

Virtuous Cycles

2020

Sustainability Report

Letter to the stakeholders

Dear Readers,

It is an honor for me to present the Sirmax Group's Sustainability Report. The pages that follow are a qualitative and quantitative summary of the effects that our values and activity produce in the industry and territories in which we operate. This document sets them out for our stakeholders with utmost transparency.

Sirmax Group feels a **sense of responsibility** towards its people and its clients, having committed to integrating the principles of sustainability within its growth strategy and to placing them at the center of its future development. These principles have guided Sirmax through the recent challenges we have all had to face. They have led the Group to achieve extraordinary business objectives thanks to a **vision** that goes beyond profit, and whose main goal is to create a supply chain where all partners speak the same language.

In terms of sustainability, we have rethought the relationship between resources, the market and our clients by shortening distances, focusing on quality and certifying suppliers. Our flexibility, product customization and rapid responses have allowed us to gain significant market share, and we also made considerable investments, **creating virtuous cycles** through skills entirely developed within Sirmax and shared with our end clients.

We have adopted a **new internal organization model** that allows us to introduce high-performance products to the market through more efficient processes aimed at minimizing waste. We have obtained new, prestigious supply chain certifications according to the most rigorous international standards. We have implemented research on the ennoblement of plastic, working to reduce consumption (and therefore reduce CO₂ emissions), and strengthening its technical properties. We aim to play an increasingly central role within the plastic recovery chain, not only for single-use plastics but also for those destined for durable goods, because this is the only way to truly close the circle.

Our governance model is also sustainable and boasts budgetary **transparency and financial stability**. We have never taken risks or gone beyond our means, and we believe that keeping our accounts in order is a moral – as well as professional – imperative. This has led across-the-board economic growth in 2020 and 2021, consolidating the stability and strength of the entire Group, and allowing us to think about new investments for the future.

To us, growth means taking care of people. Our human resource management is based on the principles of inclusiveness and non-discrimination. It aims to create a peaceful and stimulating working

environment where people can develop their skills and improve professionally and personally. Sirmax's workforce is always growing: In the last two years we have recruited many specialized roles, hiring a number of young people. We are preparing a significant corporate **welfare plan** that is more extensive and flexible than those of the past. We have equipped ourselves with a Code of Ethics which regulates how we carry out our activities and live up to the responsibilities our stakeholders expect of us. These guidelines are built on the principles of integrity, loyalty, honesty, and transparency – essential values that are testimony to our reliability.

All the results we achieved would not have been possible, however, without the fundamental contribution of the approximately five hundred Sirmax Group employees. I would like to thank them all for embracing our culture of sustainability and translating it into concrete actions every day.

Our commitment does not stop here. Our daily challenge is to maintain and increase the levels of quality, innovation, research, and enhancement of human capital with a view to all-round sustainability. Faced with the limits of the planet's resources, Sirmax does not view sustainability as a choice, but as a necessity and a moral obligation. We owe it to future generations; we owe it to our children and grandchildren.

Massimo Pavin

Sirmax Group President and CEO

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1. Sustainable Ideas

Sirmax means
compound evolution



1.1

The future is made of sustainable ideas

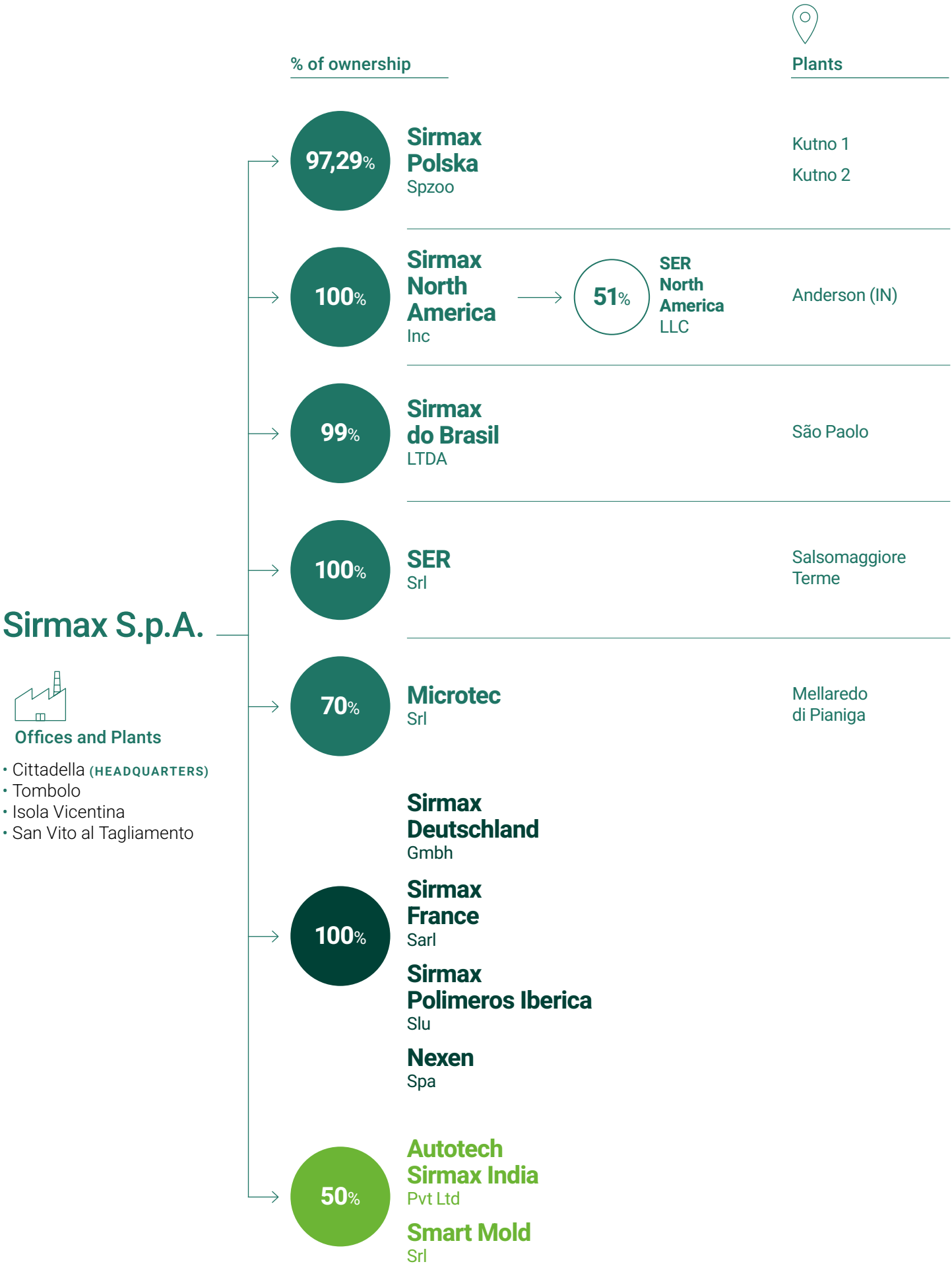
Sirmax S.p.A. (hereinafter also referred to as Sirmax) is the parent company of a global leading group that produces plastics for a wide range of sectors, with a particular **focus on automotive and appliance.**

The Group is formed by six majority-owned subsidiaries, which manage the activities of 10 plants (6 in Italy, two in Poland, one in the USA and one in Brazil) and four commercial companies that operate for the development of distribution activities in the main European markets.

In addition, the Group participates in two joint-ventures: the first one was created with Autotech Polymers India to promote the distribution of Sirmax compounds in the East, while the second one is a research spin-off of the University of Padua dedicated to product design.

For this first year of non-financial reporting, the Group has decided to extend the scope of reporting to all fully consolidated companies, thus excluding joint ventures.

"Sirmax is the parent company of a leading global plastics manufacturing group operating in a wide range of different industries, particularly automotive and appliance."



- PRODUCTION PLANTS
- COMMERCIAL COMPANIES
- JOINT VENTURE

With great flexibility and fifty years of experience in the plastics sector, Sirmax is resolutely pursuing the **multi-country and multi-product** strategy that has consolidated its image among the top global independent compounders. This strategy has led to a dynamic growth in the Group's partnership and co-design relationship with the market, in which Sirmax recognizes its mission to shape an intelligent and sustainable future.

Sirmax also acknowledges the signals coming from the community and from the market. This is why, in the last few years, the Group has been working with a view to consolidate the **circular economy**. This was initially done by taking over SER (an Italian leader in the regeneration of post-consumer plastics) and expanding its market to North America, and later by acquiring Microtec, a company that produces biopolymers.

The experience it acquired over years of processing of virgin raw materials was therefore exploited to develop additional product lines to add to its traditional range, including both recycled plastics (Serplene® and Sertene®, respectively recycled polypropylene and recycled polyethylene) and plant-derived bioplastics (BioComp®).

Mission

Sirmax is a leading manufacturer of thermoplastic compounds with a deep knowledge of raw materials and a wide range of products to meet all customer needs.


Sirmax is committed to building a sustainable future through innovative co - design solutions that help your ideas come true.


Vision


To play a
leading role
in the green
revolution

by providing innovative, high performance and sustainable materials for the most challenging projects. Close to your ideas, close to the environment.

Highlights 2020


230k  tons of product

11  factories (+ 2 in JV) for a total surface area of 525k m²

494  employees (>90% on permanent contracts)

58  production lines

37  countries [clients]

5  research and development labs

2  linked universities

294,3mln  of € turnover

+121  new employees

Sirmax history

Sirmax's roots go back to 1964, the year Sirte - Industria e commercio termoplastici Spa was founded in Isola Vicentina. The company specialized in the distribution of thermoplastic resins and in the production of polyolefin compounds: polyethylene (PE), polypropylene (PP) and styrenics (ABS).

More recently, in 1992, Maxplast was founded in Cittadella, focusing instead on auxiliary activities in the production of polypropylene compounds. The merger between the two companies, which took place in **1999**, created **Sirmax**: an industrial conglomerate able to cover both production and distribution of a wide range of thermoplastic resins.

The structural expansion of the Group began in 2004 with the launch of the new plant in Tombolo (Padua), then with the opening of sales offices in France (Sirmax France, in Lyon), Spain (Sirmax Polimeros Iberica, in Barcelona), and Germany (Sirmax Deutschland, in Frankfurt). In 2006, the first overseas plant was opened in Kutno (Poland), specializing in polypropylene compound production.

Since 2014, plants have been opened in Brazil (Sirmax do Brasil in Jundiaí, São Paulo), in the USA (Sirmax North America, in Anderson, Indiana, 2016), and a second Kutno plant was inaugurated in 2019. The acquisition of Microtec and SER also took place in 2019. The two companies respectively introduced Sirmax to the biopolymer and recycling sectors. Finally, the Joint Venture with India Autotech Polymers, which has plants in Mumbai and Delhi, opened the door to the far East in 2017.

1999

From the merger of Sirte and Maxplast
Sirmax was born

2004

New production plant
in Tombolo

2005

Foundation of Sales Offices
in Germany, Spain and France

2006

New production plant
Kutno 1 in Poland

Beginning of polypropylene
compound production

2010

Sirmax is official distributor
of Borealis' PP and PE

2014

New production plant
in Jundiaí in Brazil

2015

New production plant
in Anderson (USA)

2016

Acquisition of Nord Color
to expand the range of polymeric resins

2017

JV with Autotech Polymers
and expansion in Asia

2019

New
production
plant Kutno
2 in Poland

Acquisition of Ser for regeneration
of post-consumer plastics and Microtec
for manufacturing of compostable
and bio compound

From an operational point of view, as of 2020 the Group has 58 production lines built up over the years thanks, in part, to the acquisitions of third-party companies like Maxplast, Nord Color, Ser and Microtec, which have brought new technical skills that allowed Sirmax to expand its core business. The numbers that best encapsulate the expansion of the Group over its **60-year history** are the 525,400 m² of total plant surface area in which over 230,000 tons of plastic material are produced each year.

Alongside the Group's expansion, Sirmax's product portfolio and market offer has progressively widened. The core business mainly focuses on the production of additivated, colored, filled or reinforced polyolefin (PP) compounds and engineering plastics, including styrenics (PS), polybutylene terephthalate (PBT) and polyamide (PA) compounds with significant thermo-mechanical properties.

The properties of the compounds are adapted to individual client requirements based on their final application, which ranges across multiple sectors – mainly automotive and appliance, but also packaging, interior design, construction and instrumentation. Each year, more than 1100 new formulations are developed.

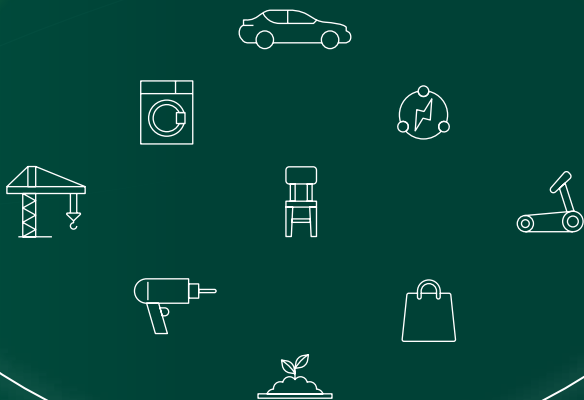
Alongside the historical core-business, the product range is expanding to include a series of solutions with a **lower environmental impact**, on which most of the Group's efforts in terms of research and development are focused. Of the more than **80 million euros** invested by Sirmax in the last two years, a significant share is destined to the development of alternative products to its current range.

Therefore, Sirmax now offers **circular compound** solutions obtained from post-consumer plastic and transformed into virtuous materials with special chemical, mechanical and thermal properties. A second line concerns **bio solutions**, which include bioplastics obtained from non-fossil sources, and biodegradable plastics which maintain excellent mechanical properties. In addition, to cover sectors that need elasticity and resilience, the production of **thermoplastic elastomers** (TPEs) – natural substitutes for vulcanized rubber that can be recycled – is growing.

CORE BUSINESS

Polyolefin Compounds
Engineering Compounds

Applications



Thermoplastic Elastomers
Circular Solutions
Bio Solutions

GROWTH OPTIONS

1.2

Sustainability at Sirmax

Sirmax has always been committed to achieving high quality standards, paying attention to the environment and to the areas where the Group's plants are located, thus establishing transparent and lasting relations with its stakeholders. Sirmax has also been paying close attention to environmental concerns expressed by local communities. This has led to the Group placing the development and promotion of circular solutions (polymers from recycled plastic) and organic alternatives to plastic (biopolymers) at the center of its research activities.

In order to monitor its environmental, social and governance performance, Sirmax has decided to undertake a sustainability journey that starts with the Group's first Sustainability Report, drawn up according to the standards of the Global Reporting Initiative (or GRI Sustainability Reporting Standards), which are the most recent and widespread non-financial reporting standards at the international level.

The Group's stakeholders

As a first step in this process, Sirmax has mapped the stakeholder categories that most influence or are influenced by the Group's activities. Stakeholders were identified based on business activities, the value chain, and the network of relationships

that exist around the Group. **8 stakeholder categories** have been identified, as well as the main tools of dialogue used by the company to establish and maintain transparent and lasting relationships with each one.



Stakeholder categories	Main channels of engagement	Stakeholder categories	Main channels of engagement
Shareholders and investors	Members meeting Annual and bi-annual budget	Government and Public Administration	Document exchanges Site visits
Employees	Corporate intranet (project planned for 2021) Company policies Dedicated meetings Direct communications Newsletters	Local communities	Corporate website Press releases Donations and gifts
Clients	Corporate website Dedicated documents Direct relations and collaborations Customer service Trade shows	Trade unions and trade associations	Document exchange Dedicated meetings
Suppliers	Audit activities Direct reports Corporate website	Universities and research centers	Research projects Internships Career Day Participations

Materiality assessment

A further necessary step in outlining the content of the Sustainability Report was the materiality assessment, which seeks to identify the material issues on which the reporting should focus. In line with GRI standards, material issues are the most relevant for Sirmax, given its environmental, social and governance impact (internal relevance), and the extent to which this influences stakeholder decisions (external relevance).

For the drafting of its first Sustainability Report, Sirmax conducted an assessment aimed at analyzing the context in which the Group operates and identifying the issues that emerge as most significant for stakeholders.

In order to determine the internal relevance of sustainability issues in terms of their environmental, social and economic impact, the list of issues that emerged from context analysis was submitted to the company's top management, who prioritized them on the basis of the Group's strategic priorities and main impact areas.

The overall result of the materiality assessment is given by the Sirmax materiality matrix that prioritizes material issues on the basis of their internal relevance (y-axis) and their external relevance (x axis).

