulation (EU) 2021/2178 defines KPIs (Key Performance Indicators) as all the financial information that must be provided by companies classified as “non-financial” under the Taxonomy for aligned activities.

The disclosure covers:

- the share of turnover derived from products or services associated with economic activities considered environmentally sustainable;
- the share of capital expenditures (CapEx) and operating expenditures (OpEx) related to processes associated with economic activities considered environmentally sustainable.

Eligible Activities for the Taxonomy

An analysis of the Group’s activities was conducted to verify their compliance with the criteria set out by the European Taxonomy, based on Regulation (EU) 2020/852 and the related delegated acts. The objective of the analysis was to identify eligible business activities, i.e., those included in the lists of economic activities that, according to the implementing legislation, can substantially contribute to achieving the environmental objectives of the European Union.

The Group’s core activity, the production of components for the automotive sector, was found to be eligible. This activity corresponds to economic activity 3.18 “Manufacture of motor vehicle parts and accessories,” listed in Annex I of Delegated Regulation (EU) 2021/2139. This activity specifically includes the manufacturing, repair, maintenance, refurbishment, repurposing, and upgrading of systems, components, standalone technical units, parts, and spare parts for the automotive sector.



Taxonomy Alignment Assessment

Pursuant to Article 3 of Regulation (EU) 2020/852, an activity is considered sustainable (aligned with the Taxonomy) if it:

- Makes a substantial contribution to one or more of the six environmental objectives;
- Does no significant harm (DNSH) to the other objectives;
- Complies with minimum safeguards (social and governance standards).

The alignment of Streparava’s activity was assessed based on the technical screening criteria set out in Annex I of Delegated Regulation (EU) 2021/2139 for activity 3.18.

Substantial Contribution Criteria

Regarding substantial contribution to climate change mitigation, the activity was evaluated against criterion 1.c) specified for activity 3.18¹. The production activity can be considered aligned with the European Taxonomy if it involves the manufacture of components essential to ensuring and improving the environmental performance of zero-emission vehicles, i.e., vehicles whose direct CO₂ emissions (from the tailpipe) are zero. For the Streparava Group, the alignment assessment concerning activity 3.18 was conducted by thoroughly analyzing the range of products manufactured, in order to identify those exclusively intended for battery electric vehicles (BEVs) with zero emissions.

The description of Taxonomy activity 3.18 does

not automatically consider all zero-emission vehicle components as eligible, but only those identified as essential and functional to improving environmental performance. These explicitly include traction systems, suspensions, and other fundamental subsystems. The Group’s production focuses precisely on these areas, manufacturing components attributable to these categories. The result of the assessment is partial alignment with the substantial contribution criteria, since only part of the Group’s production activity concerns components for BEVs.

Do No Significant Harm (DNSH)

Following the alignment assessment with the substantial contribution criteria, alignment was evaluated against the Do No Significant Harm (DNSH) criteria for each of the remaining environmental objectives.

Climate Change Adaptation

Regarding climate change adaptation, the EU Taxonomy requires a physical climate risk analysis for production sites, in accordance with Appendix A of Annex I. In line with these requirements, the Streparava S.p.A. plant — the only one producing components for battery electric vehicles — carried out a climate risk analysis within its ISO 14001-certified environmental management system. The analysis examined the exposure level of production activities to potential physical impacts from climate change, identifying the main risk factors. Based

on these evaluations, physical and organizational measures have already been adopted to mitigate the effects, including temporarily suspending operations during the hottest hours of summer months and installing water dispensers for staff welfare.

Sustainable Use and Protection of Water and Marine Resources

Concerning sustainable use and protection of water and marine resources, the Adro plant has implemented measures and procedures consistent with the criteria set forth in Appendix B of Annex I. Water use is regulated by operational procedures defined within the ISO 14001 environmental management system active at the plant. Periodic water impact assessments at the production line level have consistently shown negligible impacts.

Transition to a Circular Economy

The Streparava Group adopts an approach focused on reducing environmental impacts throughout the lifecycle of its products, consistent with the DNSH criteria related to the transition to a circular economy. During the design phase, attention is paid to component durability and reliability. Production focuses on high-precision mechanical components, typically designed for long life even under demanding conditions. Industrial waste management prioritizes recovery and recycling, particularly for metallic materials, which constitute the main fraction of production

residues. Advanced procedures are in place for proper waste management, in compliance with current environmental regulations and integrated into the ISO 14001-certified environmental management system.

