



Sustainability Report

2025

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Methodological notes available on the website
www.Elleci.com



01

Introduction

Letter to stakeholders

Growth stems from a vision, but it is the choices made every day that turn that vision into reality.

In recent years, the ESG model has guided our decisions, based on the belief that a company's value is not measured solely by what it produces, but by its ability to have a positive and lasting impact on people's lives. We have defined a roadmap based on clear objectives and a strategy that integrates innovation, sustainability, and brand evolution. Today, the results are becoming increasingly significant.

2025 marked an important milestone. The second production plant completed its first year of operation, confirming the soundness of an investment that strengthens Elleci's ability to meet future challenges.

But our concept of development goes far beyond the industrial sphere.

In this document, we recount the journey undertaken thus far. Progress in reducing the

ecological footprint, made possible by efficiency improvements and a circular economy model. A focus on people, with policies designed to foster talent, promote inclusion, and promote organisational well-being. An approach to Design Thinking that fosters innovation, promoting collaboration between different skills and functions to interpret the new languages of contemporary living. In addition to the commitment to strengthening the brand's value in order to support international expansion and consolidate the dialogue with the design community.

In a complex geopolitical and economic landscape, it would seem natural to protect what has been built and postpone the most ambitious decisions. We, however, believe that the future is not addressed by slowing down, but by looking ahead and investing responsibly.

It is in this spirit that I would like to thank all of you who,

every day, choose to share this journey with Elleci: employees, collaborators, customers, partners, suppliers, and the community.

The trust you place in us is the foundation on which we continue to grow together.

Giancarlo Traversa
Founder & CEO



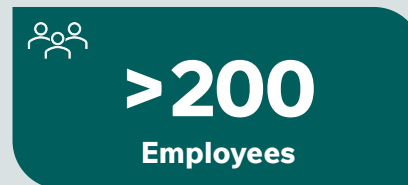
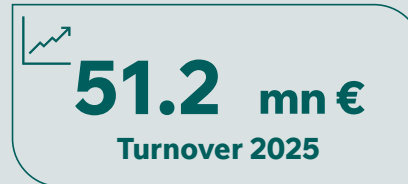
2025 Highlights

In summary

Italian leader in the design, manufacture and distribution of composite sinks

Founded in 1992 by the Traversa family, Elleci is a company active in the design, production and distribution of composite sinks, washbasins and design accessories for the kitchen and bathroom sector.

With headquarters in Pontinia (LT), it has developed a strong international presence: today, Elleci is a globally recognised European brand that successfully combines Italian manufacturing excellence, innovation, and design culture.



ESG Priorities

Process for determining material topics

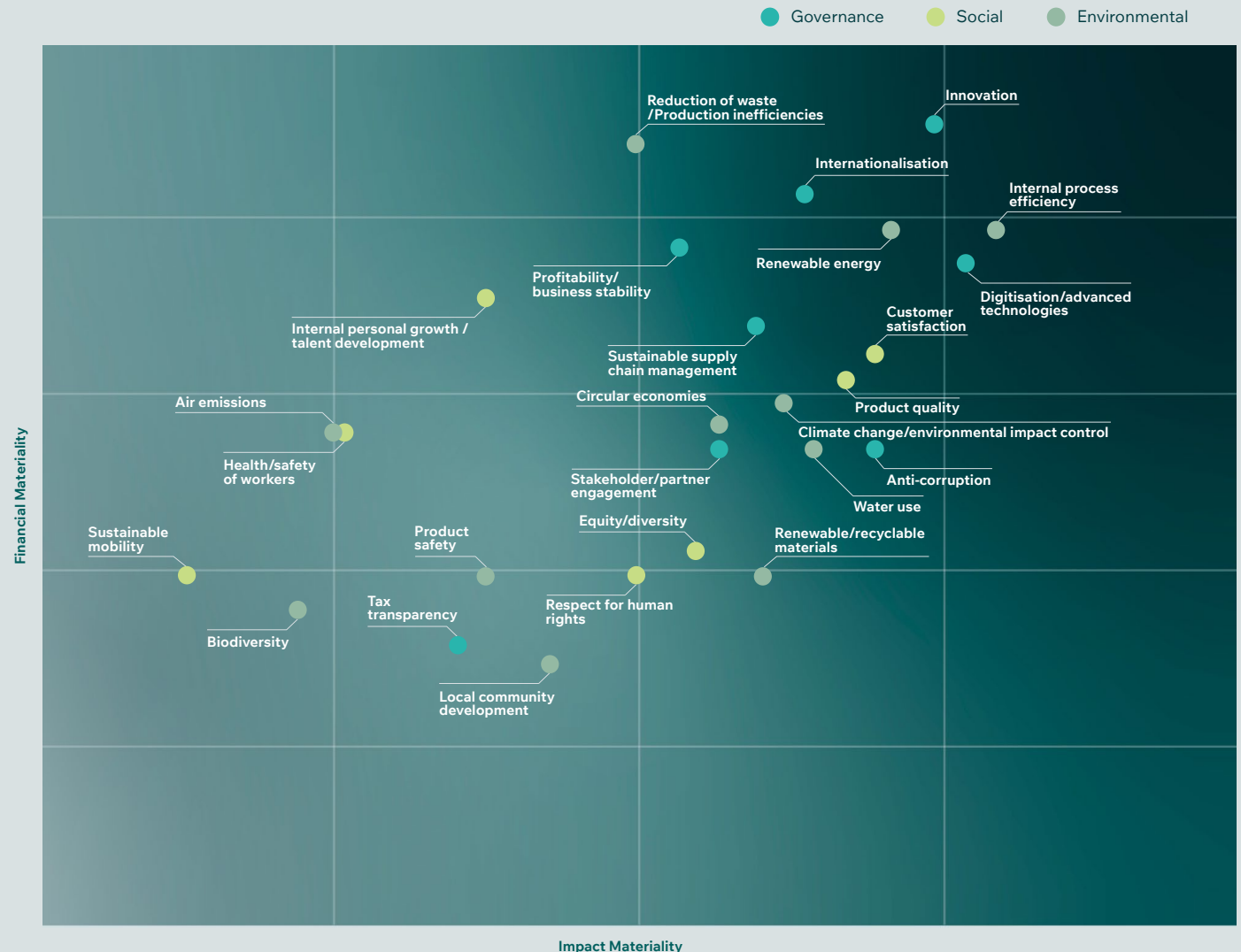
During 2025, Elleci conducted an assessment of the material topics identified in previous years, taking into account changes in the regulatory environment, stakeholder expectations, and the characteristics of its business model. The analysis did not reveal any significant changes such as to alter the relevance of the issues already identified in the materiality matrix adopted in 2023.

The priorities expressed by internal and external stakeholders are, in fact, largely confirmed and consistent with the main areas of economic, environmental, and social impact generated by the company's operations. Elleci therefore confirms the materiality matrix defined in 2023 for 2025, considering it still representative of the issues most relevant to value creation in the medium to long term and to its stakeholders.

This continuity also ensures the comparability of the reported information and makes it possible to monitor changes in sustainability performance over time.