The assessment consists of:

- a **benchmark analysis** which considers the main issues reported in the public documents of a panel of companies operating in similar sectors in Italy and abroad.
- an **industry trend analysis** which identifies the issues most frequently discussed in the publications of leading international associations and organizations (Robeco-Sam, SASB, etc.).
- an analysis of **media pressures** to examine major articles in local and international news outlets referring to significant events that affected Sirmax in 2020.
- a **trend analysis of sustainability macro-trends at a global level**, which involves mapping the main issues considered by key stock exchanges, sustainability rating agencies (DJSI, MSCI, etc.), international organizations (GRI, World Economic Forum, etc.) and national and international governmental institutions (EU, UN, etc.).



Of the 16 issues identified in the context analysis, ten were found to be material for the Group. Specifically, 4 relate to the environment: the sustainable management of water resources, the fight against climate change, Circulation and efficient use of resources, and Pollutant emissions. 5 themes relate to the social sphere: Community support, Health

and safety in the workplace, Social and environmental compliance, Employee development, and Product innovation & sustainability. 1 theme relates to Corporate governance: Business ethics. For each of these themes, the Group provides a description that identifies the perimeter of the theme and its area of impact.

Material Themes	Description
Circulation and efficient use of resources	Guaranteeing transparency in the choice of materials used, ensuring compliance with quality standards and limiting environmental impact. Optimizing production processes in order to promote efficient waste management.
Responsible water resource management	Optimizing water consumption by maximizing recycling and reuse.
Fighting climate change	Limiting energy consumption, promoting efficient solutions and the spread of an energy-saving culture in order to allow the reduction of the Group's overall impact on climate change.
Pollutant emissions	Limiting emissions of air pollutants by adopting the best available technology and complying with environmental regulations.
Social and environmental compliance	Operating within the laws of local and international environmental and social/economic regulations.
Product innovation and sustainability	Encouraging innovation and sustainable product development.
Employee development	Establishing a welcoming, stimulating, and positive work environment by ensuring work-life balance, providing employee welfare programs and promoting appropriate training and skill enhancement programs.
Occupational Health and Safety	Creating a safe and healthy workplace by promoting structured health and safety management processes and programs.
Supporting local communities	Supporting local communities by sponsoring local initiatives, projects and donations.
Business Ethics	Ensuring ethical business is conducted across the board, engaging in anti-corruption and anti-competitive behavior.

1.3

Responsible management tools

Over the last few decades, Sirmax Group has recorded continuous growth in terms of production capacity and market shares, establishing itself as an internationally-recognized company. This position rests on the foundations of an internal governance structure capable of conferring the solidity, compactness, transparency, and organizational rigor that guarantee its responsible management.

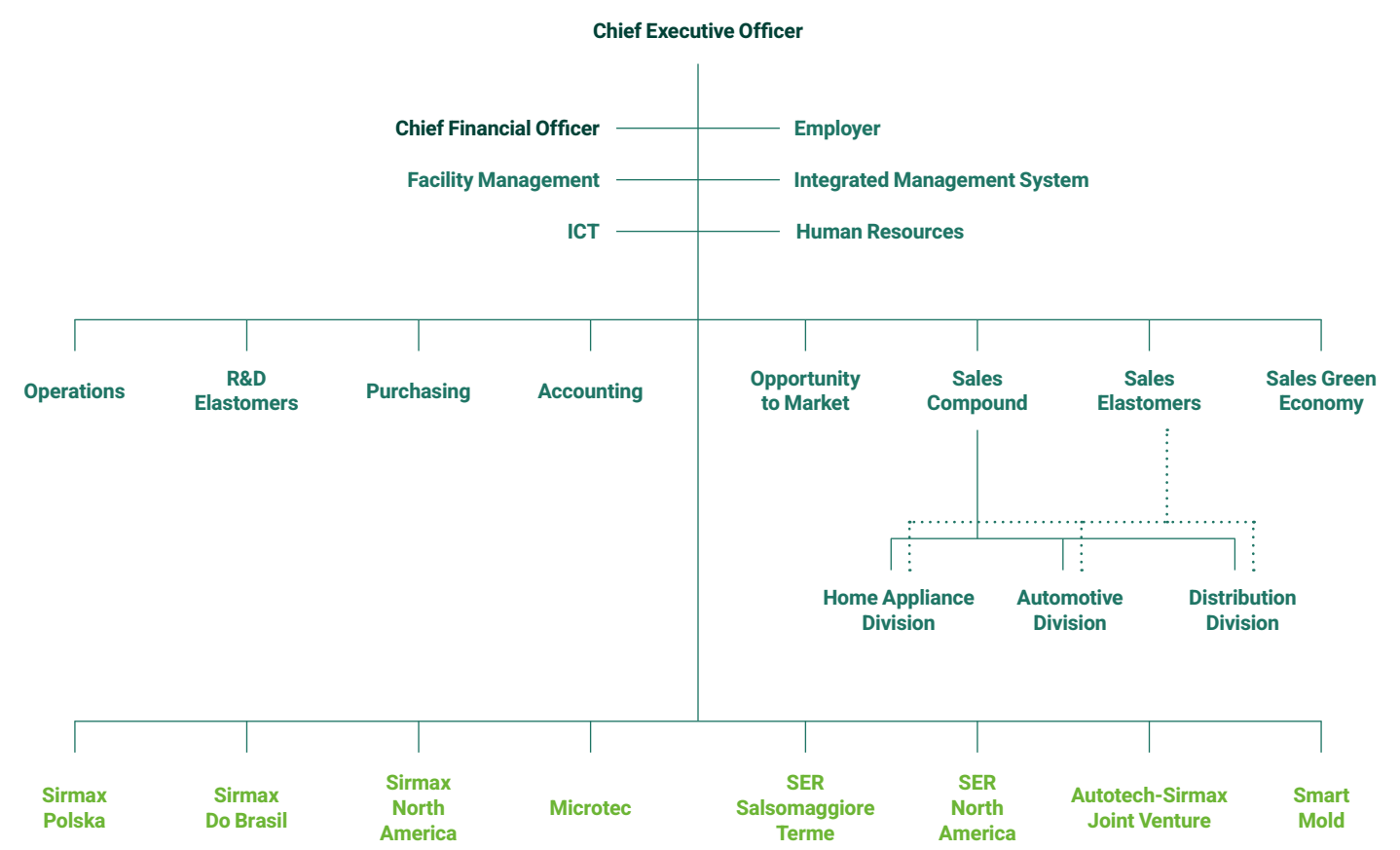
At Sirmax, responsible management means constantly searching for the best solutions to harmonize value creation and sustainable development, pursuing the objectives of environmental protection, social cohesion, consistent communication, and the development of a human-friendly working relationship.

Company organization

Sirmax has developed an organizational structure which reports to a Board of Directors at the top. The BoD is responsible for managing the company and is appointed by the Shareholders' Meeting.

The structure also provides for the delegation to formally-appointed roles in the areas of safety and the environment. The company's organizational structure is divided into several departments, each

headed by a manager who reports hierarchically to the Managing Director.



Each Group company is also headed by a Board of Directors that oversees compliance with the company's mission, strategic decisions, corporate policies, and the setting of social objectives. In order to select the best representatives, the Group adopts a

policy that favors a wide breadth of experience and expertise from the top down. Moreover, all Italian companies within the Group have appointed Boards of Statutory Auditors (or single auditors as the case may be), that carry out the tasks assigned to them by law

and implement the Articles of Association and applicable regulations, making use of the internal audit structures and functions of the individual Group companies in order to perform the necessary checks and inspections.

Governance tools

The Group's main governance tool is its **Code of Ethics**, which is still being finalized at the end of this reporting period and will be published in 2021. The Code is applied to all subsidiaries and is the sole reference for all processes, policies, guidelines, and contractual relationships adopted by the Group. All persons with and on the Group's behalf – chiefly directors, employees, collaborators, business partners, consultants, and representatives – are required to comply with the Code of Ethics and its principles.

The Code contains the principles that inform how Sirmax conducts its daily activities. It focuses on conduct based on good faith, so as to transmit the credibility, solidity and humanity of its actions to all stakeholders, and in order to build a shared sense of belonging and way of working both inside and outside the Group. For Sirmax, sharing these principles is the key to establishing lasting relationships with clients and suppliers, creating transparent relations with third parties and fairly recognizing the work of its employees.

Values that inspire the Code of Ethics

Respect

Respecting others means protecting and preserving the environment in which they live and work. With a view to sustainable business development, Sirmax constantly promotes a culture based on sharing of ethical and sustainability principles which are expressed in the company's health, safety and environmental protection policies.

Integrity

Sirmax is committed to guaranteeing the integrity of the company's assets and will continue to work to reduce the environmental impact of its activities.

Innovation

The Group adopts innovative behavioral models aimed at anticipating changes and new market needs. When looking for targeted, flexible solutions, we consider the skills of our individuals, the quality of our processes and any technological factors to be key tools for continuous improvement and for the development of new strategies.

To further safeguard the principles of the Code, Sirmax Spa has also set up an **Ethics Committee**. A point of reference at Group level, it is made up of 3 members who are responsible for defining, amending, updating and distributing the ethical principles in force, as well as checking compliance and monitoring how they are perceived outside and inside the company. A whistleblowing procedure that guarantees anonymity is also in place to report any wrongdoings or suspected violations of the Code.

Particular attention is paid to the integrity of relations with external parties, especially when it comes to preventing crimes such as conflict of interest, money laundering and breaching competition law. When it comes to relations with the Public Administration, the Group takes a position of absolute intransigence against any form of corruption, including improper payments to promote or favor the interests of the Group. Furthermore,

the Group prosecutes any behavior that may influence prices or terms and conditions of trade, and hinder free, full, and honest competition.

The foundation of Sirmax's governance for the operational activities within the Group's plants is the **Integrated Quality, Environment and Safety Policy**, updated in 2020. This document underpins the Group's corporate strategy and objective planning in the areas of quality, environment and workplace health and safety. The Policy, which reflects the Group's commitment to comply with contractual requirements, client expectations and applicable legislation, is implemented through the manual and procedures of the Integrated Management System, which is regularly audited.

With regard to quality, the management system for the design, development and production of thermoplastic resins in the Cittadella, San Vito, Tombolo and Kutno plants is certified according to

automotive sector standards UNI EN ISO 9001:2015 and IATF 16949:2016.

Moreover, in addition to certifying its management systems for health and safety in the workplace pursuant to UNI/ISO 45001:2018, Sirmax has prepared and consistently updated the risk assessment document for health and safety in the workplace pursuant to Legislative Decree 81/2008 and subsequent amendments and additions, in compliance with Italian industry regulations. This system makes it possible to comply with the regulations in force, but above all to implement the policies, processes and checks needed to guarantee the best possible working conditions within the company, ensuring the health and safety of employees and contractors.

The management system is also UNI EN ISO 14001:2015 certified with regard to the environmental management of the Cittadella, San Vito, Tombolo, Isola Vicentina and Kutno plants.

Material Themes	ISO 9001	ISO 14001	ISO 45001
Cittadella	✓	✓	✓
San Vito	✓	✓	✓
Tombolo	✓	✓	✓
Isola Vicentina	✓	✓	✓
Lainate	✓		✓
Kutno	✓	✓	
Sirmax North America	✓		
Sirmax do Brasil	✓		

The effectiveness of the Group's governance structure and tools, combined with scrupulous compliance monitoring, has contributed to achieving a comple-

te absence of cases of non-compliance with environmental, social and economic laws and regulations during the two-year reporting period. Similarly, there have

been no ascertained episodes of corruption or legal action for anti-competitive conduct involving Group companies.

Value creation and distribution

The soundness of the governance tools adopted is reflected in the economic and production results recorded by the Group. In particular, a summary of the numbers shows how the global health and economic emergency has not affected the transformation and development path that has led Sirmax Group to closing the year more profitably than the previous year. The Group has been able to face the most serious global crisis of the post-war period thanks to strategic choices made in recent years. These results have been made possible thanks to an **ongoing transformation process**, which started in recent years and was recently accelerated – a process which allowed the Group to diversify both in terms of products (inclusion of elastomers, recycled polymers and biopolymers), and of non-European reference markets (United States, India, Brazil), without jeopardizing the performance of the core business, which has always been the production and marketing of polypropylene compounds and engineering plastics compounds.

Significant investments in new technology and digitalization and the increasing focus on research and development are the reasons that have

increased the level of efficiency of the Group's activities. Technological innovation, investments, widespread presence in world markets and proximity to stakeholders will continue to be Sirmax's main drivers for the creation of value, with the goal of actively contributing to an intelligent, even greener and more sustainable future.

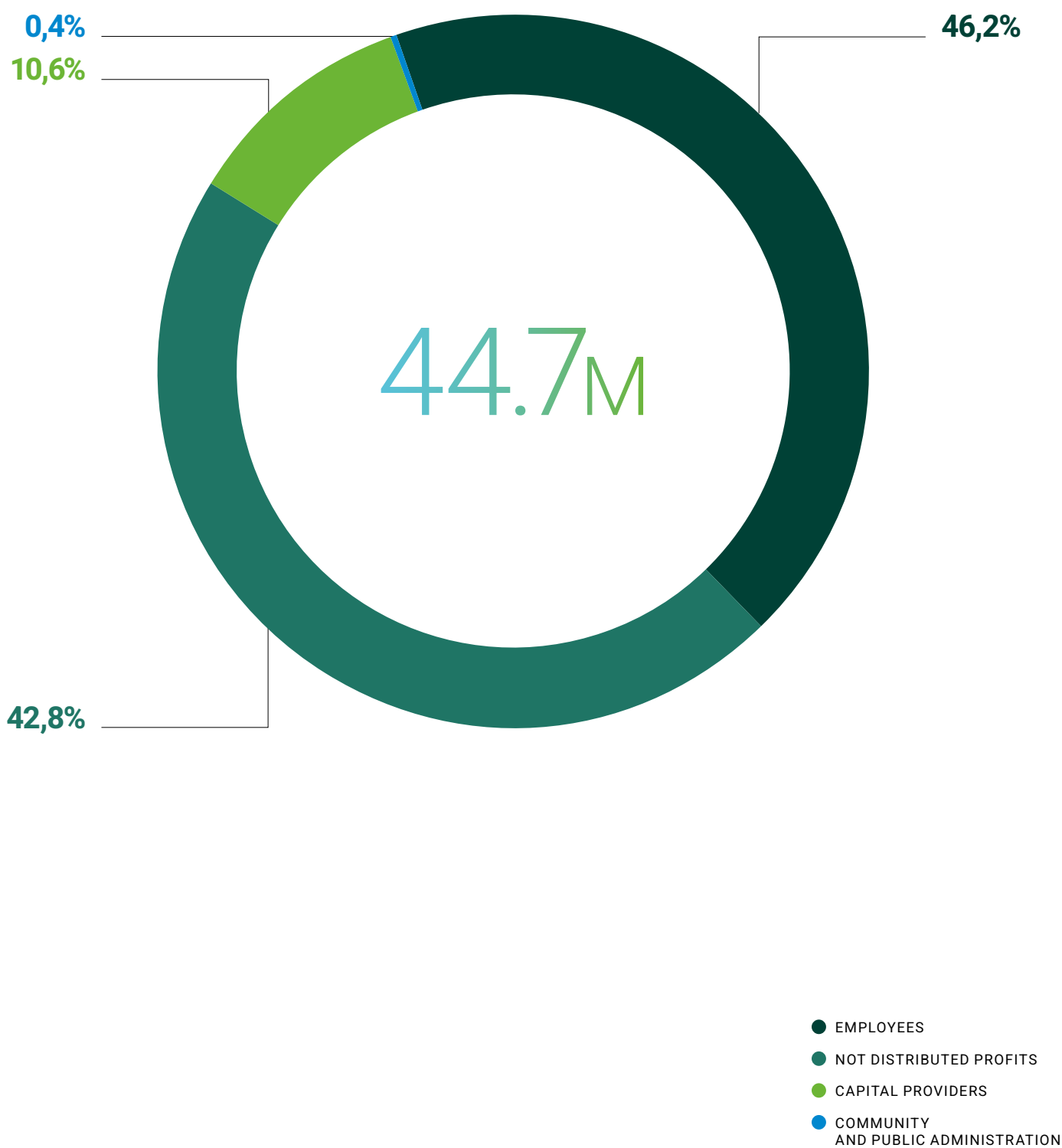
A large part of the value generated in 2020 was destined to **suppliers**, particularly those of raw materials, but also to services and rentals (84,6%, equal to over 245 million Euros).