Pollution Prevention and Control

Within its operations, Streparava does not place on the market any products containing prohibited substances or chemicals in concentrations exceeding limits set by the European regulations specified in the generic DNSH criteria appendix related to pollution prevention and control.

Protection and Restoration of Biodiversity and Ecosystems

Regarding sustainable use and protection of water and marine resources, the Adro plant has adopted measures and procedures in line with the criteria outlined in Appendix D of Annex I. As part of the ISO 14001 certification, periodic environmental impact assessments are conducted at both production line and plant levels. These analyses have never identified significant impacts on biodiversity.



Minimum Safeguards

Compliance with the minimum safeguards is ensured through the adoption and implementation of the Group’s policies concerning human rights, worker protection, anti-corruption, and fiscal responsibility. The Group’s Code of Ethics is formally aligned with the United Nations Guiding Principles on Business and Human Rights (UNGP), the OECD Guidelines for Multinational Enterprises, and the Fundamental Conventions of the International Labour Organization (ILO).

To support these principles, the Group has implemented an Organizational, Management, and Control Model pursuant to Legislative Decree 231/2001 (MOG 231), aimed at preventing and managing unlawful conduct, with particular attention to corruption prevention.

The model includes structured procedures to ensure compliance with current legislation, promoting fair competition, fiscal integrity, and transparency in business relationships.

Reporting
of Financial
Information

Delegated Regulation (EU) 2021/2178, which supplements Regulation (EU) 2020/852 concerning the European Taxonomy, defines the methods by which companies and financial entities must calculate and disclose key performance indicators (KPIs), including revenue, capital expenditures (CapEx), and operating expenditures (OpEx), in relation to economic activities classified as eligible and aligned with the Taxonomy.

In accordance with these provisions, Streparava has adopted the definitions, criteria, and methodological principles set forth by the Regulation, ensuring consistency, transparency, and traceability in the representation of relevant activities. Economic and financial data were extracted from the general and analytical accounting systems used for preparing statutory financial statements, primarily drafted according to national accounting principles (GAAP).

Revenue KPI

The portion of revenue eligible under the Taxonomy relates to the production of components for the automotive sector and represents approximately 98% of Streparava’s total revenue. Of this portion, 4.1% is aligned with the technical criteria of the Taxonomy, corresponding to 4% of total revenue.

The eligible but non-aligned share, equal to 94% of total revenue, refers to the production of components for vehicles that are not zero-emission and therefore do not meet criterion (c) related to substantial contribution to climate change mitigation.

The remaining 2% of revenue is not attributable to economic activities within the scope of the Taxonomy, as it derives from non-core activities.



CapEx KPI

In addition to capital expenditures directly associated with eligible economic activities, Delegated Regulation (EU) 2021/2178 allows including in the numerator of the CapEx KPI investments related to:

- the purchase of goods or services from activities aligned with the Taxonomy;
- measures enabling the target activities to achieve low carbon emissions or contribute to the reduction of greenhouse gas emissions.

An example of this is the investment made in 2024 for the photovoltaic system installed at the Streparava SMT plant.

The aligned CapEx share represents 12.4% of the Group's total capital expenditures. This share includes:

- investments in tangible and intangible assets for the production of components destined for electric vehicles;
- the purchase and installation of the photovoltaic system.

The eligible CapEx share amounts to 93.1% of total expenditures and includes:

- the investments described above;
- additional investments in tangible and intangible assets for the production of components for the automotive market as a whole.

OpEx KPI

Similarly to capital expenditures, Delegated Regulation (EU) 2021/2178 allows including in the numerator of the OpEx KPI operating expenses related to the maintenance of:

- assets linked to activities aligned with the Taxonomy;
- measures aimed at reducing greenhouse gas emissions.

For Streparava, aligned OpEx represents 0.5% of total operating expenses and includes:

- maintenance of the photovoltaic system;
- maintenance of machinery and buildings for the production of components for electric vehicles;
- research and development activities related to the production of components for electric vehicles.

Eligible OpEx corresponds to 97.7% of total operating expenses and includes costs directly related to the daily operation of plants and production activities associated with components for the automotive sector.