The assessment was also conducted in line with the new European regulatory framework defined by the ESRS – European Sustainability Reporting Standards, Annex I to Delegated Regulation (EU) 2023/2772.

Although no elements emerged such as to require a substantial revision of the material issues identified, Elleci will continue to monitor developments in the regulatory environment and stakeholder expectations in order to ensure gradual alignment with the principles of double materiality introduced by the ESRS.



Sustainability Goals

Road to 2030

Environmental

50% of the matrix made from renewable, recycled and reused raw materials

50% of energy produced from renewable sources

50% reduction in water use for manufacturing

50% reduction in CO₂eq emissions

50% reduction in waste generated by the production cycle

Social

Definition of the rules governing the production bonus for the period

Opening discussion to define a policy aimed at implementing a corporate welfare plan

Complete definition of remuneration policy

Adoption of the D&I principles set out in Reference Guidelines UNI/PdR 125:2022

Governance

Establishment of a Corporate Governance and Sustainability Committee

Update of the Code of Ethics and internal regulations in the ESG area

Adoption of policies to involve stakeholders in sustainability issues

An aerial photograph of a large industrial building with a white roof covered in solar panels. The building has a dark grey lower section with the 'elleci' logo and the tagline 'TOGETHER, WITH STYLE'. The surrounding area includes a parking lot, green fields, and some trees.

02

Elleci Company

Company

A story to tell, an experience to share

Individual talents and shared dreams pave the way for innovation every day. Thirty years ago, it was Giancarlo Traversa to set out on this journey: With boundless creativity and perseverance, he laid the foundations for a solid family business that is now a global company, which he runs today alongside his children.



Graziano Traversa, COO

Giancarlo Traversa, CEO

Veronica Traversa, CFO

Daniele Traversa, CIO

2000

G.P.S. and Granitek

Elleci revolutionises the world of composite materials with G.P.S. technology: Granitek is born.

2012

The first Red Dot Design Awards

The Dogma electrosink wins the prestigious international award.

2017

Keratek is born

Technological innovation in materials expresses its power in Keratek.

2022

Duratek and bathroom design

Duratek is the result of the most advanced nanotechnology.

2024

Start of new plant

With its second ultra-technological and highly sustainable plant, Elleci doubles its production capacity.

2026

Brand evolution

The company's presence at MDW, between the Salone del Mobile and Fuorisalone, and the launch of the *Élite Kitchen Book* reinforce its premium and international positioning

1992

Elleci is established

The first production plant is located in Fondi. In 1999, Elleci inaugurated its new headquarters in Pontinia.

2009

Internationalisation

Shanghai inaugurates the first Elleci branch, followed within a few years by the United Kingdom, Poland and Germany.

2014

Italy leadership

Elleci becomes the best-selling composite sink brand in Italy.

2019

A growing portfolio

The Elleci range is enriched with collections of mixer taps, advanced accessories and appliances.

2022

Thirty years of success

Elleci celebrates its 30th anniversary with the major event "Futurability."

2025

The first flagship store

In Milan, a meeting place for stakeholders and design professionals.



Company

Our values

We believe that excellence lies in the harmony between technological evolution and humanistic values.

Above trust

We aim to exceed expectations.

For thirty years, quality and reliability have been the only way we know how to build solid, lasting relationships that satisfy all partners involved.

Innovators at heart

We want to achieve unique results.

Research and advanced technologies are the tools we use to improve materials and create products that have a positive impact on people's lives.

Integration ahead

We offer cutting-edge integrated solutions.

Modularity, versatility and integration are the principles we use to design high-quality components that can be coordinated with each other or used separately to achieve customised solutions.

Beyond passion

We evolve every day with heart and reason.

Combining intuition, passion and rationality has allowed us to achieve exceptional results; in every project, we encourage our employees to combine logical rigor, feelings and creativity.

Italian inventiveness

We combine ideas, design and functionality.

We are accustomed to tackling the challenges of change with inventiveness and lateral thinking to find solutions that have style. With our products, we promote a modern appreciation of beauty, utility and pleasure.

Pioneering lifestyle

We anticipate trends and new habits.

We embrace progress and new consumer needs. The foundation of our success is our ability to be future-oriented, always one step ahead in offering people inspiration and valuable experiences in their daily lives.



Company

Elleci district

A space that grows for constantly evolving ideas

1 elleci plant 1

Historic production facility focused on flexibility and customisation in production.

4 elleci care

Value and care for relationships: a space entirely dedicated to strengthening the relationship of trust with customers in the pre- and post-sales phases.

2 elleci plant 2

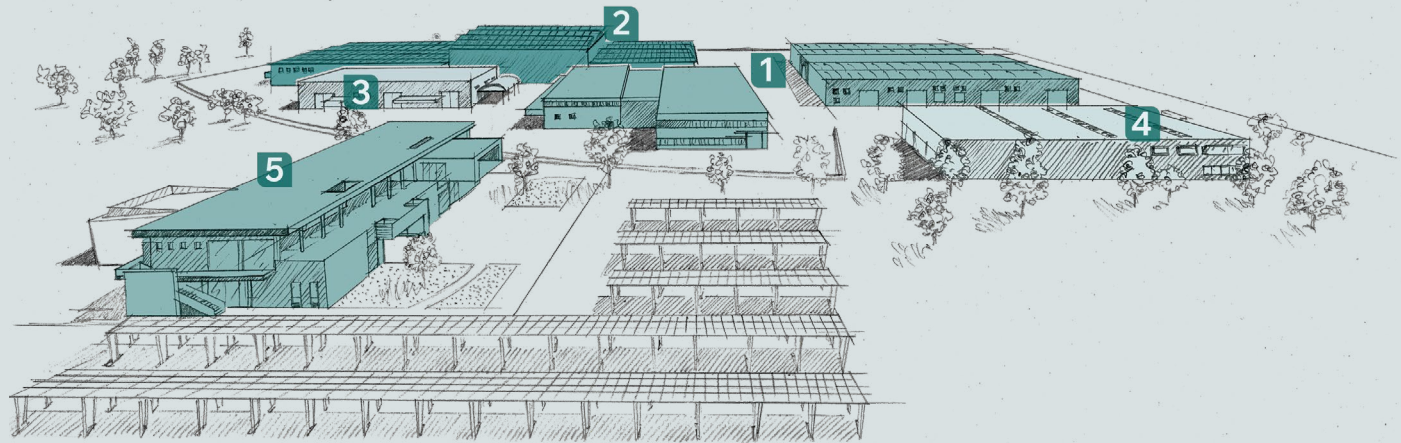
Independent, highly sustainable and technological production plant where tradition and know-how meet modernity and automation.

5 elleci home (Incoming)

A reception and training area; a place where the past and future visions coexist. A complete experience of the Elleci world.

3 elleci innovation center

Permanent research and development laboratory where the most ambitious ideas take shape.



100,000m²

Total Area

50,000m²

Production area

1.2 Million units/year

Production capacity

Company

Production

Two souls, one vision

2025 marked the first year of full operation for the new Plant 2, which was in operation for the entire year following its launch in the second half of 2024.

The company's industrial architecture is now based on **two** completely **independent production plants**, designed to respond to different but strategically **complementary** operating logics.