The remainder (46,2%, or 20,6 million), which makes up added value, amounted to 44,7 million and was primarily allocated to Group personnel, including salaries, benefits, social security costs and severance indemnities.

A slightly lower percentage (42,8%) of the added value contributed to strengthening the company's assets in the form of retained earnings, provisions, depreciation, and amortization. Over 10,6% (4,7 million euros) accounted for financial management and was largely allocated to capital remuneration in the form of interest and other financial charges.

Finally, a further 0,4% consisted of the value transferred to the Public Administration, also considering income from tax consolidation and tax credits and the value transferred to the community and territory as voluntary contributions and donations to local initiatives and associations.

Distribution of added values



2. The Team

Caring for people
means growing together





Our numbers in 2020

(data at 9/30/2020 and 9/30/2019)

494  total employees

335  in Italy

159  between Poland, the USA, and Brazil

>90%  hired with permanent contracts

+24,5%  hiring rate in 2020

+121  new entries in 2020

17,62  accident rate in 2020

2.1

A global team

Despite the Group's constant evolution and growth, for a manufacturing company like Sirmax individual expertise and experience are still the heart of the whole organization. For this reason, responsibly managing and caring for people are crucial aspects, and the Group pays great attention to its employees – **people** with different life experiences who feed the company's dynamism and contribute to its uniqueness and success.

The management of human resources at Sirmax is based on the principles defined in the code of ethics: integrity and

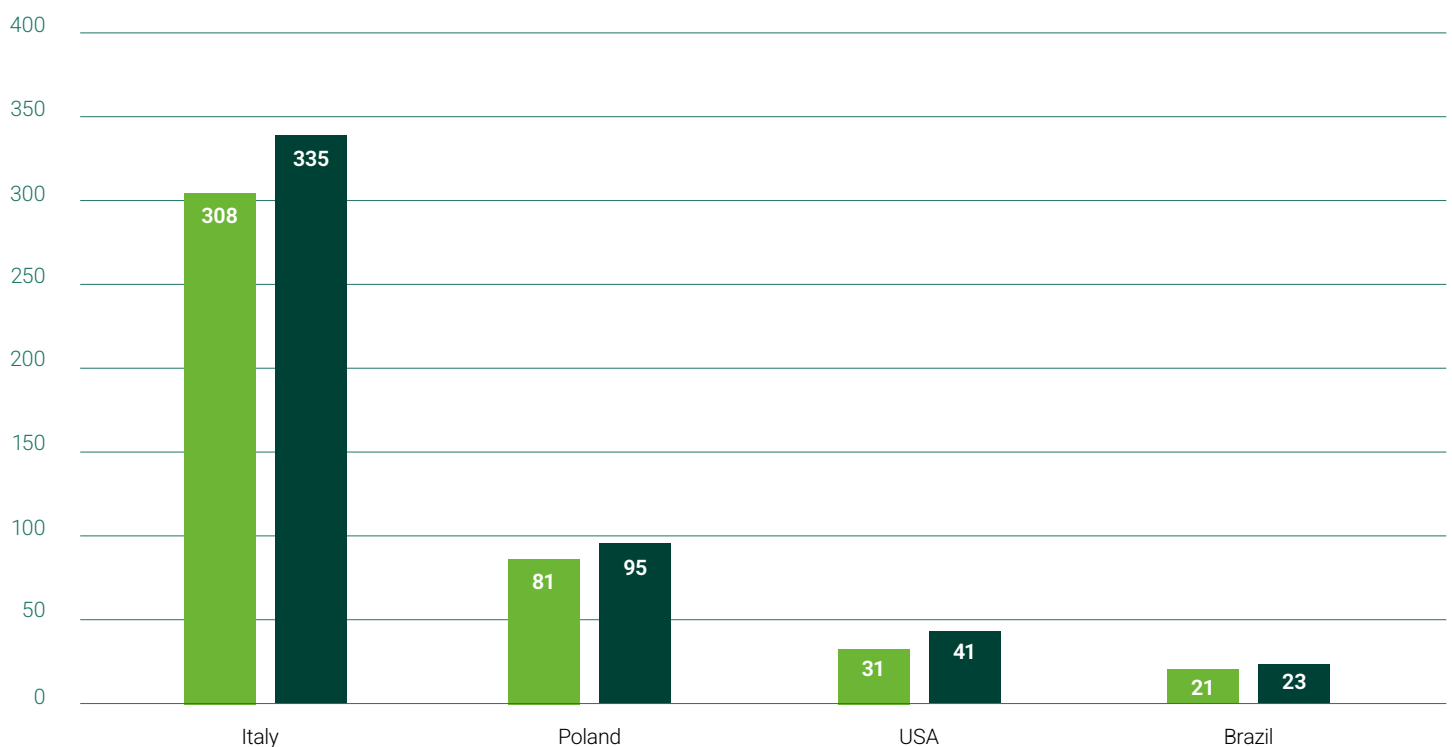
protection of the person, fairness in professional relationships, and non-discrimination. It seeks to maintain a serene, stimulating working environment that respects everyone's needs, and to promote a policy of personal and professional growth that ensures career development is based on skills, professionalism, and merit.

As of September 30, 2020, the Company employed **494 people, most of whom worked in Italy** (68%, or 335 employees). The majority (149 employees) were employed in the historical head-

quarters of Cittadella, and to a lesser extent in San Vito (80), Tombolo (46), in the offices of Lainate (8), and in the warehouse of Isola Vicentina (7). In 2019, staff from Microtec (23 employees) and SER (22) was added to the Group. As far as foreign plants are concerned, most of the workforce was employed at the Kutno plants in Poland (95 in total), followed by the United States (41) and Brazil (23).

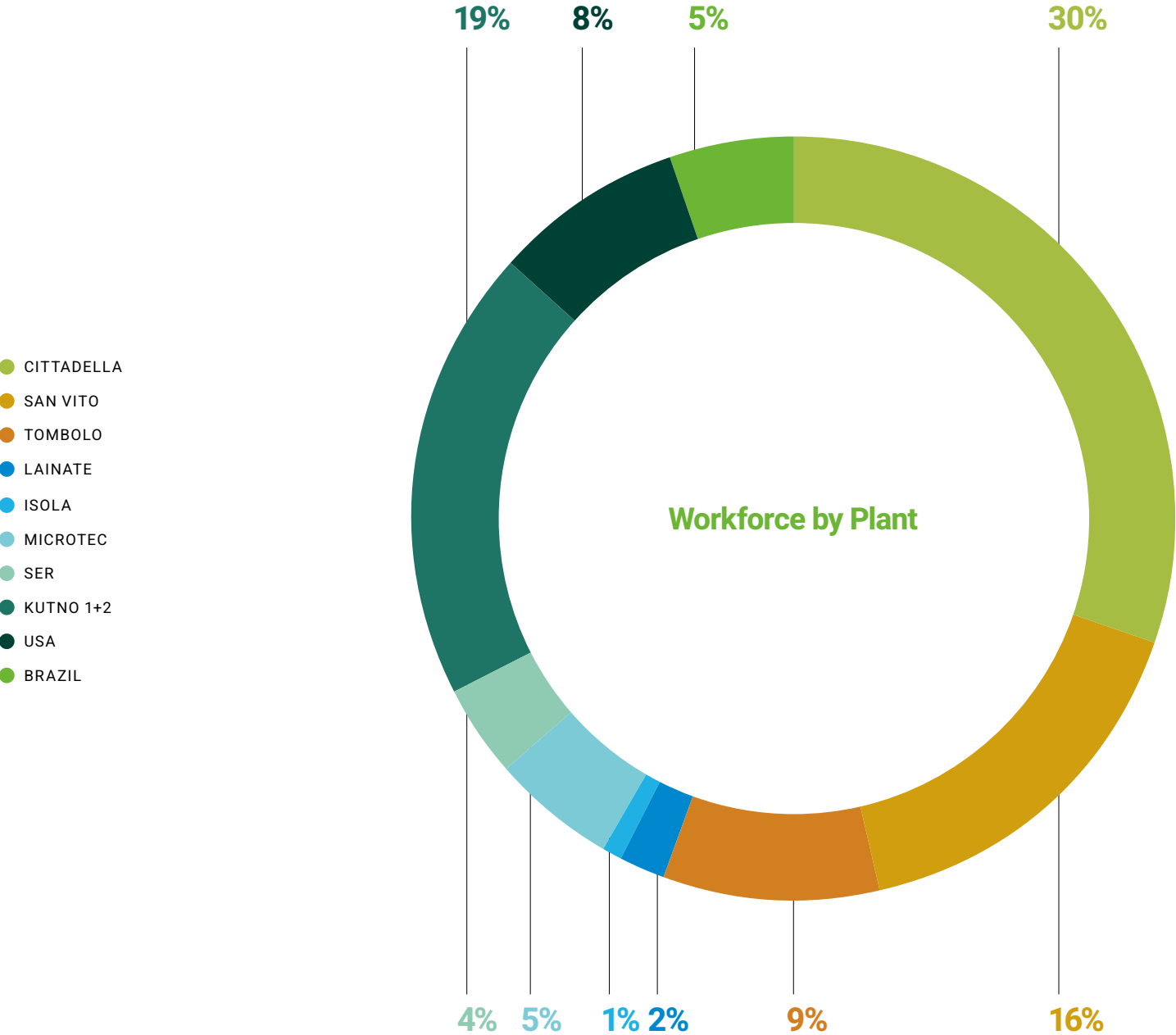
Employees by geographical area

● 2019 ● 2020



Firmly convinced that stability is an essential element for building solid and lasting relationships with its employees, the Group prefers to offer permanent contracts, which currently cover 90% of its consolidated employees.

Moreover, to facilitating the reconciliation of company commitments with the needs of its employees as much as possible, Sirmax also issues part-time contracts, which in 2020 involved a minority of Group's staff (just over 1%), made up by 4 women and 2 men.





- FIXED-TERMS CONTRACTS
- PERMANENT CONTRACTS



- PART-TIME
- FULL-TIME

2019								
	Italy		Poland		USA		Brazil	
	M	F	M	F	M	F	M	F
Permanent Contracts	264	41	45	8	27	4	19	1
Fixed-terms Contracts	2	1	25	3	4	0	1	0

2020								
	Italy		Poland		USA		Brazil	
	M	F	M	F	M	F	M	F
Permanent Contracts	285	43	46	9	35	6	21	1
Fixed-terms Contracts	2	5	34	6	6	0	1	0

At all plants, employment relationships are regulated in accordance with the provisions of the national legislation in force and, in some cases (totalling 12% of staff), the pertinent national collective labor agreement (CCNL). On this note, it is worth noting the Group's excellent relationships with relevant trade unions, marked by maximum collaboration and transparency, and the absence of any cases of strike action in the two-year reporting period.

The Group's retention policy is aimed at maintaining a low rate of terminations and retaining trained talent in Group companies. To this end, the main effort – which is also rooted in the principles of the Code of Ethics – is to create a peaceful, stimulating working environment that respects everyone's needs. **Welfare policies** are also part of this context, and vary greatly depending on the plant in question. They may include performance bonuses, canteen vouchers, health insurance, and support for vaccination

campaigns. Additionally, in order to help build and maintain a pleasant working environment, there is a constant commitment to inform and update employees on the Group's performance, objectives and activities. To this end, the introduction of a corporate intranet is planned from 2021. Also for this purpose, an initial corporate climate analysis was conducted in 2020 (albeit on an experimental basis and limited to certain areas, with the prospect of extending it to the entire company population). Moreover, the "CEO meets" initiative, consisting of a cycle of 7 meetings between the CEO and a delegation of 185 employees, will be launched in early 2021.

During the two-year reporting period, despite the outbreak of the pandemic in March 2020, the resulting health emergency, and the decline in production volume, Sirmax's workforce grew across the board – albeit at different rates depending on the plant, and at a lower rate than in 2019. The

growth seen in the workforce employed in Italy was due to the acquisition of the Microtec and SER plants in 2019. Overall, the hiring rate¹ stood at 24,5% (down from 31,1% in 2019), for a total of 121 placements, while in terms of terminations, the rate dropped from 16% to 13,8% (68 exits).

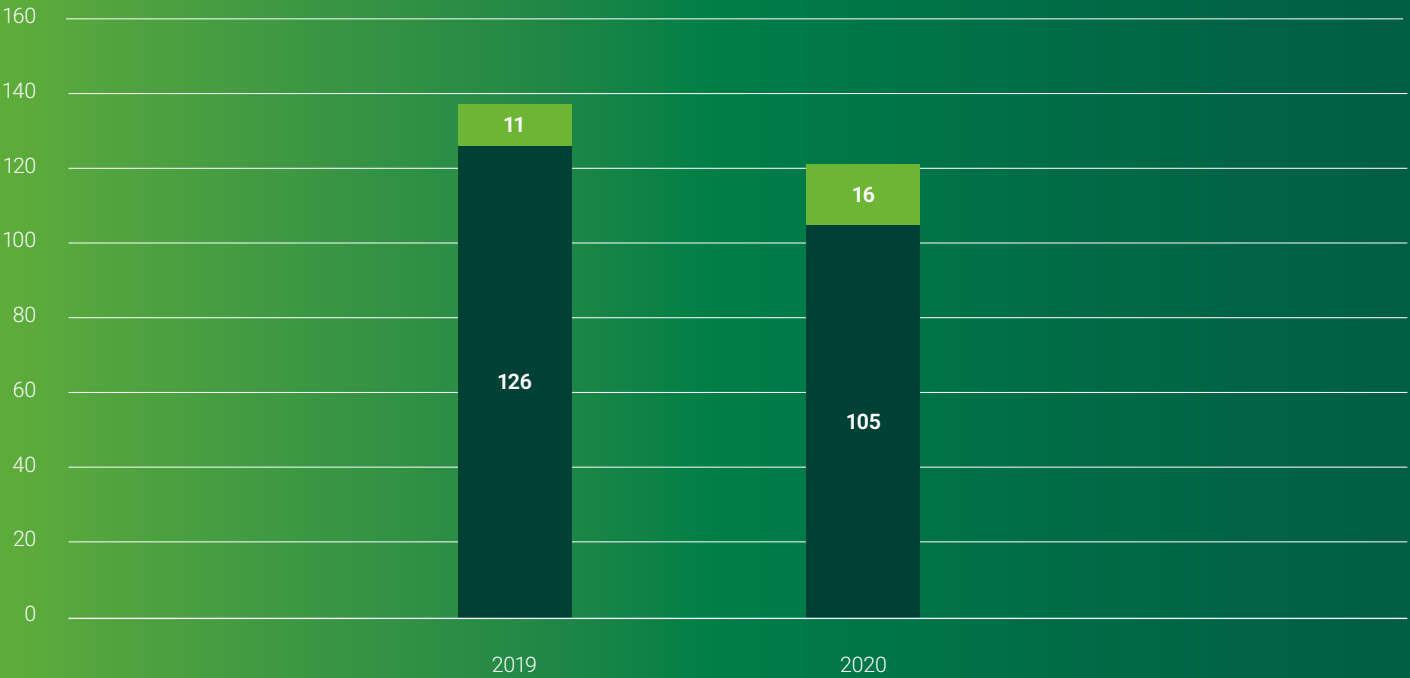
With reference to the breakdown by gender, the prevalence of male hires reflects the composition of the workforce common to many companies in this sector and the specific nature of certain production line tasks, such as the need to make repeated physical efforts, such as moving weights.