[illegible]

[illegible]

[illegible]



Interpretation of KPI Table Codes

Code (2) includes the abbreviation of the environmental objective to which the economic activity can make a substantial contribution, along with the activity section number from the corresponding Annex. The abbreviations are as follows:

- **CCM** – Climate Change Mitigation
- **CCA** – Climate Change Adaptation
- **WTR** – Sustainable Use and Protection of Water and Marine Resources
- **CE** – Transition to a Circular Economy
- **PPC** – Pollution Prevention and Control
- **BIO** – Protection and Restoration of Biodiversity and Ecosystems
- For example, in the case of activity **3.18**, which contributes to climate change mitigation, the code is **CCM 3.18**.

Columns 5 to 10, Substantial Contribution Criteria for the Six Environmental Objectives:

- **Yes** – The activity is Taxonomy-eligible and aligned with the substantial contribution criteria for the relevant environmental objective
- **No** – The activity is Taxonomy-eligible but not aligned with the substantial contribution criteria
- **N/AM** – Not applicable; the activity is not eligible under the Taxonomy for the relevant objective

Columns 11 to 16 , do No Significant Harm (DNSH) Criteria for the Six Environmental Objectives:

- **Yes** – The activity is Taxonomy-eligible and aligned with the DNSH criteria for the relevant environmental objective
- **No** – The activity is Taxonomy-eligible but not aligned with the DNSH criteria
- **“-”** – The activity is Taxonomy-eligible, and no DNSH criteria are applicable to the relevant objective

Column 17 , minimum Safeguards:

- **Yes** – The economic activity is carried out in full compliance with the minimum safeguards
- **No** – The economic activity is not carried out in full compliance with the minimum safeguards

Enabling Activity Category: If the economic activity is aligned with all relevant technical screening criteria and complies with the minimum safeguards, it may be marked with the letter **A**, indicating that it is an **enabling activity**.

Definition of “enabling activity” under Article 16 of Regulation (EU) 2020/852:

“An economic activity shall qualify as contributing substantially to one or more of the environmental objectives referred to in Article 9 if it directly enables other activities to make a substantial contribution to one or more of those objectives, provided that:

- a) it does not lead to a lock-in of assets that undermine long-term environmental goals, taking into account the economic lifetime of those assets; and
- b) it has a substantial positive environmental impact based on life-cycle considerations.”



GRI STANDARD	DISCLOSURE		PARAGRAPH		OMISSION	
			Omitted requirement	Reason	Explanation	
General Disclosures						
GRI 2: General Disclosures 2021	2-1	Organizational details	1.3; 1.5; 2.1			
	2-2	Entities included in the organization’s sustainability reporting	1.5			
	2-3	Reporting period, frequency and contact point	1.5			
	2-4	Restatements of information	1.5			
	2-5	External assurance	1.5			
	2-6	Activities, value chain and other business relationships	1.3; 2.1			
	2-7	Employees	4.2			
	2-8	Workers who are not employees	4.2			
	2-9	Governance structure and composition	2.2			
	2-10	Nomination and selection of the highest governance body	2.2			
	2-11	Chair of the highest governance body	2.2			
	2-12	Role of the highest governance body in overseeing the management of impacts	2.2			
	2-13	Delegation of responsibility for managing impacts	2.2			
	2-14	Role of the highest governance body in sustainability reporting	2.2			
	2-15	Conflicts of interest	2.2			
	2-16	Communication of critical concerns	2.2			
	2-17	Collective knowledge of the highest governance body	2.2			
	2-18	Evaluation of the performance of the highest governance body	2.2			
	2-19	Remuneration policies	-	X	Information unavailable/incomplete	There are no specific policies in place regarding remuneration
	2-20	Process to determine remuneration	-	X	Information unavailable/incomplete	No formal procedures are currently in place
	2-21	Annual total compensation ratio	-	X	Information unavailable/incomplete	Due to the Group’s structure and the limited availability of aggregated remuneration data, it was not possible to reliably calculate the ratio
	2-22	Statement on sustainable development strategy	CEO introduction			
	2-23	Policy commitments	1.1; 1.2			
	2-24	Embedding policy commitments	2.2			
	2-25	Processes to remediate negative impacts	2.2			
	2-26	Mechanisms for seeking advice and raising concerns	2.2			
	2-27	Compliance with laws and regulations	5.1			
	2-28	Membership associations	3.2			
	2-29	Approach to stakeholder engagement	4.2			
	2-30	Collective bargaining agreements	4.2			