The corporate strategy, based on the complementary nature of the two production plants, was fully validated during 2025. The new Plant 2 accounted for approximately 42% of total production volume, demonstrating that the new production capacity is gradually coming online and that the organisational model adopted is effective.

Nevertheless, the distribution of production volumes between the two plants must be viewed in light of their different production specialisations.

Indeed, Plant 1 continues to be primarily dedicated to the production of high-value-added collections, characterised by a higher degree of customisation, greater production complexity, and premium positioning, while Plant 2 is geared toward the efficient management of highly scalable production. In this context, with production volumes largely split between the two sites, revenue grew by 3%, driven primarily by the strong performance of the high-end product lines manufactured at Plant 1 and by the gradual improvement in the sales mix. This result confirms the validity of the strategic decision to complement the new plant's production capacity with the continued operation of a specialised facility dedicated to premium products.

elleci plant 1

Production flexibility



Plant 1 - historic production site - is configured for highly flexible production, allowing for the efficient management of **medium-small lots** differentiated by model and colour. This represents Elleci's key competitive advantage in terms of **customisation, time-to-market** and rapid response to **tailor-made requests**.

Plant 1 production: 58% (2025)

elleci plant 2

Efficiency and scalability



Plant 2 - launched in the second half of 2024 - has been developed to support production capacity growth with **large volumes**. Strongly focused on process rationalisation, technology and automation, it represents an advanced model of industrial production, in which **efficiency, traceability and environmental sustainability** are integrated into a single high-performance platform.

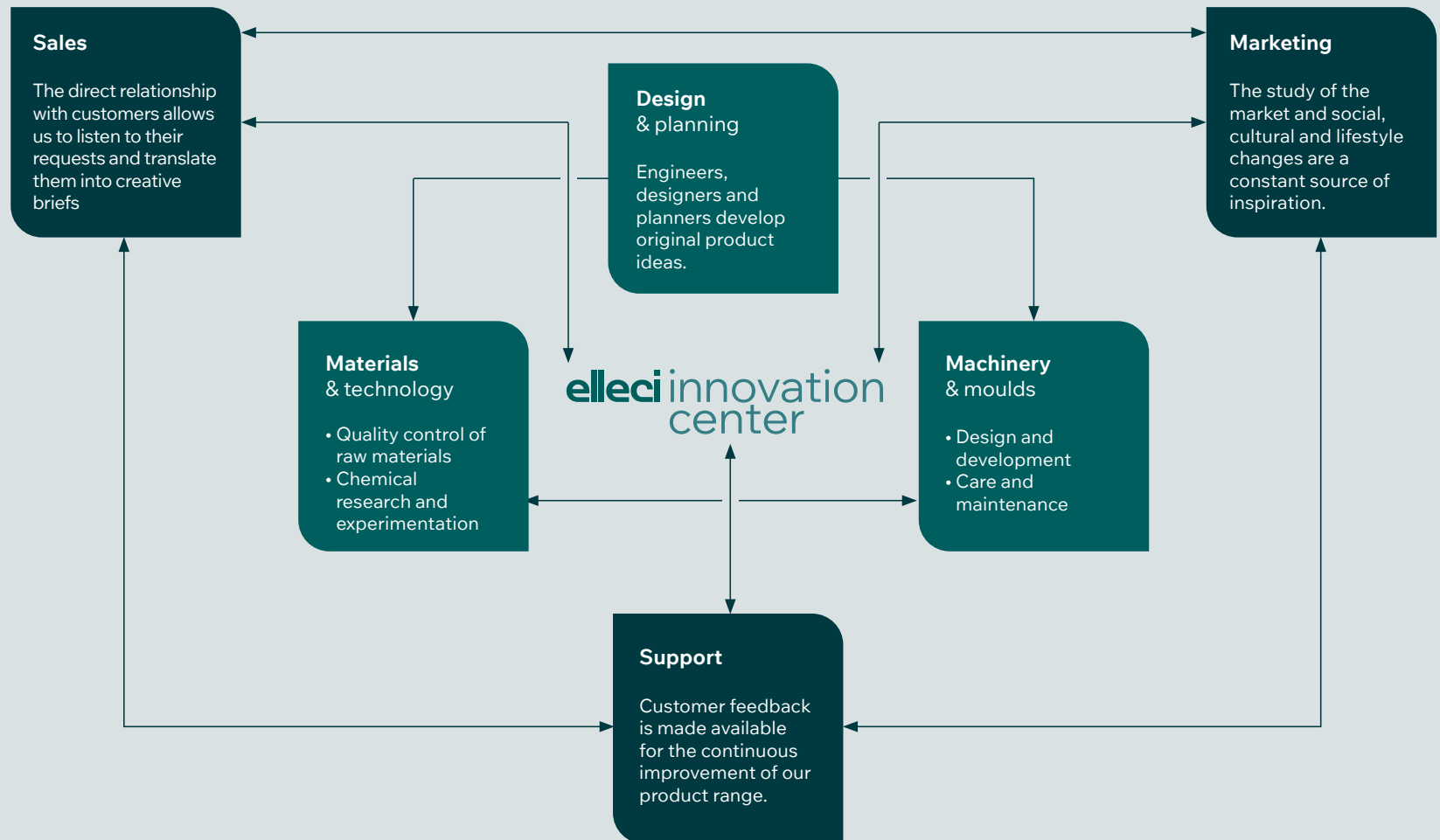
Plant 2 production: 42% (2025)

Company

Know-how

Specialisation and interconnection

Information sharing is one of the most important assets of the **Elleci District**. There is a virtuous circle in which the specialised knowledge and skills of each department are made available to others in order to achieve common goals.



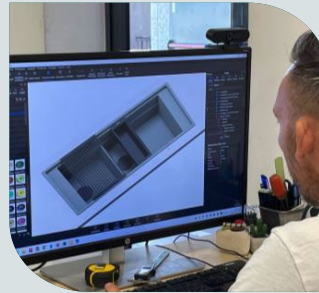
Company

Know-how

Innovation

The **Elleci Innovation Center** is a global hub of outstanding professionals and passionate minds: every day, researchers, designers, engineers and technicians work together to develop new solutions.

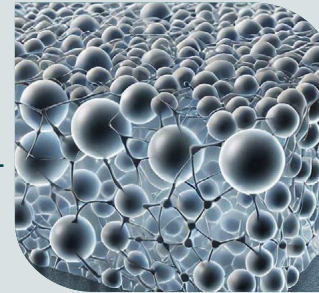
elleci innovation center



Design & planning

Aesthetic research, functional design and specific market demands guide the team of designers in the creation of new products.

- **exclusive**
- **customisation**



Materials & technology

The research laboratory is constantly committed to technological innovation to improve the performance and aesthetic value of materials.

- **technological excellence**
- **trend-setting**



Machinery & moulds

Engineers and technicians directly manage the design, development and maintenance of production machinery and moulds.

- **internal know-how**
- **competitiveness**

Company

Certifications

Company certifications are an important recognition of our practices and operating standards.

ISO 9001:2015 Quality



The ISO 9001:2015 Quality Management System demonstrates our commitment to customer satisfaction, the quality of our products and services, and the continuous improvement of our processes.