Hiring and termination rates by gender

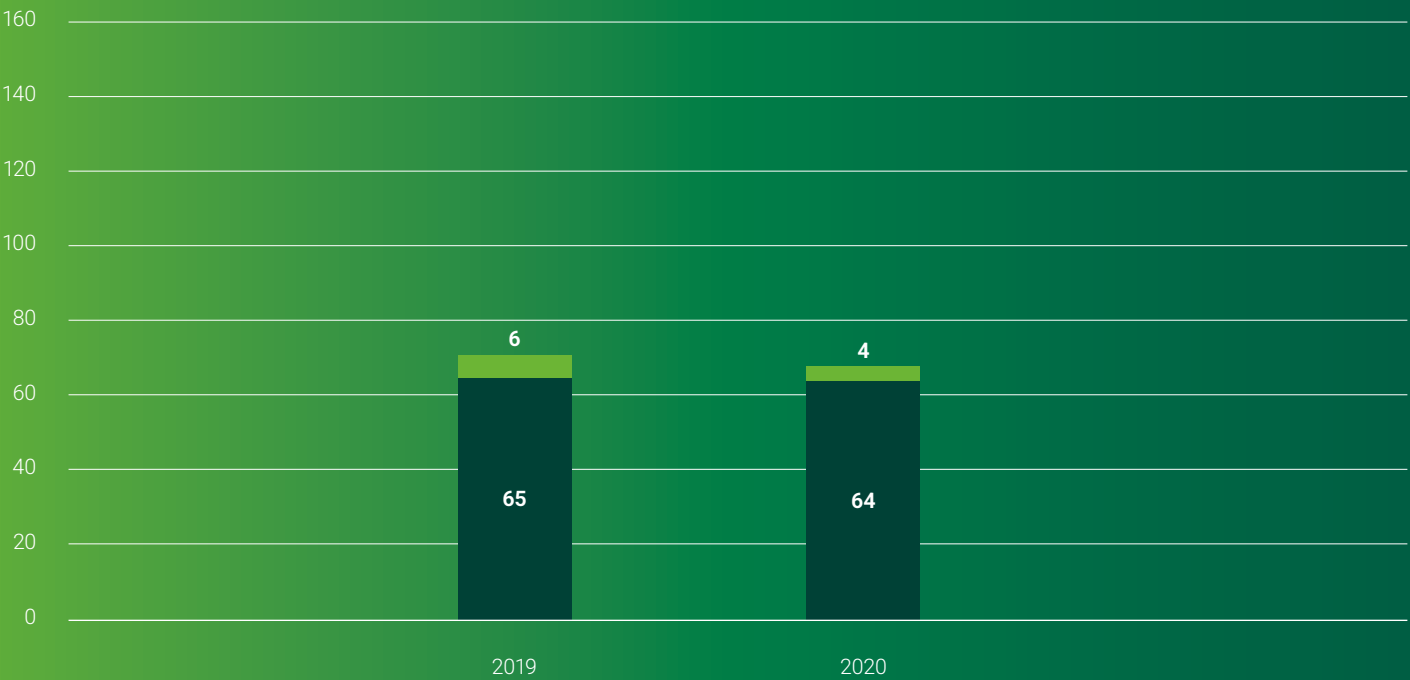
	2019	2020
Hires	31,1%	24,5%
Female	19%	22,9%
Male	32,9%	24,8%
Terminations	16,1%	13,8%
Female	10,3%	5,7%
Male	17%	15,1%

¹ The hiring (or termination) rate is calculated as the number of hires (or terminations) that occurred during the year divided by the headcount as of 09/30.

Hires by gender



Terminations by gender



Given its constant growth, the Group is paying increasing attention to its ability to attract new talent, particularly in the younger age bracket. To this end, in addition to consolidating its presence on the territory by attending conferences and career days at the University of Padua, and by interacting on online social channels such as LinkedIn, Sirmax

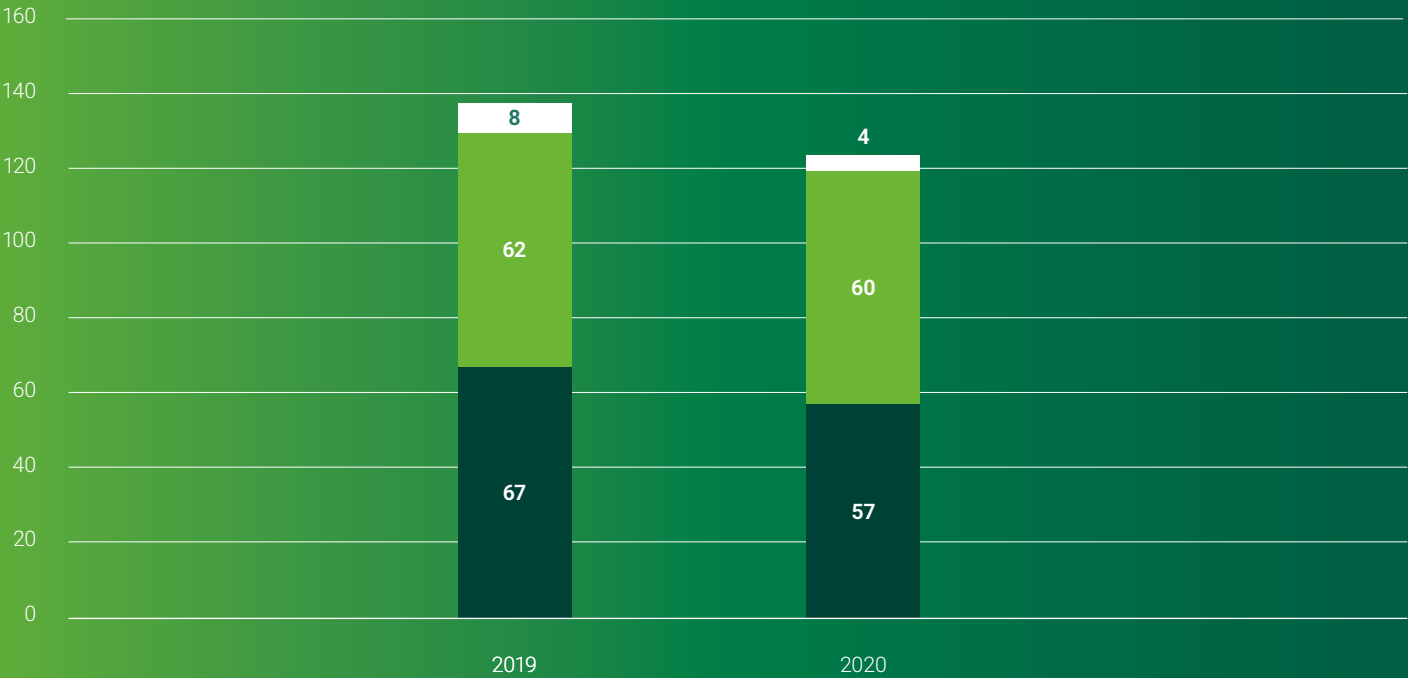
is active in the world of research, both through the funding of a PhD scholarship at the University of Padua, and by proposing thesis paths geared towards recruitment for final-year students.

In addition, 2021 will see the launch of the "attractive factories" project, which brings together a series of acti-

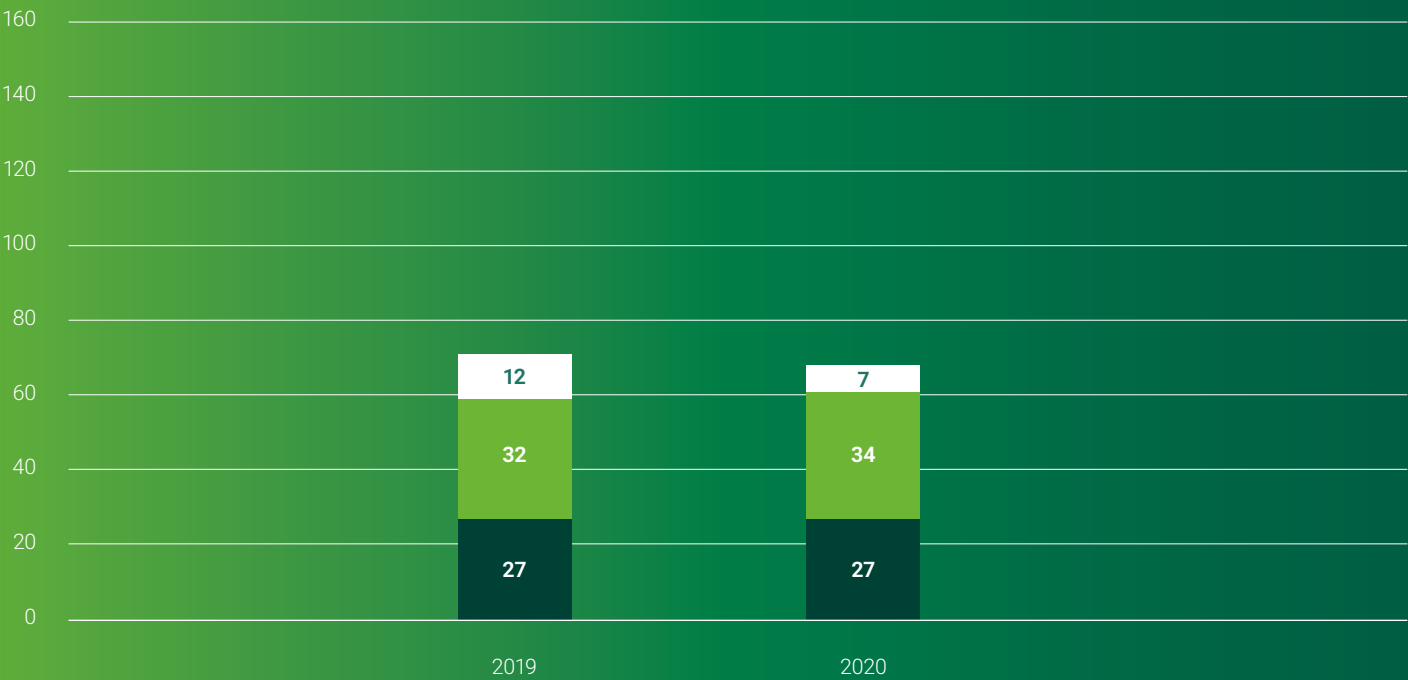
vities aimed at increasing the degree of attractiveness of plants. This is a medium-term project, which in the first phase will be aimed at gathering ideas and initiatives from employees to improve the offer in terms of training, engagement, work environment, salaries, and the role of the shift leaders.

Hiring and termination rates by age group		
	2019	2020
Hires	31,1%	24,5%
Over 50	9,4%	4,5%
Between 30 and 50	28,7%	23,4%
Under 30	47,9%	38,3%
Terminations	16,1%	13,8%
Over 50	14,1%	8,2%
Between 30 and 50	14,8%	15,7%
Under 30	19,3%	19,3%

Hires by age group



Terminations by age group



- OVER 50
- BETWEEN 30 AND 50
- UNDER 30

2.2

Continuous growth

Training and continuous growth are essential for the Group to guarantee all employees a career development based on skills, professionalism and merit, while at the same time constantly updating and consolidating their expertise and technical skills.

Training is therefore a strategic area, managed by the Human Resources Department on the basis of a structured annual training plan built each year based on the needs identified by area managers and by employees directly. In addition, a catalog of courses held by external providers such as Cesap, Niuko, and Plastics Academy is made available to employees for the improvement of both preparatory and specialized knowledge. **Business courses** held by the CUOA business school and **language courses** on the Speexx platform are also available.

These training courses, mostly held by accredited external trainers, are designed for the entire company, with a focus manual laborers. The subjects covered vary each year. In addition to courses on health and safety in the workplace (which are required by law, and essential to the Group in order to

increase awareness of company safety issues), courses on technical production aspects and to improve soft skills are available. In 2020, due to the pandemic, the planned program had been drastically downsized, limiting it to cybersecurity issues, some business topics (courses on advanced negotiation and customs origin of goods) and team building for managers.

The total number of training hours provided over the two-year period amounted to 18,957, with an annual decrease of over 40% due to the limitations caused by the pandemic. **Learning-by-doing** initiatives (i.e., practical training programs for new employees that include periods of structured shadowing with more experienced employees), as well as participation in a number of conferences and collective training events are also available.

Provided that the evolution of the pandemic crisis allows it, the restoration of programs according to the pre-pandemic schedule is planned for the coming years. The offer will include a wide range of courses on both sub-skills and technical skills such as IT or processing, as well as outdoor teambuilding and training activities for the entire company.

Total hours of training provided



2.3

Protecting health and well-being

The health and safety of its employees and collaborators is an absolute priority for the Group, and is managed through specific systems certified in accordance with the UNI EN ISO 45001 standard at the Cittadella, San Vito, Tombolo, and Isola Vicentina plants, as well as through Sirmax's commitment to continuous improvement and nurturing of the company's health and safety culture.

The principles relating to the management of health and safety issues can be found in the **Integrated Quality, Environment and Safety Policy**, through which the Group commits to improving its performance in terms of health and safety in the workplace. It seeks to do so in an integrated manner, implementing quality processes, safeguarding information, and respecting the envi-

ronment. As stated in the Policy, the Group is committed to continuously analyze the context in which it operates. It views this as a pre-requisite for the correct establishment of its Integrated Management System – the tool which allows it to assess and reduce all types of risk and seize opportunities in different contexts.

As far as the protection of health and safety at work is concerned, Sirmax complies with relevant legislation (namely, in Italy, Legislative Decree 81/2008). In order to guarantee safe and healthy working conditions for the prevention of work-related injuries and illnesses, and to eliminate risks at source or reduce them to a minimum, the Group has drawn up a **Risk Assessment Document** which identifies potential hazards and their level of risk

for each company division. The Risk Assessment Document identifies prevention and protection measures to limit and manage risks through the introduction of the best available technologies, the maintenance of those in use, the alteration of working environments to make them safer and healthier, and by periodically updating operating procedures.

Sirmax considers it essential to inform, train and educate, where required, all its personnel on the prevention of accidents and the protection of their own and others' safety during work activities, and to develop risk awareness by promoting responsible behavior among all its employees. Attention is paid not only to production personnel, but also to office workers, who are not allowed access to production lines.

“Sirmax believes that the protection of Health and Safety in the workplace is a primary value without which it is not possible to supply quality products to its clients. For this reason, the Company organizes its activities by adopting measures aimed at safeguarding its employees and any third parties involved.”

Sirmax's Code of Ethics

In addition, during the periodic management review carried out in accordance with the Management System, and during the safety meeting pursuant to Article 35, near misses or possible accidents are analysed, and operations or products considered dangerous are eliminated or replaced. At the same time, possible improvements are identified and reported by constantly monitoring potential technological or organizational innovations.

The Management System provides for the close collaboration of several figures and a system of formal delegations. First of all, the **Employer** (or their delegate) is responsible for the organizational and operational activities related to the management of issues concerning health and safety at work and environmental protection.

The **persons in charge**, based on their professional skills and functional powers, coordinate and control the regular performance of work activities and ensure that instructions are implemented. The Employer, assisted by the head of the prevention and protection service (**RSPP**), is responsible for assessing all risks to the health and safety of workers and for adopting all measures to mitigate them, as well as for identifying training needs and planning and providing mandatory safety training.

They are assisted in the assessment of risks by the **Company Physician**, who defines the suitable health protocols for assessing the workers' suitability to carry out their assigned job and check the health status for each task carried out in the company.

Finally, the Safety Representative (**RLS**), acting as spokesperson for the workers, shares all the risks assessed by the employer, and any issues related to workplace health and safety.



Main figures involved in the management of Sirmax's health and safety



The main risks to which Sirmax employees are exposed relate to the manual handling of loads and the internal handling of forklifts, as well as exposure to noise on the production lines, for which the Group constantly strives to adapt the ear protectors supplied to operators, and has introduced new customized resin devices.

The system put in place in the plants involves multiple tools and protections that all share the same goal: eliminating occurrences of injury. Over the course of the two-year reporting period, the total number of cases across all plants remained unchanged at 14, including 1 serious case in 2019. With the increase in hours worked, driven by

the new 2020 entries, maintaining the same number of incidents resulted in a decrease in the accident rate, from 18,01 to 17,77. Cases are primarily related to injuries, dislocations, sprains, and contusions.

Accidents and illnesses at work ²		
	2019	2020
Hours worked	721.808	787.870
Total number of accidents ³	13	14
Of which with serious consequences ⁴	1	0
Accident rate ⁵	18,01	17,77
Rate of accidents with serious consequences	1,39	-
Number of cases of occupational diseases	0	0

² The figures reported include all Group plants except for the one in the USA.

³ Only accidents occurring in areas controlled by the Group are included in the calculation. This excludes, for example, commuting accidents.

⁴ Accidents with serious consequences are defined as accidents involving an absence from work of more than 180 days.

⁵ The injury rate is calculated as the number of injuries occurring during the year over the number of total hours worked, multiplied by 1,000,000.

Covid-19 Emergency Health Management

Because of the strategic role of Sirmax products along the value chain, even during the periods of greatest crisis caused by the outbreak of the Covid-19 pandemic, production activities in the Group's plants were never totally suspended. With the aim of managing the emergency in the best way possible and guaranteeing the total safety of all its employees, Sirmax adopted a specific document within its plants, the Company Protocol against Covid-19, which aims to summarize and consolidate all the measures shared with RSUs, RLS', company physicians and RSPPs, to counter the spread of the pandemic and guarantee the safety of people in the workplace.

The Protocol contains general and specific prevention and protection provisions introduced for individual plants, including temperature measurement on entry, the use of masks, maintaining a safe distance wherever possible, and the installation of partitions to reduce the risk of infection. Remote working was introduced where appropriate, especially for office staff, (with a simultaneous effort by the Group to provide the necessary technology to those who needed it) and use of common areas was staggered.