GRI STANDARD	DISCLOSURE		PARAGRAPH	OMISSION		
				Omitted requirement	Reason	Explanation
Material topics						
GRI 3: Material topics 2021	3-1	Process for determining material topics	3.2			
	3-2	List of material topics	3.2			
Climate change (ESRS E1)						
GRI 3: Material topics 2021	3-3	Management of material topics	6.1			
GRI 302: Energy 2016	302-1	Energy consumption within the organization	6.3.1			
	302-3	Energy intensity	6.3.1			
	302-4	Reduction of energy consumption	6.3.1			
GRI 305: Emissions 2016	305-1	Direct GHG emissions (Scope 1)	6.3.2			
	305-2	Indirect GHG emissions from energy use (Scope 2)	6.3.2			
	305-3	Other indirect GHG emissions (Scope 3)	6.3.2			
	305-4	GHG emissions intensity	6.3.2			
Resource use and Circular economy (ESRS E5)						
GRI 3: Material topics 2021	3-3	Management of material topics	6.1			
GRI 301: Materials 2016	301-1	Materials used by weight or volume	6.2.1			
	301-2	Recycled input materials used	6.2.1			
	301-3	Reclaimed products and packaging materials	6.2.1			
GRI 306: Waste 2020	306-1	Waste generation and significant waste-related impacts	6.2.2			
	306-2	Management of significant waste-related impacts	6.2.2			
	306-3	Waste generated	6.2.2			
	306-4	Waste diverted from disposal	6.2.2			
	306-5	Waste directed to disposal	6.2.2			
Own workforce (ESRS S1)						
GRI 2: General Disclosures 2021	2-7	Employees	4.2.1			
	2-8	Non-employee workes	4.2.1			
GRI 3: Material topics 2021	3-3	Management of material topics	4.1			



GRI STANDARD	DISCLOSURE		PARAGRAPH	OMISSION		
				Omitted requirement	Reason	Explanation
Own workforce (ESRS S1)						
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	4.2.1			
GRI 403: Occupational Health and Safety 2018	403-1	Occupational health and safety management system	4.2.7			
	403-2	Hazard identification, risk assessment, and incident investigation	4.2.7			
	403-3	Occupational health services	4.2.7			
	403-4	Worker participation and communication on OHS	4.2.7			
	403-5	Worker training on OHS	4.2.7			
	403-6	Promotion of worker health	4.2.7			
	403-8	Workers covered by an OHS management system	4.2.7			
	403-9	Work-related injuries	4.2.7			
	403-10	Work-related ill health	4.2.7			
GRI 404: Training and education 2016	404-1	Average hours of training per year per employee	4.2.4			
	404-2	Programs for upgrading employee skills and transition assistance	4.2.4			
	404-3	Percentage of employees receiving regular performance and career development reviews	4.2.5			
GRI 405: Diversity and equal opportunity 2016	405-1	Diversity of governance bodies	2.2			
	405-1	Diversity of employees	-	X	Information unavailable/incomplete	Due to the Group’s characteristics, it was not possible to collect the data in the classification required by the standard
	405-2	Ratio of basic salary and remuneration of women to men	-	X	Information unavailable/incomplete	Due to the Group’s characteristics and the limited availability of aggregate pay data, it was not possible to reliably calculate the ratio
Affected communities (ESRS S3)						
GRI 3: Material topics 2021	3-3	Management of material topics	5.1			
GRI 2: General Disclosures 2021	2-28	Membership of associations	5.1			
Consumers and End users (ESRS S4)						
GRI 3: Material topics 2021	3-3	Management of material topics	2.2			
GRI 416: Customer health and safety 2016	416-1	Assessment of the health and safety impacts of product and service categories	2.4			
Business conduct (ESRS G1)						
GRI 3: Materials topics 2021	3-3	Management of material topics	2.2			
GRI 201: Economic performance 2016	201-1	Direct economic value generated and distributed	2.3			
GRI 308: Supplier Environmental Assessment 2016	308-1	New suppliers screened using environmental criteria	2.2.4			
GRI 414: Supplier Social Assessment 2016	414-1	New suppliers screened using social criteria	2.2.4			



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