ISO 14001:2015 Environment



The ISO 14001:2015 Environmental Management System confirms our commitment to optimising natural resources and reducing the environmental impact of our activities.

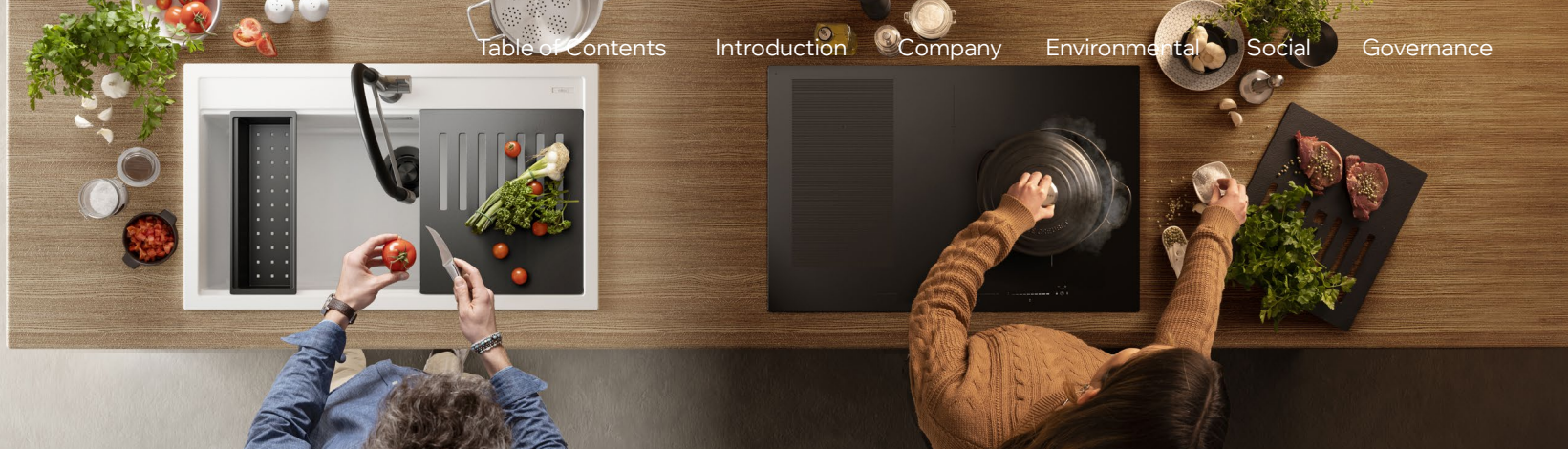
ISO 45001:2018 Health and Safety



ISO 45001:2018 certification demonstrates our commitment to the health and safety of our employees. We are committed to providing a safe and healthy working environment, adopting best practices to prevent accidents and protect the well-being of our employees.

These certifications not only confirm our dedication to quality, the environment and safety, but also provide us with a solid foundation for continuous improvement and business growth. We are proud of these certifications and will continue to work to maintain and exceed them, thereby ensuring the trust of our customers, our employees and the community as a whole.





The value chain

Resources

Business model

Value created

Environmental

We have begun the ecological transition of our supply chain by converting incoming resources into recyclable and renewable ones.

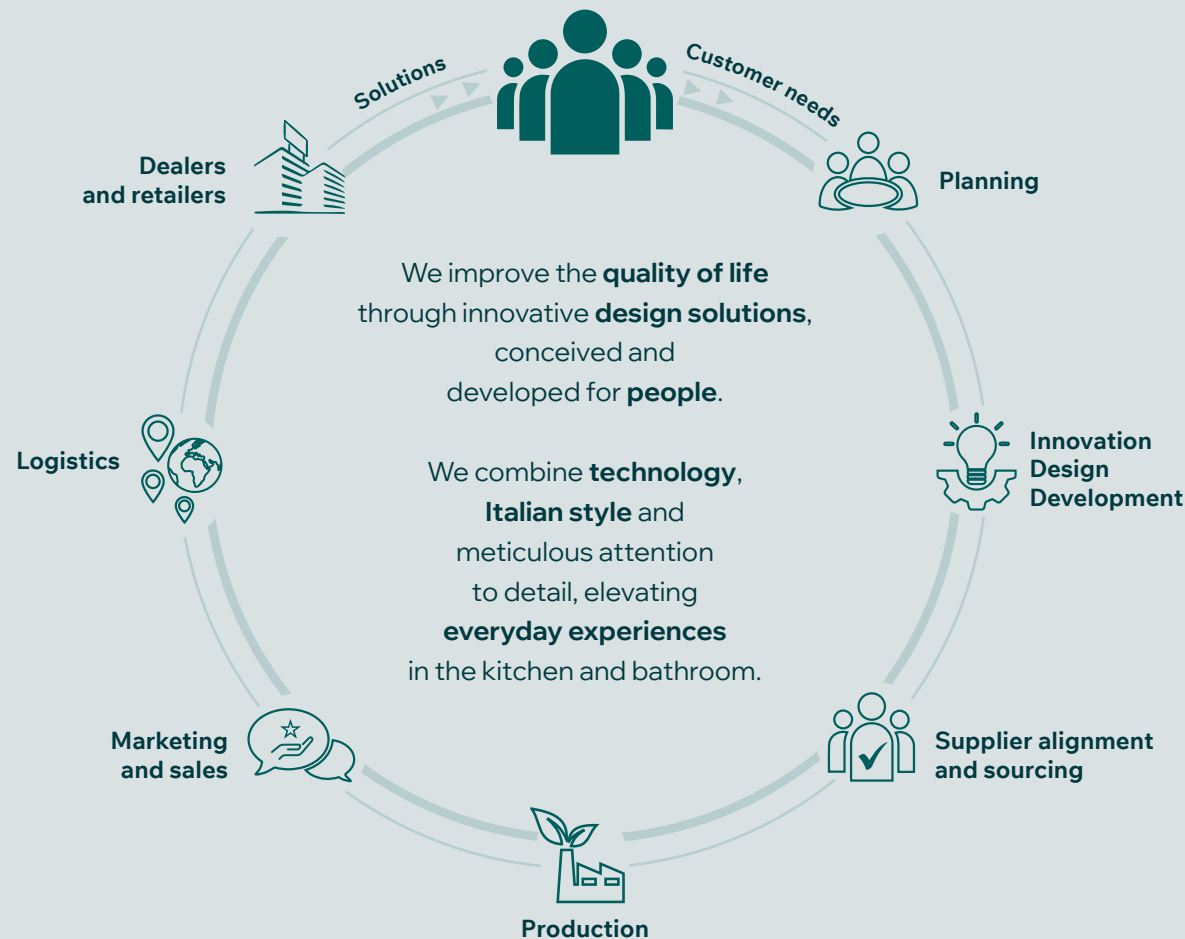
Social

Our success depends on the knowledge and passion of our employees. We place community at the heart of our values.

Governance

Transparency and financial strength are the values that set us apart. Our corporate identity is woven from human, family and value-based relationships, thanks to which Elleci now ranks among the leaders in the sector.