Moreover, thorough sanitization of common areas by a specialized external company was carried out on a weekly basis and entrance to the premises was staggered into 2 shifts, with access to the catering area also staggered over 4 shifts to avoid crowding.

An internal process to test all staff in case of Covid-19 cases among employees was set up in Italy and later extended to the overseas offices.

Lastly, investments have been planned to make spaces safer, larger, and more welcoming to enable staff to interact with each other when they are present, as Sirmax values teamwork as an essential part of creating innovation.

3. Environmental Footprint

Focusing on
a sustainable future



3.1

Responsible resource management

Sirmax has always been strongly oriented towards the future and continuous innovation. The Group does not only understand innovation as synonymous with technological and financial investment, but also as the development of increasingly sustainable solutions which allow to generate long-term value for all stakeholders. For this reason, it sees the responsible management of natural resources as crucial and pays particular attention to the impact that its operations have on the environment. With this in mind, in recent years it has developed families of high-performance green products (see Virtuous Plastic).

The activities of the Group's plants are regulated by the laws in force in the different countries in which it operates. As far as the Italian plants are concerned,

the monitoring and control of pollutant emissions and water and waste management is regulated by the Single Environmental Authorization document issued to each plant.

In addition, the Group has an ISO 14001:2015 certified Environmental Management System, based on the principles set out in the Integrated Quality, Environment and Safety Policy.

As of 2016, the management of the Group's environmental performance and the monitoring of related objectives

is managed centrally for all Sirmax S.p.A. Italian plants (Cittadella, Tombolo, Isola Vicentina, Lainate, San Vito al Tagliamento).



Materials used for production and packaging

Sirmax produces plastic compounds formed from a blend of polymers, additives, fillers and reinforcers, which is in turn processed by the client. With more than 500 formulations per year and a dedicated design service, Sirmax is committed to respond to its clients' requests, developing products through careful research and development and by carefully selecting materials in line with the Group's commitment to using raw materials with a lower environmental impact.

To produce its compounds, Sirmax

uses raw resins, which account for 76% of the total materials purchased by the Group in 2020, followed by fillers/reinforcers (19%). The remaining 5% is made up of dyes and additives used in the production process. When comparing the two reporting years, total materials purchased are higher in 2020 than in 2019 due to an increase in the production rate and the Group's acquisition of SER and Microtec in 2019.

During the 2019-2020 period, the Group made a series of strategic acqui-

sitions aimed at increasing the circularity of its products and the use of recycled or natural materials with a lower environmental impact. Notably, 100% of the resins used in the SER plant in Salsomaggiore come from plastic sorting centers for urban solid waste, for a total weight of 971 tons in 2020. All the resins used in the Microtec plant, amounting to 7.542 tons, are totally renewable and biodegradable, and – for the most part – of natural origin (corn starch or polylactic acid). In total, the amount of renewable material used by the Group for production is 8.513 tons.

Production Materials (Tons)								
	Additives		Fillers		Dyes		Resins	
	2019	2020	2019	2020	2019	2020	2019	2020
Total	4.498	5.734	40.674	47.640	5.980	7.589	186.942	198.170
Cittadella	384	397	8.023	7.327	561	550	31.960	29.191
Tombolo	407	555	5.597	5.907	227	187	23.407	22.008
Isola Vicentina	1	2	-	-	7	5	8.280	9.004
San Vito	1.137	1.349	612	693	3.804	5.067	8.411	8.841
Microtec	-	238	-	1.060	-	-	-	7.542
SER	-	11	-	299	-	76	-	971
Kutno 1	1.266	723	14.614	17.313	683	797	59.979	65.700
Kutno 2	54	928	101	849	9	69	614	7.912
USA	1.171	1.371	10.983	12.665	617	706	52.136	43.025
Brazil	77	159	744	1.527	72	131	2.154	3.976

As far as packaging materials are concerned, the group mainly uses plastic, which in 2020 accounted for 65% of total packaging, followed by paper and cardboard (21%) and wood (14%). Similarly to the materials used for production, the total materials used for packaging also show an increasing trend in the two-year period (+11%) due to the increase in production.

Packaging materials (Tons)						
Paper packaging			Wooden packaging		Plastic packaging	
	2019	2020	2019	2020	2019	2020
Total	101	141	85	97	405	441
Cittadella	30	27	17	15	52	47
Tombolo	19	18	22	19	141	134
Isola Vicentina	16	17	5	5	90	62
San Vito	20	21	10	11	54	57
Microtec	-	23	-	0	-	8
SER	-	-	-	5	-	9
Kutno 1	12	18	23	29	52	69
Kutno 2	1	15	0	5	2	14
USA	3	2	3	3	4	10
Brazil	-	-	3	6	10	31

Virtuous Plastics

During the 2019 - 2020 period, Sirmax's strategy focused on acquisitions aimed at increasing production capacity and introducing product lines characterized by a lower environmental impact.



Circular Compounds

In 2019, the acquisition of SER (Società Europea di Rigenerazione, based in Salsomaggiore Terme) enabled the Group to produce **high-quality polymers from post-consumer and post-industrial plastic materials** such as bottles, automotive scrap, and battery cases. Incoming material is supplied by national consortia or collected directly from plastic processing plants and processed to increase its purity up to 95%. Through a particular formulation made possible thanks to investments in research and development, it is turned into compounds for high value technical applications. Moreover, through Smart Mold, a spin-off of the University of Paudua that Sirmax owns 50% of, the Group is able to support its clients through the product design phase, studying its applications and the mechanical characteristics required, and proposing design solutions to reduce its weight and plastic consumption.



Bio Compounds

The acquisition of Microtec in 2019 enabled Sirmax to meet growing demand in the film and single-use sectors. Microtec specializes in the production of an innovative family of **bio-based compounds with a high content of renewable raw materials**, specifically developed for film, extrusion, thermoforming and injection molding applications. Sirmax's bio-based solutions are not only made of bio-based polymers (i.e. from renewable sources), but are also **biodegradable** – a feature that contributes to the reduction of non-recoverable waste and reduces the environmental impact at the end of the product's lifecycle.



Thermoplastic Elastomers

At the end of 2019, Sirmax inaugurated a new plant in Poland dedicated to 3 product divisions: special compounds (LFT, GF and Flame Retardants), technopolymers, styrenics and polyamides, and bio-based thermoplastic elastomers (TPE). The latter in particular are a valid alternative to vulcanized rubber, which is difficult to dispose of, both in terms of recyclability and mechanical properties.

3.1.2

Waste Management

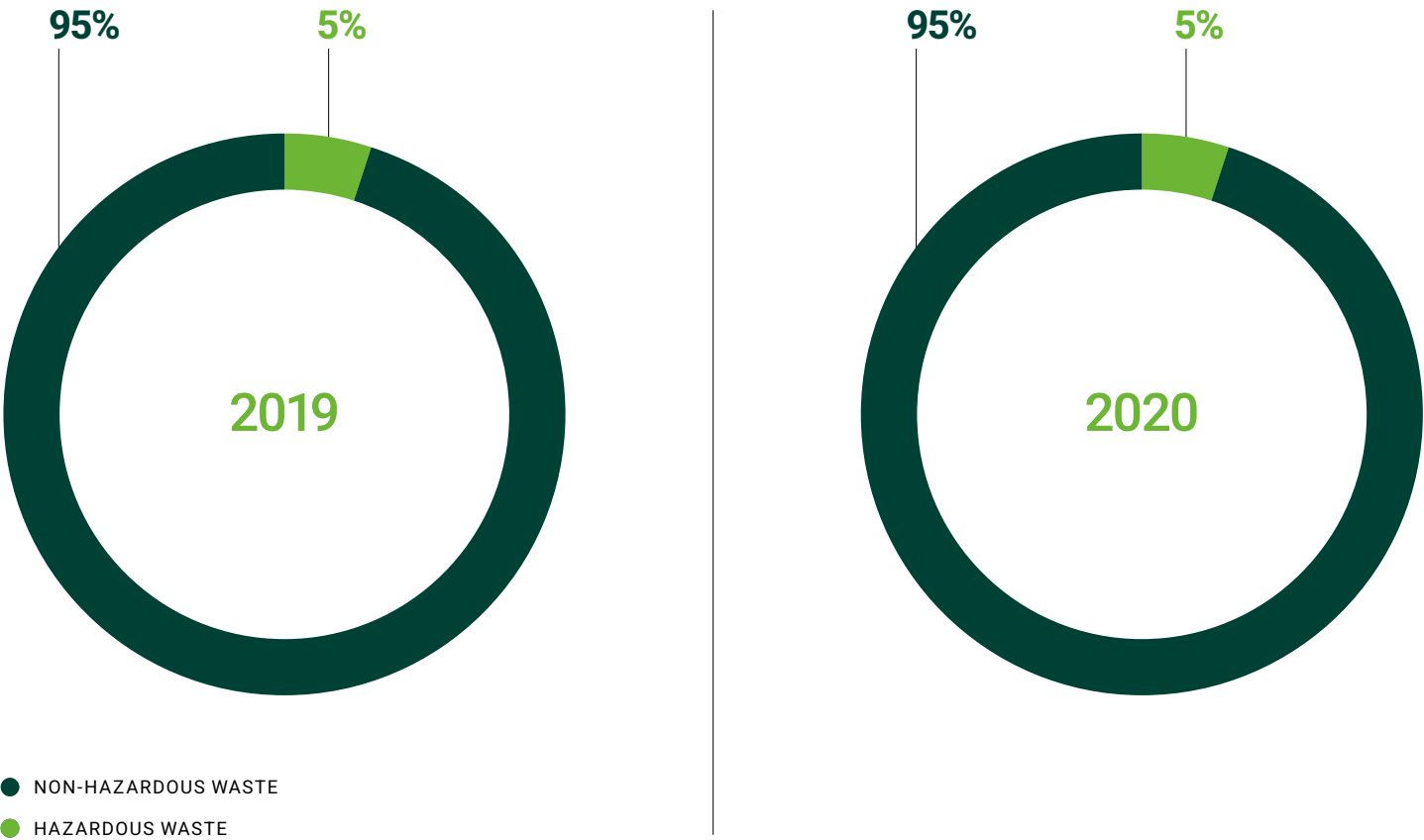
Waste management is carried out by the Group in full compliance with the regulations in force in the countries where it operates. Moreover, the Cittadella, Tombolo, Isola Vicentina, Lainate and San Vito al Tagliamento plants are further regulated by the **environmental management system**.

The waste produced by the Group is generated by production and warehouse management activities. **Non-hazardous**

waste represents the largest share of total waste (95% in 2020 and 2019) and mainly consists of the packaging of raw materials used in production processes, and non-hazardous liquids from washing machinery or post-consumer plastics (particularly for the SER Plant in Salsomaggiore). Hazardous waste, accounts for 5% of the total waste produced and mainly consists of aqueous washing solutions containing oils and packaging containing residues of hazardous substances. Total

waste produced remained stable over the reporting period, decreasing slightly from 7.130 tons in 2019 to 6.693 in 2020. As required by national regulations, Sirmax regularly disposes of the waste produced through qualified external disposers. 40% of waste in 2020 was sent for recycling to external plants through authorized disposers, while the remaining 60% was sent to landfills or incineration with energy recovery.

Waste generated by the Group



Waste produced and disposed of (Tons) ⁶						
	2019			2020		
	Recycling	Disposal	TOTAL	Recycling	Disposal	TOTAL
Total	1.810	5.320	7.130	2.665	4.029	6.693
Cittadella	324	265	589	339	228	567
Tombolo	388	724	1.112	360	371	732
Isola Vicentina	33	7	40	30	11	41
San Vito	495	96	591	641	85	726
Microtec	140	12	152	134	73	207
SER	272	3.705	3.977	969	2.568	3.536
Kutno 1	159	512	671	192	519	711
Kutno 2	-	-	-	-	175	175

⁶ Waste generated and disposed data does not include waste generated and disposed at Sirmax USA and Sirmax do Brasil plants.

3.1.3

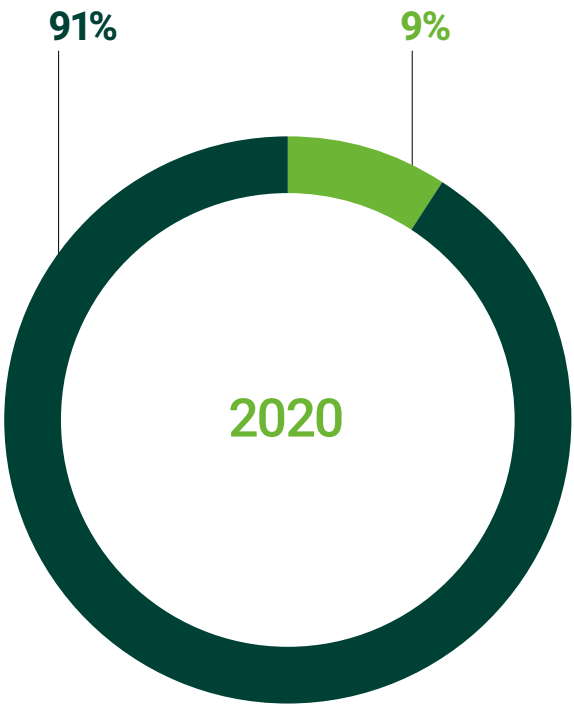
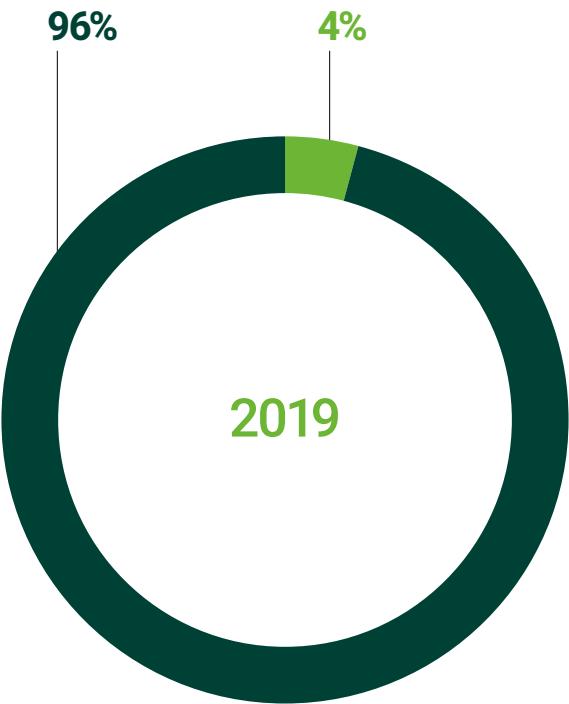
Water Resource Management

Another area that the Group monitors to identify any inefficiencies and reduce waste is **water consumption**. Sirmax obtains its supplies mainly from groundwater drawn from wells present in its plants, which account for over 90% of total water withdrawals in 2020.

The water taken from the water table is used to cool the extruders and the plastic spaghetti cooling tanks through a heat exchange circuit, and for the fire-fighting system⁷.

The Group draws less water from aqueducts (9% in 2020) for some of its production phases and for all civil uses. 100% of water withdrawals are fresh water.

Water withdrawals



- AQUIFER WATER
- AQUEDUCT WATER

The water withdrawn by the Group is almost entirely taken from non-water-stressed⁸ areas with the exception of withdrawals from Sirmax do Brasil, which represent 0.2% of the Group's total withdrawals (1.964 m³ in 2019 and 1.408 m³ in 2020).

Sirmax's total water withdrawal in 2020 was significantly lower compared to 2019, from 889.017 m³ to 581.249 m³ (-65%). This reduction is due to efficiency initiatives at production facilities, including the installation of an adiabatic cooling tower at the Cittadella plant,

which led to a 33% reduction in groundwater withdrawals compared to 2019. The replacement of a damaged evaporative tower at the Kutno 1 plant also reduced consumption by 65% compared to the previous year.

Water withdrawal by source type (m ³)						
	Aquifer		Aqueduct		TOTAL	
	2019	2020	2019	2020	2019	2020
Total	850.880	528.122	38.137	53.127	889.017	581.249
Cittadella	304.984	205.359	10.588	10.978	315.572	216.337
Tombolo	-	-	4.050	7.060	4.050	7.060
Isola Vicentina	101	108	366	272	467	380
San Vito	112.392	149.765	-	-	112.392	149.765
Microtec	-	-	962	1.616	962	1.616
Lainate	-	-	-	-	-	-
SER	-	-	6.062	5.105	6.062	5.105
Kutno 1	433.403	152.069	9.566	16.118	442.969	168.187
Kutno 2	-	20.821	674	6.846	674	27.667
USA	-	-	3.905	3.724	3.905	3.724
Brazil	-	-	1.964	1.408	1.964	1.408

⁷ At the Tombolo and Isola Vicentina plants, water withdrawal from wells is for the exclusive use of firefighting.