6,852 t Raw materials
12,620 MWh Energy consumed
46,975 m³ Water resources
237 Elleci Employees
€29.7 M Total net assets



Human-centred design and sustainable design are the cornerstones of Elleci product development. We start by analysing people's needs and create solutions that stand out for their aesthetic value, ergonomics and functionality, and that guarantee high durability.

We improve the working environment by promoting safety, health, inclusivity and professional growth. We are aware that achieving our business goals depends on our ability to align economic development with social well-being.

3,288 tCO₂eq GHG Emissions
1,889 t Waste generated
20,427 m³ Water consumption
+27% New female hires compared to 2024
20,011 Total training hours
4.90 Accidents per 1,000,000 hours worked
51.2 M € Revenue
+3% Turnover growth rate in the last year
€8.1 M EBITDA
+4 Awards Sintesi 305 and Libero win the Red Dot Awards and IF Design Award

Company

Materials

Elleci produces innovative composite materials and develops furnishing components that interpret and guide the most fascinating trends in modern living.

 Engineered & designed in Italy

 Product certified with lower chemical emissions ul.com/gg-ul-2818

 NSF certified: Highly hygienic material

 EPD® Environmental Product Declaration - ISO 14025

KERATEK



This nanotech-based premium material stands out for its wonderfully smooth surface and deep, matte colours. Nanoparticles make the structure extremely solid, boosting its performance and aesthetic quality.

Surface
Stony
Materic

Colours
Natural
Matte

Insight
Made
to last

GRANITEK



A material engineered with quartz sand whose distinguishing features are its slightly textured stony surface and natural colours. The technology brings out the stone's inherent qualities and improves its performance, resulting in a hygienic, highly resistant and durable surface.

Surface
Silky
Smooth

Colours
Deep
Dusty

Insight
High
Tech

DURATEK



Duratek is the result of a combination of aesthetic research and nanotechnology, a matt material for the bathroom with a pleasant visual appeal. Its formula combines the materiality and resistance of natural stone with the elasticity and aesthetic potential of noble resins.

Surface
Smooth
Touch

Colours
Dusty
Colours

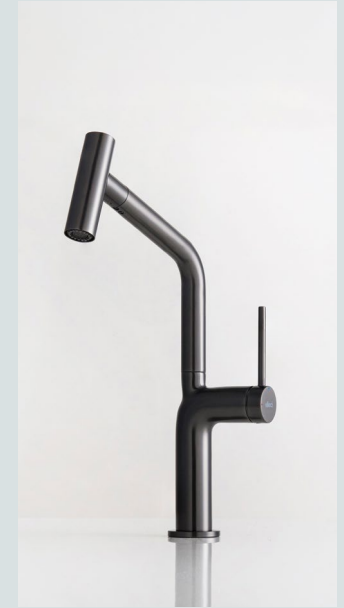
Insight
Matt
Charm

In 2025, Elleci further established the use of EPDs as a tool to support corporate decision-making on sustainability. The environmental declarations for the Granitek, Keratek, and Duratek product lines make it possible to monitor changes in the products' environmental performance and to guide research, development, and procurement efforts toward solutions that are increasingly efficient, circular, and have a lower environmental impact.

Company

Kitchen Solution

Intelligent design, intuitive technology
and modern aesthetic sensibility
redefine the kitchen environment.



Company

Bath Solution

Elleci brings technological innovation and Italian creativity in a range of washbasins designed to blend in with different decorating styles.



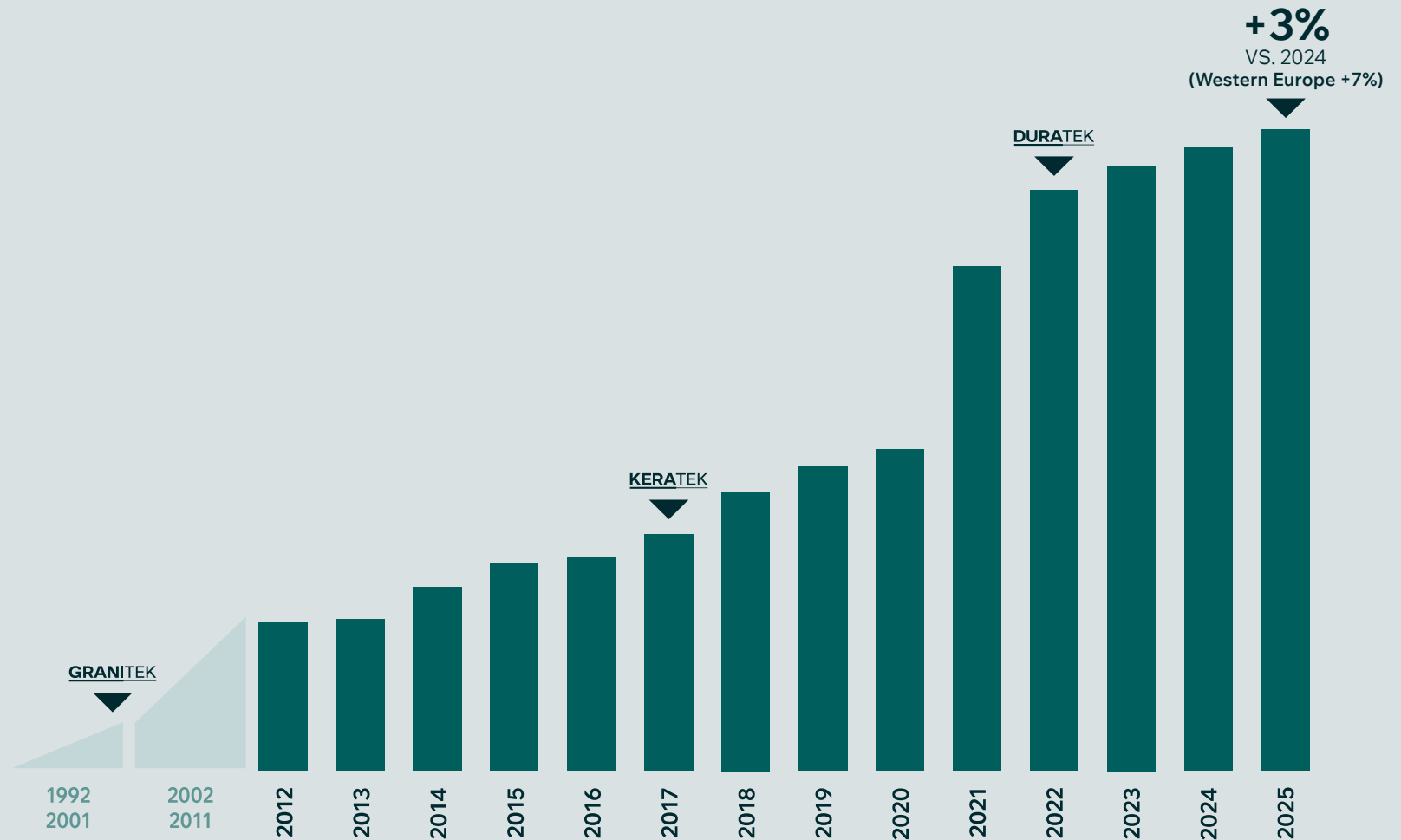
Company

Design awards



Company

Turnover evolution



Company

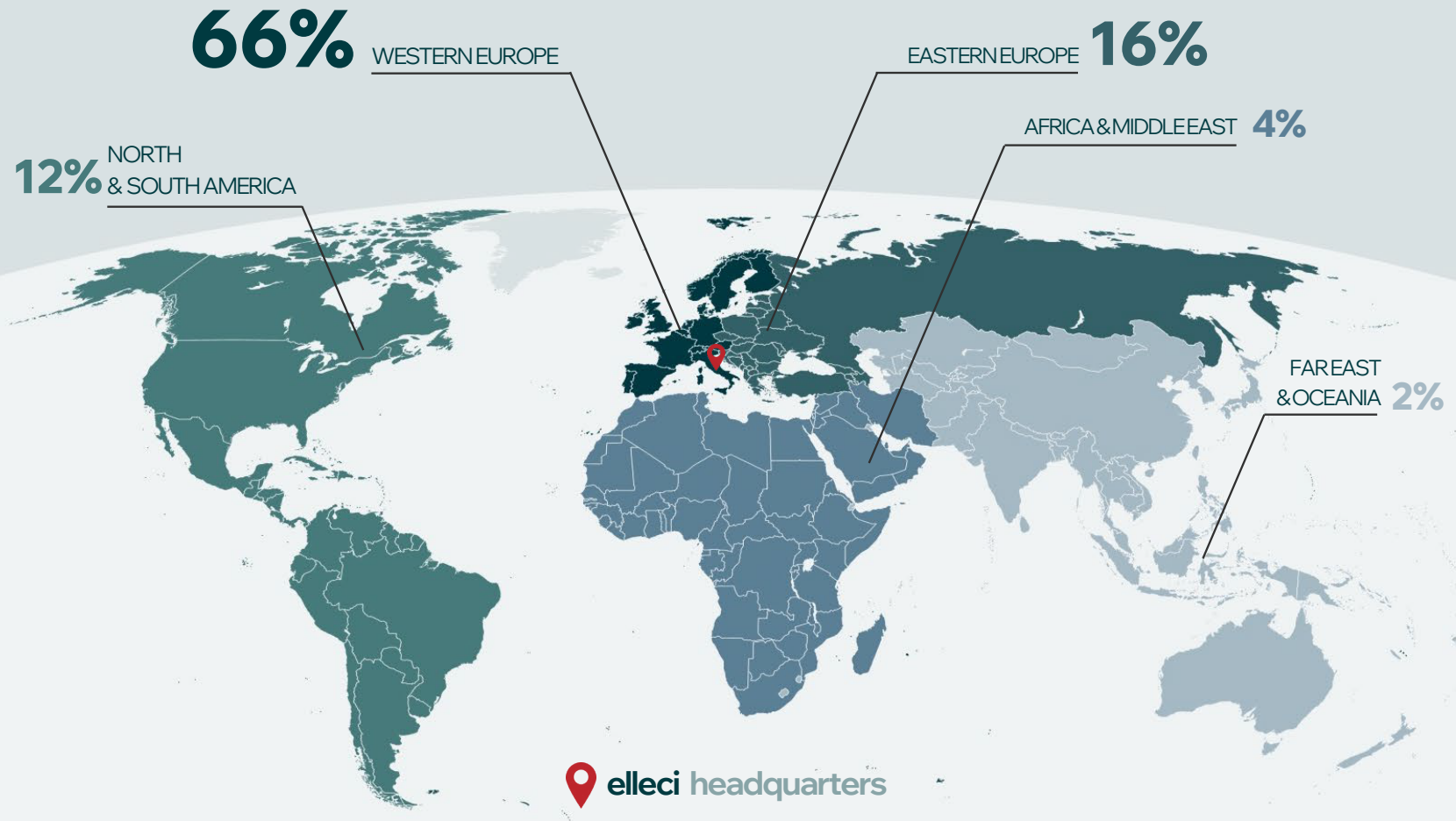
Worldwide distribution of turnover

Europe



WESTERNEUROPE EASTERNEUROPE

66% 16%





03

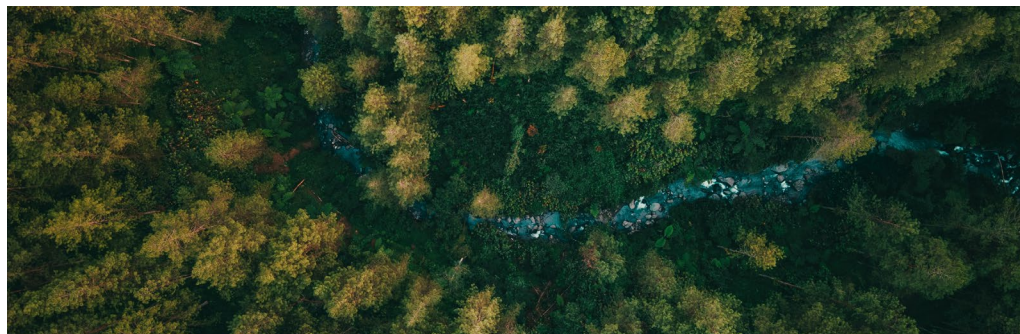
Environmental

Environmental

We promote sustainable progress

The creation of a sustainable production environment is an organisational and operational approach that our organisation has been pursuing for a long time. This can be seen in the company's continuous evolution, which has always been aimed at achieving a balance between internal production needs and its environmental and social impact. Elleci's goal is to operate profitably and sustainably in the long term, without compromising the health of the planet or the well-being of communities. To this end, Elleci has analysed its current ecological footprint by measuring its use of natural resources, greenhouse gas emissions and other environmental impacts. This analysis provides a basis for identifying areas where sustainability can be improved. The adoption of sustainable materials is an important step towards reducing the overall environmental impact of industrial operations. However, it is important to note that sustainability is not only

about the materials themselves, but also about responsible management of production processes, emission control and compliance with environmental regulations. The analysis of our company's ecological footprint has allowed us to measure our environmental impact. Furthermore, it allows our stakeholders to know the type of natural resources that are used and how much and what types of waste are generated over the course of the company's production activities. In essence, it provides a measure of the pressure our production activities exert on planet Earth.



Environmental

Goals

The analysis of the key aspects of the sustainability model has led to the goals of our 2030 roadmap.