⁸ According to analysis conducted by the World Resources Institute's Water Risk Atlas (WRI, www.wri.org/applications/aqueduct/water-risk-atlas), which ranked the overall water risk level of the world's regions, measuring all water-related risks and aggregating all selected indicators from the Physical Quantity, Quality, and Regulatory and Reputational Risk categories.

3.2

Reducing our impact

Aware of the impact of its operations, Sirmax is committed to the constant monitoring of its consumption and activities to make its processes more efficient. The Group has carried out an **energy audit** in all its Italian plants, as required by law, and is developing a plan for the constant improvement of its consumption based on the findings.

The total energy consumed by the Group in 2020 amounted to 221.487 GJ, an increase of 13% compared to the

previous year. This trend is mainly due to the full start-up of the new Kutno 2 plant in Poland and the acquisitions of the SER and Microtec plants, which resulted in an increase in production and consumption.

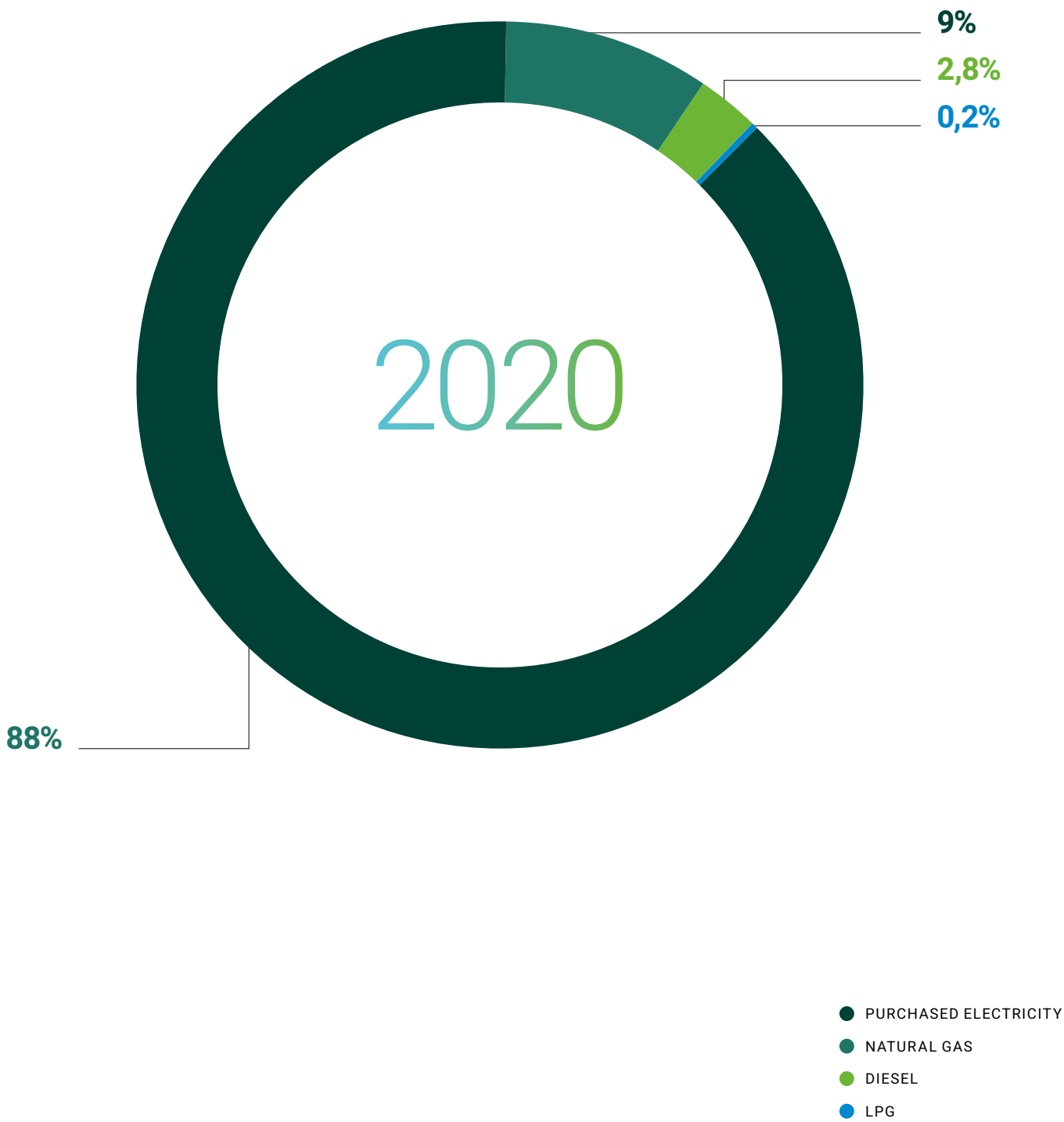
The Group's main source of energy is **electricity**, used to power production machinery, cooling systems and lighting in offices and production facilities (88% of total energy consumption). Methane – used for heating and to pro-

duce energy through the cogeneration plant in Cittadella – accounts for 9% of the Group's total energy consumption. The remaining 3% consists of diesel used for the company fleet and emergency generators (2,8%), and LPG used as fuel for forklifts at the Brazilian plant (0,2%). The SER plant in Salsomaggiore is also equipped with photovoltaic panels that produced 1.100 GJ of electricity in 2020, of which 667 GJ was used and 422 GJ sold.

Energy consumption by source (GJ)

	2019	2020
Total	196.728	221.487
Purchased electricity	175.466	196.020
Natural Gas	13.340	18.951
Diesel	7.519	6.161
LPG	403	355

Energy consumption by source



In line with the Group’s mission to constantly monitor and improve its environmental performance, in the past year Sirmax has started to calculate its greenhouse gas (GHG) emissions linked to its production activities.

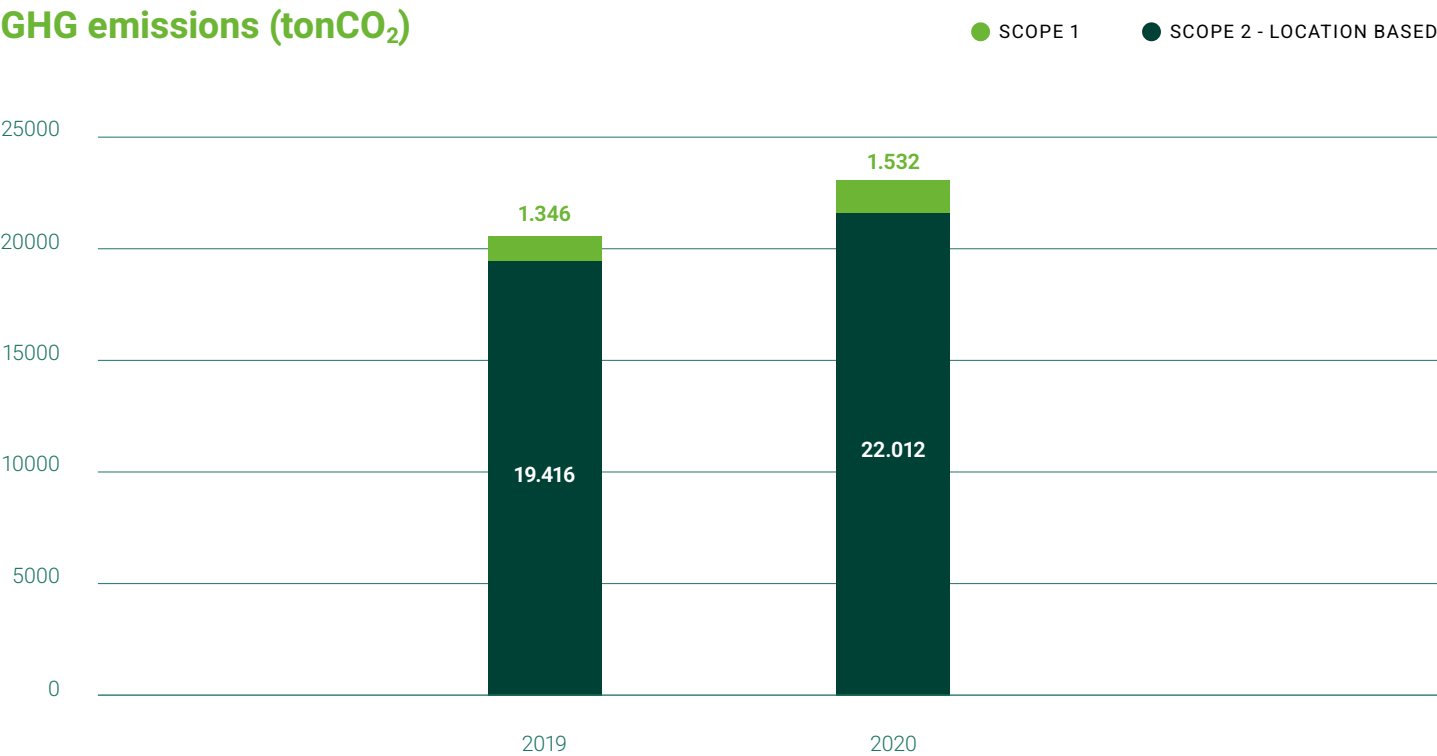
Consistent with the main international standards⁹, Sirmax’s GHG emissions inventory includes:

Scope 1

Direct emissions
GHG emissions generated by sources that are controlled by the Group, such as the use of fuel for heating and powering vehicles (forklifts and company cars).

Scope 2

Indirect emissions
GHG emissions generated through the purchase and consumption of electricity from the national grid.



Indirect emissions (Scope 2) can be calculated using two different methods: the first, called **Location-based method**, involves applying the emission factor (that reflects the average national energy mix, including renewables and all sources of electricity production in the country) to the electricity consumed. The second method, called **Market-based method**, uses a factor that relates

to the grid on which energy consumption occurs, or residual mix. It excludes renewables and therefore yields higher results. With the second method, however, the factor is not applied to any purchases of energy from certified renewable sources. The market-based calculation thus produces a higher result in terms of emissions than the market-based calculation: 24.491 and

28.272 tons of CO_{2eq} for 2019 and 2020, respectively. Indirect Scope 2 (Location-based) emissions represent 95% of total emissions in 2019-2020 and follow the trend in energy consumption, increasing by 13% between 2019 and 2020 due to new acquisitions and increased production. Similarly, Scope 1 emissions increased by 14% from 1.346 tons CO_{2eq} to 1.532 tons CO_{2eq}.

⁹ The GHG Protocol, A Corporate Accounting and Reporting Standard, published by The GHG Protocol Initiative.

GHG Emissions (tCO ₂ eq)		
	2019	2020
Direct GHG emissions (Scope 1)	1.346	1.532
Diesel	563	438
Natural Gas	757	1.072
Gasoline	26	23
Indirect GHG emissions (Scope 2 - Location based)	19.416	22.012
Indirect emissions (Market -based)	24.491	28.272
Total GHG emissions (Scope 1+2 - Location-based)	20.762	23.544

The most energy-consuming plants and therefore the most significant in terms of GHG emissions are Sirmax's two plants in Poland, Kutno 1 and Kutno 2, which together account for 37%

of the Group's Scope 1+2 emissions, followed by the Cittadella plant, where the central management offices are also located (13% of total emissions), the Sirmax USA plant (13% of total

emissions), the Tombolo and SER plants (both 10% of total GHG emissions), and finally the San Vito, Microtec, Isola Vicentina and Brazil plants (together 17% of total GHG emissions).

GHG Emissions per Plant (tCO ₂ eq)					
	Scope 1		Scope 2 (Location based)		TOTAL
	2019	2020	2019	2020	
Total	1.346	1.532	19.416	22.012	20.762 23.544
Cittadella	550	600	3.425	2.899	3.976 3.499
Tombolo	65	67	2.483	2.251	2.548 2.319
Isola Vicentina	22	19	34	30	57 50
San Vito	41	53	1.806	1.800	1.847 1.853
Microtec	11	9	534	1.149	545 1.157
Lainate	-	-	2	2	2 2
SER	237	235	2.587	2.232	2.824 2.467
Kutno 1	269	254	5.104	5.327	5.373 5.581
Kutno 2	28	190	276	2.940	305 3.130
USA	96	82	2.837	3.063	2.933 3.145
Brazil	26	23	328	319	354 342

Finally, the Group's attention to the impact of its activities on the surrounding environment is also reflected in the production of atmospheric pollutant emissions. The Group's approach, as defined in the Policy and in the management system in force, is based on strict compliance with the limits imposed by the relevant regulations and

on continuous monitoring as a lever to improve its performance every year. In accordance with the requirements of the **Single Authorization Document** of each plant, the Group monitors stack emissions through appropriate sampling. In the two-year period between 2019 and 2020, the emissions analyzed were below the emission limits defined

by law for all plants subject to analysis. Sirmax's stack emissions are mainly due to the extrusion of plastics and were relatively stable over the two-year period. The table below shows the most significant emission categories for the Group.

Pollutant Emissions into the Atmosphere (Tons)				
	Atmospheric Particulate		VOC (Volatile Organic Compounds)	
	2019	2020	2019	2020
Total	2,40	3,52	11,49	15,05
Cittadella	1,21	0,53	2,37	2,98
Tombolo	0,97	0,46	9,12	8,93
San Vito	0,22	1,53	-	2,98
Microtec	-	0,69	-	-
SER	-	0,32	-	0,16

3.2

The Life Cycle Assessment of our products

Sirmax, with the collaboration of Spin Life (a spin-off of the University of Padua), conducted a Life Cycle Assessment (LCA) study which assessed the environmental impact of two of its products. The LCA study was conducted in accordance with the ISO 14040 and ISO 14044 standards and was aimed at increasing the Group's knowledge of the potential **impact of its products on the environment**, in order to identify the most suitable strategies for reducing it. The Group's aim is to strengthen its relationship with its stakeholders, re-

sponding to client needs while offering alternative solutions with a lower environmental impact, particularly in terms of raw material circularity, energy consumption, and GHG emissions.

Specifically, the LCA study conducted by Sirmax analyzed the environmental impact of the products' lifecycle, "from cradle to grave", i.e., from the extraction and processing of the raw material to the delivery of the finished product to the client. The products considered were two polypropy-

lene compounds for the automotive and household appliances sectors:

- Polypropylene compound featuring 33.8% recycled post-consumer plastic (henceforth also PF141050).
- Polypropylene compound produced from virgin polypropylene (henceforth also PF140008).

The study focused on some impact categories related to the production of 1 kg of polypropylene compound, without packaging.