50%

of the matrix, full green and traditional mix, made with **renewable, recycled and reused raw materials**



50%

of energy produced from **renewable sources**



50%

reduction in **water use** for manufacturing



50%

reduction in **CO₂eq** emissions



50%

reduction in **waste** generated by the production cycle

ROAD
MAP
2030

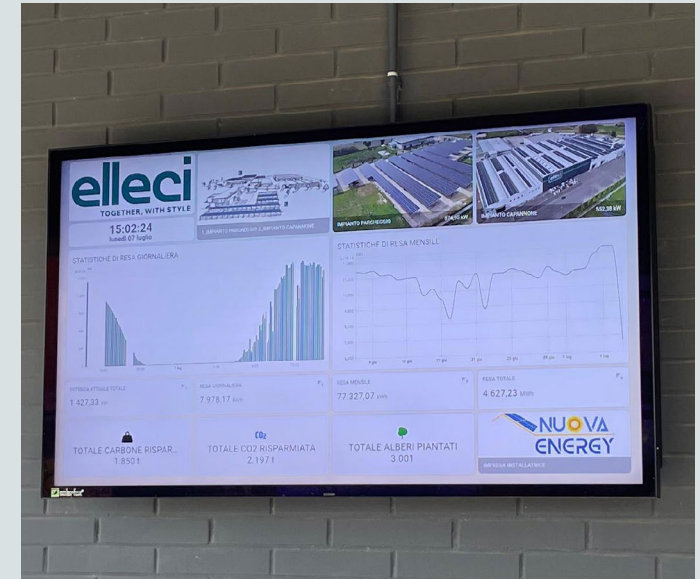
Environmental



Climate change Energy

Energy is a strategic asset for Elleci, essential for supporting production in all its phases. Energy efficiency and reduced consumption are priority goals, pursued through the adoption of efficient technologies, continuous monitoring and optimisation of processes, as well as the adoption of renewable energy production systems.

The 2023–2025 three-year period shows several significant trends, including a slight increase in the company's electricity consumption, due to the new plant becoming fully operational; however, this increase went hand in hand with an increase in photovoltaic production, thanks to the second photovoltaic system becoming fully operational.

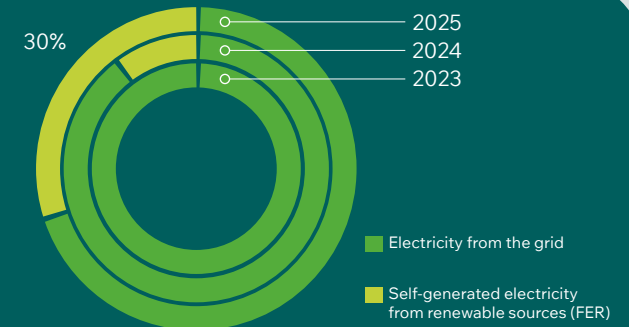


With the start-up of the second production plant, the increased energy needs was in line with our growth in production.

Nevertheless, our commitment to sustainability remained central: **in 2025 we reached the target of 30% of electricity generated from renewable energy sources (RES).**

The real challenge is to make this expansion increasingly efficient; for this reason, Elleci is investing on two fronts:

- **Green self-production:** steady increase in the share of renewable energy in self-consumption.
- **Process optimisation:** exploiting economies of scale to improve specific consumption on larger production volumes.



Environmental



Climate change Energy

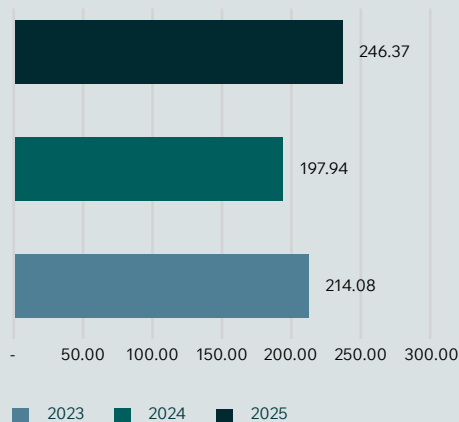
Elleci's energy mix reflects its current phase of industrial expansion. In 2025, energy consumption was as follows:

- Total electricity (purchased + self-generated): consumption increased from 4,287,587 kWh in 2023 to 6,228,327 kWh in 2025 (+45.3%).
- Natural gas: consumption reached 552,682 Sm³ in 2025, recording a 23.1% increase compared to 2024 (507,355 Sm³).

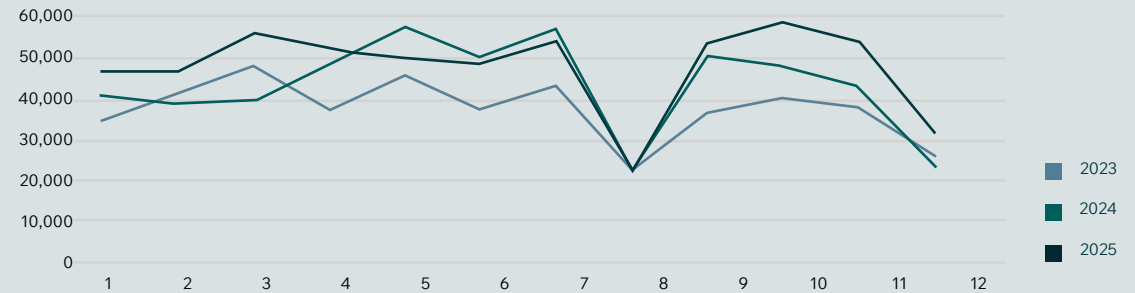
The increase in consumption in absolute terms is closely linked to the new plant reaching full operational capacity; this start-up phase also resulted in a change in energy intensity (MWh/€M). Nevertheless, the growth in production capacity was accompanied by a parallel and significant increase in the share of energy generated from renewable sources (RES). This virtuous balance confirms that the energy transition is a pillar of our industrial strategy; indeed, we are expanding production volumes while ensuring

greater self-sufficiency in clean energy - a necessary step toward aligning the company's environmental impact with the long-term goals of the Road to 2030.

Energy Intensity [MWh/€M]



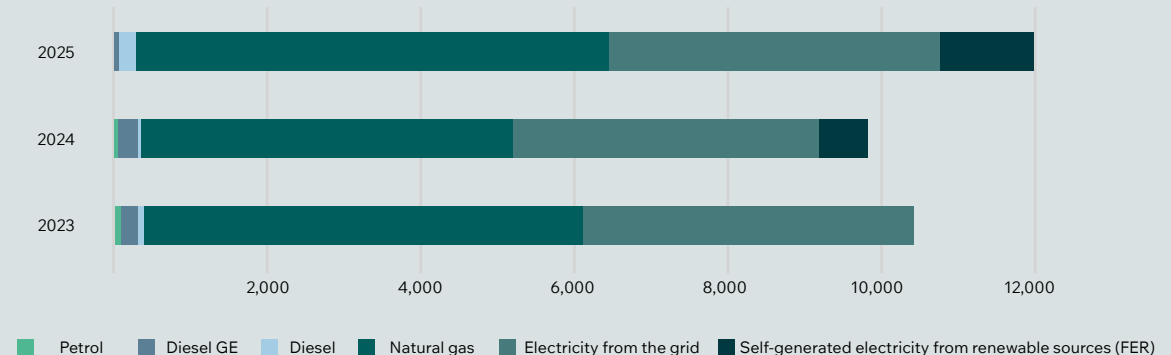
Natural gas consumption [Sm³]



Consumption of electricity purchased from the national power grid [kWh]



Consumption from different energy sources [MWh]



Environmental



Climate change Energy

In 2025, Elleci consolidated its second production plant, continuing an evolutionary process in the company's operational capacity. The ramp-up phase continued to have a significant impact on overall energy consumption, linked to the first full operation of the systems and the stabilisation of the production process.