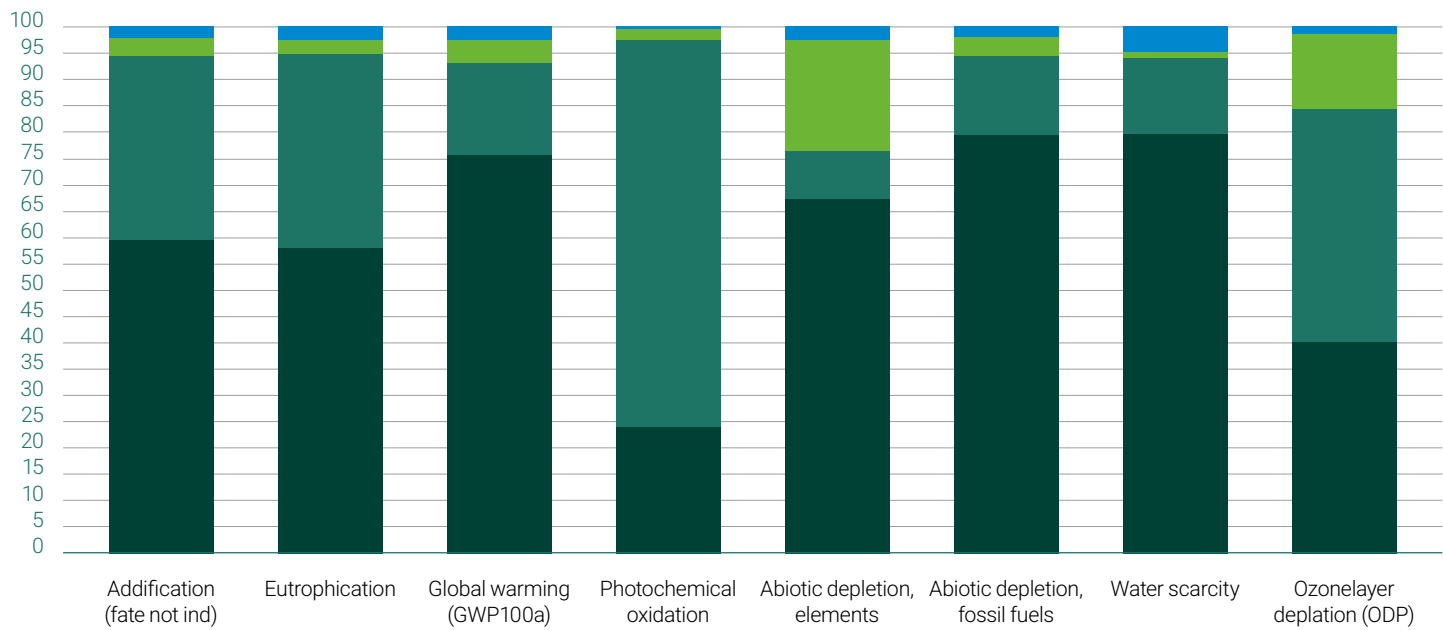
Impact category considered	Item analyzed
Depletion of abiotic resources-elements and depletion of abiotic resources-fossil fuels	Protection of human welfare, human health and ecosystems, and extraction of minerals and fossil fuels on a global scale.
Acidification for land and water	Acidifying substances that cause a wide range of impacts to soil, groundwater, surface water, organisms, ecosystems, and materials (buildings).
Ozone depletion	Stratospheric ozone depletion, which can have adverse effects on human health, animal health, terrestrial and aquatic ecosystems, biochemical cycles, and materials.
Global Warming	Climate change that can cause adverse effects on ecosystem health, human health, and material well-being. Climate change is linked to greenhouse gas emissions into the air.
Eutrophication	Includes all impacts due to excessive levels of macronutrients in the environment caused by nutrient emissions to air, water, and soil.
Photochemical ozone creation	Photo-oxidant formation is the formation of reactive substances (mainly ozone) harmful to human health and ecosystems and crops.
Water scarcity	Quantification of the potential for deprivation of the water resource for both human and ecosystem consumption.

As shown in the graphs below, the analysis identified the consumption of raw materials and energy consumption as the most relevant aspects for the environmental impact categories considered. For both products, the most significant contributions are in fact associated with the production of

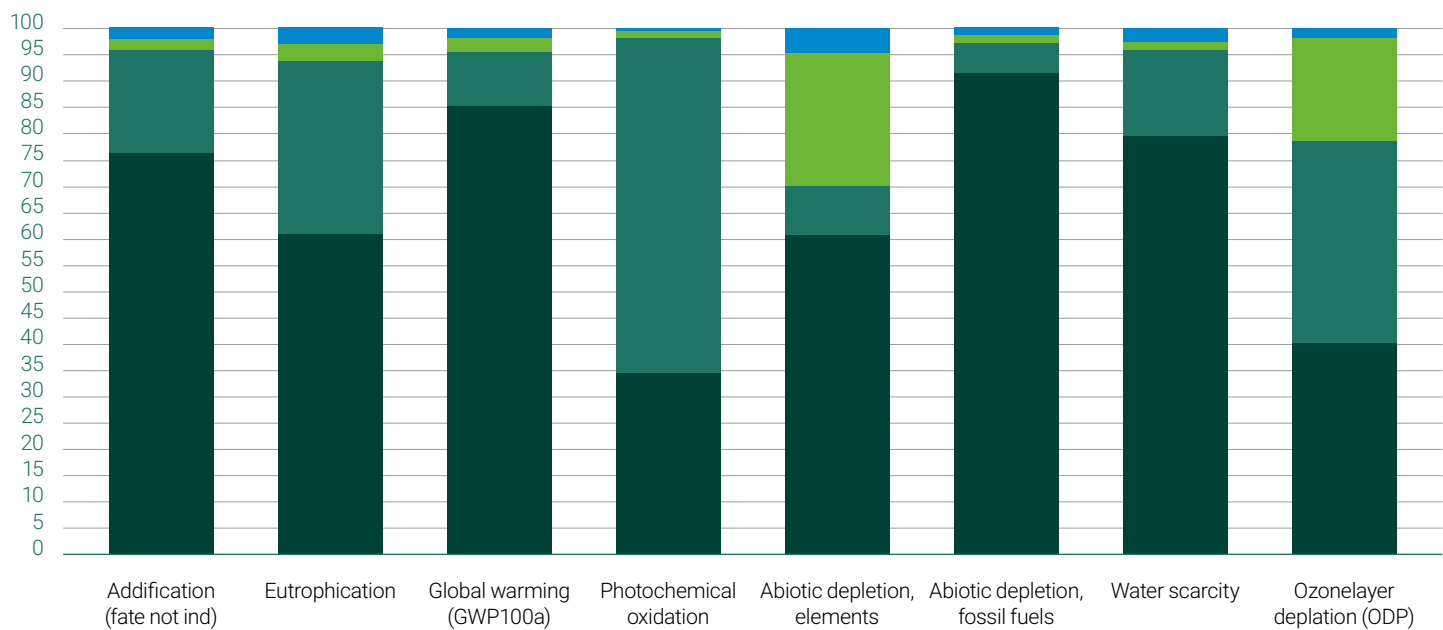
raw materials in the Acidification, Eutrophication, Global Warming, Abiotic Depletion Elements, Abiotic Depletion Fossil Fuels and Water Scarcity categories. Other major contributions in the Acidification, Eutrophication, Global Warming, Abiotic Depletion Elements, Abiotic Depletion Fossil Fuels, and Wa-

ter Scarcity categories are attributable to energy consumption, primarily due to electricity withdrawal. Finally, only in the Ozone Layer Depletion and Photochemical Oxidation categories are the impacts related to Sirmax's production process predominant.

Assessment of impact by lifecycle stage of PF141050 compound with recycled plastic



Assessment of impact by life cycle stage of compound PF140008 with virgin plastic only

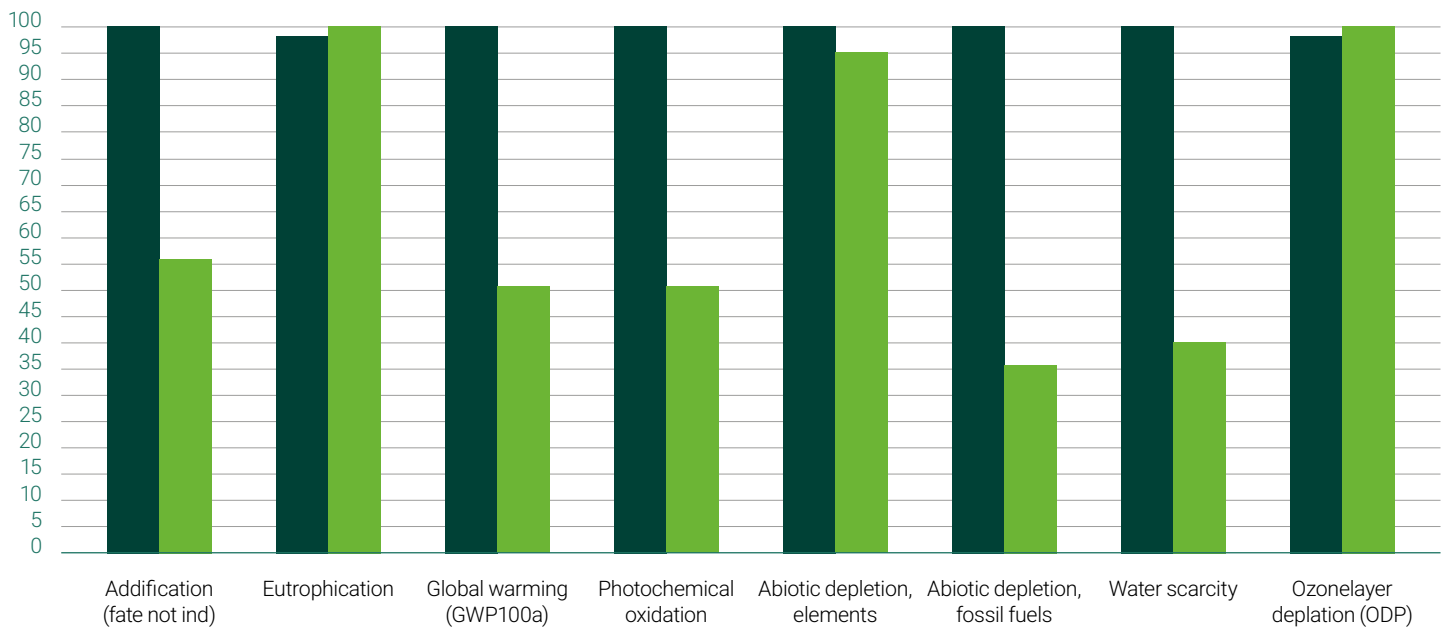


- RAW MATERIAL
- PRODUCTION
- TRANSPORT
- PACKAGING

One of the main objectives of the analysis is to compare the impact of the two compounds to determine the environmental benefits of producing and using polypropylene compounds containing post-consumer recycled plastic as an alternative to compounds made of virgin plastic material only.

The analysis showed that the reduced use of virgin polymer in the production of the PF141050 compound leads to an improvement in all impact categories considered, with the exception of Eutrophication and Ozone Layer Depletion, for which no significant differences between the two products emerged. In

particular, the use of post-consumer recycled polypropylene in the production of polypropylene compounds leads to a 50%+ impact reduction on climate change (Global Warming) compared to the polypropylene compound made of only virgin material.



4. The Sirmax Community

Proudly local,
with an eye
on the world



4.1

The value chain

Continuous and sustained growth like the one that has placed Sirmax among the world leaders in its sector is only achievable with the support of a strong network of collaborations upstream and downstream from the production phase, with partners who share the Group's vision and strategic priorities. In 2020, the Group relied on strong ties with a variety of third parties, including suppliers and clients around the world, characterized by transparency and quality.

As far as **procurement** is concerned, relationships with suppliers are managed by a specific process that sets out qualification and monitoring methods based on the Quality Management System. The process assigns a **qualification index** to each potential supplier. This index is a weighted average of the supplier's score according to 6 qualification criteria. As well as vetting the financial soundness and technical preparation of a supplier (certifications, level of expertise), Sirmax ensures that potential suppliers are aligned with its ethical and business principles by considering geographical parameters (important for risk and logistics) and communication parameters – specifically how the supplier structures its services and presents its image.

The index is then cross-referenced with an assessment that considers the level of criticality and ease of management. This determines whether a supplier is included in the Group's pool of qualified suppliers.

Following the qualification stage, qualifying suppliers are supervised and their adherence to requirements is monitored. To this end, each supplier is assigned an **index** which, in addition to the parameters assessed during the qualification phase, takes into account further aspects such as timeliness of deliveries and the quality of supplies (assessed by the Group Quality Manager on a quarterly basis), the technical documentation received, and the result of any **audits** carried out during the year. In order to guarantee consistent assessments, audits and checks on incoming goods are carried out using shared Group tools detailed procedures.

Similarly to the qualification phase, any measures taken during the monitoring phase are also based on the overall index achieved by each supplier. In the case of a high score, qualification is maintained without the need for further investigation, while in the case of lower scores, specific audits are planned, or, in

the most serious cases, the supplier is excluded from the list.

Beyond auditing, the Group offers its suppliers development opportunities with a view to continuous improvement. In fact, the procedure also regulates the processes for setting and measuring improvement objectives with suppliers, particularly in relation to specific areas of performance and expected results.

From an operational point of view, supplier management falls under the responsibility of the Global Purchasing Director who centrally manages a team in charge of procurement and warehouse organization. The main raw materials purchased are polymers, mostly supplied by large companies operating in niche markets, fillers (such as talc, calcium carbonate and glass fiber) to ensure materials are flexible, thin, and performing, and, to a lesser extent, additives and colorings. A significant share of suppliers is closely linked to proximity, both upstream and downstream. Our decision to favor **local suppliers**, where possible, ties in with our commitment to optimize the cost and impact of transporting incoming materials and outgoing products from our plants. The figure in charge of planning, monitoring

and managing the suppliers of logistics services is the Traffic Manager.

Our continuous and meticulous focus on suppliers is also functional to ensuring that the quality standards that characterize the entire range of Sirmax products are being upheld, and that all stakeholders and clients down the value chain receive the **highest quality of service**. To ensure this, in addition to the UNI EN ISO 9001:2015 Quality Management System certification, the Group has obtained some specific industry and product certifications. The Management System of the Cittadella, San Vito, Tombolo, and Kutno plants is certified according to the IATF 16949 standard, which defines quality requirements for the automotive sector. Moreover, some materials produced by Sirmax are approved for contact with drinking water according to the main reference schemes (ACS, WRAS) and have received the Underwriters Laboratories (UL) product safety certification. Sirmax products also comply with the EU Reach regulation, which regulates the manufacture and use of chemicals in Europe.

Sirmax supplies clients in 37 countries around the world, listening to their needs and identifying the best solutions

for them. This approach has driven much of the evolution and innovation of Sirmax products, which have all been developed individually based on specific client requirements. Product customization to our clients' projects and purposes has become a distinctive feature of the Group's offer and the driving force behind its development.

The relationships that Sirmax establishes and cultivates with its clients are therefore characterized by collaboration, listening and absolute trust, particularly given the level of confidentiality of the projects that are jointly handled. To this end, the Group views data protection as crucial, both when it comes to personal data and the protection of the company's intellectual capital and know-how. Since product design and development occur digitally, the Group has made sure its IT systems are totally secure. All branches are covered by firewalls that guarantee perimeter security, and recently a renovation operation to further secure internal networks has begun. In addition, the Group continuously works to raise awareness among its employees, promoting a culture of **security and data protection**.

The most frequent opportunities to meet clients and develop projects and solutions according to their wishes are the events, fairs and workshops frequently organized to present products and analyze materials. The large number of audits conducted in Sirmax plants (which are managed by a special team) are another frequent opportunity for in-person meetings.

In addition to the opportunities for meetings and direct dialogue, Sirmax's relationship with its clients is monitored through the satisfaction questionnaire, which is forwarded annually to the entire client portfolio to assess and record the degree of satisfaction with a series of aspects related to the supply of Sirmax products. The questionnaire has 16 questions around 6 aspects covering the level of service, logistics, pricing, and other technical aspects.

4.2

A global community

The results obtained by Sirmax in its 60+ years of history are based on its ability to put the territory at the center of its activities. We are convinced that in order to innovate and support the development of solutions that concretely change the way we do business, a deep knowledge of the social and cultural fabric in which one operates is essential. It is thanks to this approach that today Sirmax can boast a strong bond with the communities around its plants across the globe, while being firmly rooted in the Cittadella area, where it all started. At the heart of the relationship with the community are **research and innovation**, which Sirmax considers to

be the key to the creation of products that are more durable, functional and, at the same time, have a lower impact on the environment. Sirmax approaches the development of innovative solutions scientifically and has organized its research activities according to the different polymer matrices that support its production plants. The **five laboratories** in the plants of Cittadella, Kutno, San Vito al Tagliamento, Salsomaggiore (SER) and Mellaredo (Microtec) are testament to the contiguity between the company's core business and its research activities. Each laboratory focuses on a product class, respectively: polyolefins, technopolymers, thermoplastic

elastomers, circular polymers and bio compounds. In total, the plants boast 16 extruders to test new formulations, machinery for material analysis and pilot plants. Thanks to this equipment, the Group is able to carry out tests according to client standards and to experiment and validate hypotheses. The results obtained in terms of efficiency, waste reduction and expansion of the range of sustainable products derive precisely from the activities carried out in the Group's laboratories. Local communities, particularly universities and research centers, are essential partners for these activities. They make it possible for Sirmax to expand and specialize



Te.Si Laboratory - University of Padua

its knowledge and **scientific know-how**, increase its assets, and develop a product traceability strategy to identify areas in which to reduce the consumption of raw materials and energy.

The most recent collaboration with the University of Padua, in 2020, led to the birth of Smart Mold, an engineering company that operates in mold design and material selection through the use of dedicated calculation software and advanced CAD systems to help clients achieve optimal results. Specific mold treatments have also been patented for a better use of circular materials. Less recently, Sirmax became a partner in the

research project "TraCE" (Traceability Consistency) of the Fraunhofer Institute for Material Flow and Logistics IML in Dortmund, Germany.

The link with the university world is not only aimed at research, but also at encouraging new generations to undertake scientific studies and develop specialized skills for the world of work. This is why the Group funds a scholarship each year for a three-year PhD in Industrial Engineering (Materials Engineering) at the University of Padua, and why it takes part in career days. Sirmax also offers internships and hires final-year university students, while it collaborates

with high schools and technical colleges to offer work experience both in Italy and abroad to younger students.

In the effort to produce positive effects that go beyond economic results and generate value for the entire community, improving competitiveness and the general welfare of the territories in which it operates, the Group seeks to be an active player in the community, promoting projects that enrich young people, enhance artistic and cultural heritage, and have a positive impact on sport and cities.

This commitment is reflected first and foremost in sport. The Group supports a soccer and basketball team with a very similar philosophy and approach to young talent: Cittadella Calcio (second division of the professional championship), and the women's Pro Basket Kutno team in Poland.

The involvement stemmed from the shared values that link the two teams with Sirmax. The teams help young talents to grow and, despite being small, challenge big opponents with courage and tenacity, capitalizing on the experience acquired over years of competition. This sponsorship initiative seeks to contribute to the diffusion of these values, creating a strong territorial link.



In terms of trade relations, Sirmax is a member of the main local trade associations, such as Confindustria Padova. Moreover, in order to strengthen and develop its knowledge of the sector alongside partners with a track record of experience and reliability, the Group participates in annual conferences and conventions both in Italy and internationally. Some include Italian Association of Plastics Technicians, the Packaging & Recycling convention (Milan, 2020), FeiplastiC, MECSPE Tecnologie per L'Innovazione (2019), VDI Verein Deutscher Ingenieure e.V., the Volkswagen Tech-Day 2020 (in Wolfsburg), the Autoexpo 2020 trade fair in Delhi, India, and the SPE Automotive TPO Engineered Polyolefins Conference Forum. Participation in these industry events is a valuable resource for strengthening direct communication with clients and serves as a sounding board for the launch of new partnerships and technologies.



Methodological note

This document is the first Sustainability Report of the Sirmax Group S.p.A. (hereinafter also referred to as “Sirmax Group” or “Sirmax”), headquartered in Cittadella, Via Dell’Artigianato 42. It has been drawn up on a voluntary basis with the aim of showing the company’s commitment to increasingly sustainable growth and to a business model that is increasingly integrated with the social, environmental and economic context in which the Group operates.

The Report is for the fiscal year 2020 (January 1 through December 31) and data was compared to 2019 results. Personnel data is reported as at September 30 of each reporting year.

The document, which will be published annually, has been prepared in accordance with the GRI Sustainability Reporting Standards (hereinafter GRI Standards), published in 2016 by GRI - Global Reporting Initiative, and its updates under the Core option.

With regard to the scope of reporting, the Sirmax Group’s Sustainability Report is aligned with the Consolidated Financial Statements for the year ended December 31, 2020, which from an economic point of view includes the data of the subsidiaries Sirmax Polska Sp. z o.o., Sirmax North America Inc., Sirmax North America LLC, Sirmax Do Brasil Comercio e industria de plasticos LTDA, SER S.r.l., Microtec S.r.l.

The content of the Report

This Report has been prepared according to the principles of the GRI Standards. It addresses the issues that emerged from the materiality assessment which significantly influence stakeholder evaluations and decisions, and that are particularly relevant in terms of economic, social and environmental impact. The document was prepared in line with the definitions and content quality principles of the GRI Standards, such as stakeholder inclusiveness, sustainability context, materiality, completeness, accuracy, balance, clarity, comparability, reliability, and timeliness. With regard to the materiality principle, this Report contains Sirmax’s results and performance regarding the issues that emerged as material from the materiality analysis. For further discussion, please view chapter 1.2, ‘Sustainability at Sirmax’. For accurate reporting, the process of writing the 2020 Sustainability Report involved the corporate management of all Group companies.

Perimeter of material aspects

Material theme	GRI Disclosure	Perimeter		Reporting Limitations
		Internal	External	
Business Ethics	205: Anti-Corruption	Sirmax Group	-	-
	206: Anti-competitive behavior	Sirmax Group	-	-
Circulation and efficient use of resources	301: Materials 306: Waste	Sirmax Group	-	-
Fighting climate change	302: Energy 305: Emissions	Sirmax Group	-	-
Sustainable water resource management	303: Water and wastewater	Sirmax Group	-	-
Pollutant emissions	305: Emissions	Sirmax Group	-	-
Employee development	401: Employment	Sirmax Group	-	-
	404: Training and education	Sirmax Group	-	-
Occupational Health and Safety	403: Occupational Health and Safety	Sirmax Group	Non-employees	-
Supporting the local community	-	Sirmax Group	-	-
Social and environmental compliance	307: Environmental Compliance 419: Socioeconomic Compliance	Sirmax Group	-	-
Product innovation and sustainability	-	Sirmax Group	-	-

Main calculation criteria

Below are the calculation methods used to calculate some of the indicators reported within this Sustainability Report.

Energy consumption

Sirmax Group's energy consumption (diesel, LPG, natural gas) has been converted to gigajoules (GJ) using conversion factors provided by the "UK Department for Environment, Food & Rural Affairs" (DEFRA) in the report "UK Government GHG Conversion Factors for Company Reporting" under table "Fuel properties" for the years 2019 and 2020.

Greenhouse gas emissions

GHG emissions were reported according to the standard set out in GHG Protocol, A Corporate Accounting and Reporting Standard, published by The GHG Protocol Initiative in terms of CO₂ equivalent.

Specifically, the following emission factors were used to calculate direct emissions (Scope 1):

- **Fuels (Natural Gas):** "UK Government GHG Conversion Factors for Company Reporting - Fuel properties" from the UK Department for Environment, Food & Rural Affairs (DEFRA), for the years 2019 and 2020 from the table "Fuels".
- **Fuels (LPG):** "UK Government GHG Conversion Factors for Company Reporting - Fuel properties" from the UK Department for Environment, Food & Rural Affairs (DEFRA), for the years 2019 and 2020 from the table "Fuels".
- **Fuels (Diesel):** "UK Government GHG Conversion Factors for Company Reporting - Fuel properties" from the UK Department for Environment, Food & Rural Affairs (DEFRA), for the years 2019 and 2020 from the table "Fuels" and "Passenger Vehicles".

For the calculation of indirect emissions (Scope 2), electricity consumption was converted to emissions using two different approaches: location-based and market-based. The emission factors used were:

- For the **Location-based** approach, we used the emission factors published by Terna in the International Comparisons section, Table 49 "Main socio-economic indicators", in the 2019 and 2020 versions, taking the factor of the country in which the plant is located.
- For the **Market-based** approach, for plants in Italy and Poland the factor provided by AIB (Association of Issuing Bodies) in the European Residual Mixes report was used, while for non-EU plants, the factor provided by Terna in Table 49 ("Main socio-economic indicators") of the section named International Comparisons published in the years 2019 and 2020 was used, taking the factor of the country in which the plant is located.

GRI Content Index

GRI Standard	Information	Indicator description	Document section	Notes and omissions
GENERAL INFORMATION				
GRI 102: General Disclosure 2016	Organization profile			
	102-1	Organization Name	1.1 The future is made of sustainable ideas	
	102-2	Activities, brands, products and services		
	102-3	Location of head office	1.1 The future is made of sustainable ideas Methodological note	
	102-4	Location of activities	1.1 The future is made of sustainable ideas	
	102-5	Ownership and legal form	1.1 The future is made of sustainable ideas	
	102-6	Markets served	1.1 The future is made of sustainable ideas	
	102-7	Organization size	1.1 The future is made of sustainable ideas	
	102-8	Information on employees and other workers	2.1 A global team	
	102-9	Supply Chain	4.1 The value chain	
	102-10	Significant changes to the organization and its supply chain		Not yet applicable as this is the first year of GRI Standards reporting.
	102-11	Precautionary Principle		To date, Sirmax does not formally adhere to or adapt its decision-making approach to the precautionary principle.
	102-12	External initiatives	Not applicable	
	102-13	Membership in associations	4.2 A global community	
	Strategy			
	102-14	Statement from a senior executive	Letter to Stakeholders	
	Ethics and integrity			
	102-16	Values, principles, standards and rules of conduct	1.3 Responsible management tools	
	Governance			
	102-18	Governance Structure	1.3 Responsible management tools	
	Involvement of stakeholders			
	102-40	List of stakeholder groups	1.2 Sustainability at Sirmax	
	102-41	Collective bargaining agreements	All Sirmax employees based in Italy are covered by collective bargaining agreements, as prescribed by national legislation	
	102-42	Stakeholder identification and selection	1.3.1 Stakeholder Engagement and Materiality Matrix	
	102-43	Stakeholder engagement methods	1.2 Sustainability at Sirmax	
	102-44	Key issues and criticalities raised	1.2 Sustainability at Sirmax	

GRI Standard	Information	Indicator description	Document section	Notes and omissions
GENERAL INFORMATION				
GRI 102: General Disclosure 2016	Reporting practices			
	102-45	Parties included in the consolidated financial statements	Methodological note	
	102-46	Report content definition and topic perimeters	Methodological note	
	102-47	List of material topics	1.2 Sustainability at Sirmax	
	102-48	Review of information		Not yet applicable as this is the first year of GRI Standards reporting.
	102-49	Changes in reporting		Not yet applicable as this is the first year of GRI Standards reporting.
	102-50	Reporting period	Methodological note	
	102-51	Date of most recent report		Not yet applicable as this is the first year of GRI Standards reporting.
	102-52	Reporting Periodicity	Methodological note	
	102-53	Contacts for requesting information about the report	Methodological note	
	102-54	Statement on reporting in accordance with GRI Standards	Methodological note	
	102-55	GRI Content Index	GRI Content Index	
	102-56	External Assurance		This report is not subject to external assurance.
GRI 200 ECONOMIC INDICATORS				
GRI 103: Management Approach 2016	Anti-corruption			
	103-1	Explanation of the material theme and its perimeter	1.3 Responsible management tools	
	103-2	Mode of management and its components	1.3 Responsible management tools	
GRI 205: Anti-corruption 2016	103-3	Assessment of management modes	1.3 Responsible management tools	
	205-3	Established incidents of corruption and actions taken	1.3 Responsible management tools	
GRI 103: Management Approach 2016	Anti-competitive Behavior			
	103-1	Explanation of the material theme and its perimeter	1.3 Responsible management tools	
	103-2	Mode of management and its components	1.3 Responsible management tools	
GRI 206: Anti-Competitive Behavior 2016	103-3	Assessment of management modes	1.3 Responsible management tools	
	206-1	Established incidents of corruption and actions taken	1.3 Responsible management tools	

GRI Standard	Information	Indicator description	Document section	Notes and omissions
300 ENVIRONMENTAL INDICATORS				
Materials				
GRI 103: Management Approach 2016	103-1	Explanation of the material theme and its perimeter	1.3 Responsible management tools; Methodological note	
	103-2	Mode of management and its components	3.1.1 Materials used for production and packaging	
	103-3	Assessment of management modes	3.1.1 Materials used for production and packaging	
GRI 301: Materials 2016	301-1	Materials used by weight or volume	3.1.1 Materials used for production and packaging	
	301-2	Materials used that come from recycling	3.1.1 Materials used for production and packaging	
Energy				
GRI 103: Management Approach 2016	103-1	Explanation of the material theme and its perimeter	1.3 Responsible management tools; Methodological note	
	103-2	Mode of management and its components	3.2 Reducing our impact	
	103-3	Assessment of management modes	3.2 Reducing our impact	
GRI 302: Energy 2016	302-1	Energy consumed within the organization	3.2 Reducing our impact	
Water and Wastewater				
GRI 103: Management Approach 2016	103-1	Explanation of the material theme and its perimeter	1.3 Responsible management tools; Methodological note	
	103-2	Mode of management and its components	3.1.2 Water Resource Management	
	103-3	Assessment of management modes	3.1.2 Water Resource Management	
GRI 303: Water and waste water 2018	303-1	Interacting with water as a shared resource	3.1.2 Water Resource Management	
	303-2	Managing Impacts Related to Water Discharge	3.1.2 Water Resource Management	
	303-3	Water withdrawal	3.1.2 Water Resource Management	
Emissions				
GRI 103: Management Approach 2016	103-1	Explanation of the material theme and its perimeter	1.3 Responsible management tools; Methodological note	
	103-2	Mode of management and its components	3.2 Reducing our impact	
	103-3	Assessment of management modes	3.2 Reducing our impact	
GRI 305: Emissions 2016	305-1	Direct GHG emissions (Scope 1)	3.2 Reducing our impact	
	305-2	Indirect GHG emissions from energy consumption (Scope 2)	3.2 Reducing our impact	
	305-7	Nitrogen oxides (NOX), sulfur oxides (SOX) and other emissions significant	3.2 Reducing our impact	The main emission categories of pollutants generated by Italian plants subject to AUA monitoring are reported

GRI Standard	Information	Indicator description	Document section	Notes and omissions
300 ENVIRONMENTAL INDICATORS				
GRI 103: Management Approach 2016	Waste			
	103-1	Explanation of the material theme and its perimeter	1.3 Responsible management tools; Methodological note	
	103-2	Mode of management and its components	3.1.2 Waste management	
	103-3	Assessment of management modes	3.1.2 Waste management	
GRI 306: Waste 2020	306-1	Waste generation and significant waste-related impacts	3.1.2 Waste management	
	306-2	Management of significant waste-related impacts	3.1.2 Waste management	
	306-3	Waste generated	3.1.2 Waste management	Disclosure does not include Sirmax do Brasil and Sirmax North America
	306-4	Waste not intended for disposal	3.1.2 Waste management	
	306-5	Waste for disposal	3.1.2 Waste management	
	Environmental Compliance			
GRI 103: Management Approach 2016	103-1	Explanation of the material theme and its perimeter	1.3 Responsible management tools; Methodological note	
	103-2	Mode of management and its components	1.3 Responsible management tools	
	103-3	Assessment of management modes	1.3 Responsible management tools	
GRI 307: Environmental Compliance 2020	307-1	Non-compliance with environmental laws and regulations	1.3 Responsible management tools	
GRI 400 SOCIAL INDICATORS				
GRI 103: Management Approach 2016	Employment			
	103-1	Explanation of the material theme and its perimeter	1.3 Responsible management tools; Methodological note	
	103-2	Mode of management and its components	2.1 A global team	
	103-3	Assessment of management modes	2.1 A global team	
GRI 401: Employment 2016	401-1	New hires and turnover	2.1 A global team	
GRI 103: Management Approach 2016	Health and safety at work			
	103-1	Explanation of the material theme and its perimeter	1.3 Responsible management tools; Methodological note	
	103-2	Mode of management and its components	2.3 Protecting health and well-being	
	103-3	Assessment of management modes	2.1 A global team	

GRI Standard	Information	Indicator description	Document section	Notes and omissions
GRI 400 SOCIAL INDICATORS				
GRI 403: Occupational Health and Safety 2018	Waste			
	403-1	Occupational health and safety management system	2.3 Protecting health and well-being	
	403-2	Hazard identification, risk assessment, and investigation of the accidents	2.3 Protecting health and well-being	
	403-3	Occupational health services	2.3 Protecting health and well-being	
	403-4	Worker participation and consultation and communication in health and safety at work	2.3 Protecting health and well-being	
	403-5	Occupational health and safety training for workers	2.3 Protecting health and well-being 2.2 Continued growth	
	403-6	Worker Health Promotion	2.1 A global team; 2.3 Protecting health and well-being	
	403-7	Prevention and mitigation of health impacts and occupational safety within business relationships	2.3 Protecting health and well-being	
	403-9	Accidents at work	2.3 Protecting health and well-being	For this first year of re-reporting, data does not include the Sirmax North America plant.
	403-10	Occupational Diseases	2.3 Protecting health and well-being	
GRI 103: Management Approach 2016	Training and Education			
	103-1	Explanation of the material theme and its perimeter	1.3 Responsible management tools; Methodological note	
	103-2	Mode of management and its components	2.2 Continued growth	
GRI 404: Training and education	103-3	Assessment of management modes	2.2 Continued growth	
	404-1	Average hours of training per year per employee	2.2 Continued growth	For this first year of reporting, it was not possible to retrieve data referring to the hours of training provided according to the requirements of the standard.
GRI 103: Management Approach 2016	Socioeconomic Compliance			
	103-1	Explanation of the material theme and its perimeter	1.3 Responsible management tools; Methodological note	
	103-2	Mode of management and its components	1.3 Responsible management tools	
GRI 419: Compliance Socio-economic 2016	103-3	Assessment of management modes	1.3 Responsible management tools	
	419-1	Non-compliance with social laws and regulations	1.3 Responsible management tools	



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