Although this growth phase led to a natural increase in consumption, Elleci is fully aware of the temporary nature of this trend. Over the next five years, the company plans to gradually offset the impact on energy intensity per unit produced, thanks to volume growth and the continuous optimisation of operational efficiency. At the same time, the company has strengthened the commitment to energy transition, focusing on renewable sources and self-production to offset the initial energy expenditure.

This approach makes it possible to combine industrial expansion with long-term environmental goals, reducing the overall carbon footprint in line with the principles of environmental responsibility and the guidelines of the "Road to 2030" strategic plan.



Environmental

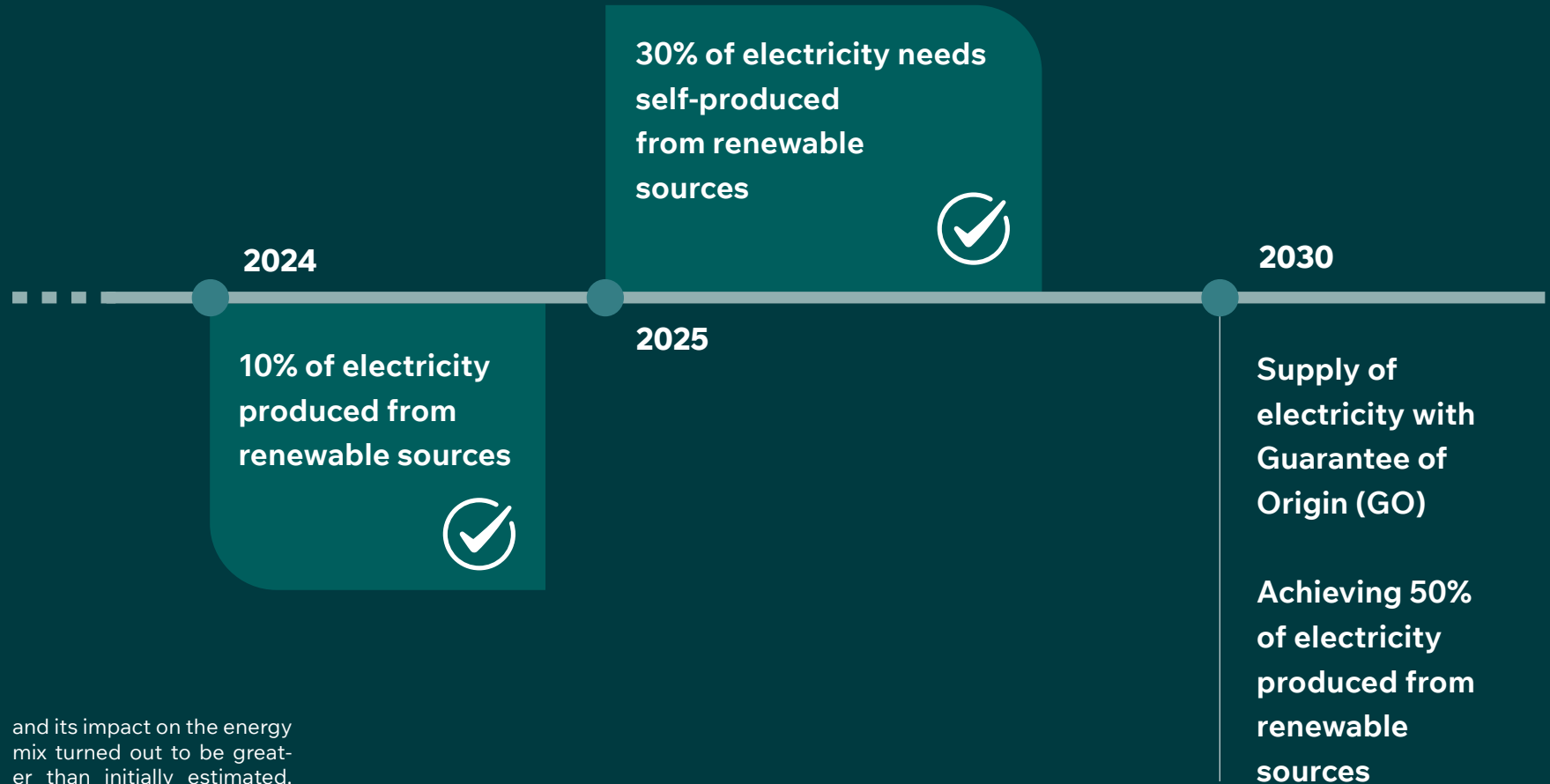


Climate change

Energy - Road to 2030

Our Organisation has always been highly committed to reducing energy consumption through the adoption of more efficient technologies and optimised process management, as well as to increasing the consumption of self-produced energy through the use of renewable sources. Through the analysis of the goals already achieved and the forward-looking vision for the next milestones, the strategic goals to be achieved in the near future have been set. This will not only reduce operating costs but also the environmental impact associated with energy use. With regard to the targets set in the previous financial year, the share of electricity generated from renewable sources in 2025 reached 30% of total demand. Compared to the original target of 40%, the result achieved shows a deviation attributable to the increase in total energy demand. This increase resulted from the new production site becoming fully operational,

and its impact on the energy mix turned out to be greater than initially estimated. The company confirms the validity of its energy strategy, having already planned the necessary measures to increase its self-production capacity and align future performance with the goals set out in the Road to 2030.



Environmental

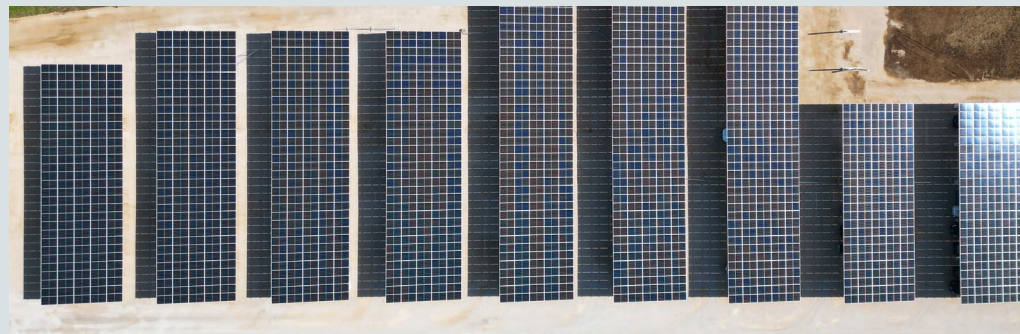


Climate change Energy - Road to 2030

Coverage of 50% of electricity produced from renewable sources

The project in the field of self-production of electricity has the ambitious goal of achieving 50% of electricity needs through the use of renewable sources, mainly through photovoltaic systems, by 2030. This is achievable as we are committed to the progressive expansion of our photovoltaic systems. The project in the field of self-production of electricity has the goal of achieving 50% of needs through the use of renewable sources by 2030. In 2025, progress on the installation projects made it possible to self-consume 1,867,419 kWh, helping to reduce the amount of energy taken from the grid.

The targets set out in the timetable are achievable thanks to the gradual introduction of technological solutions aimed at using renewable energy sources.



Environmental



Climate change

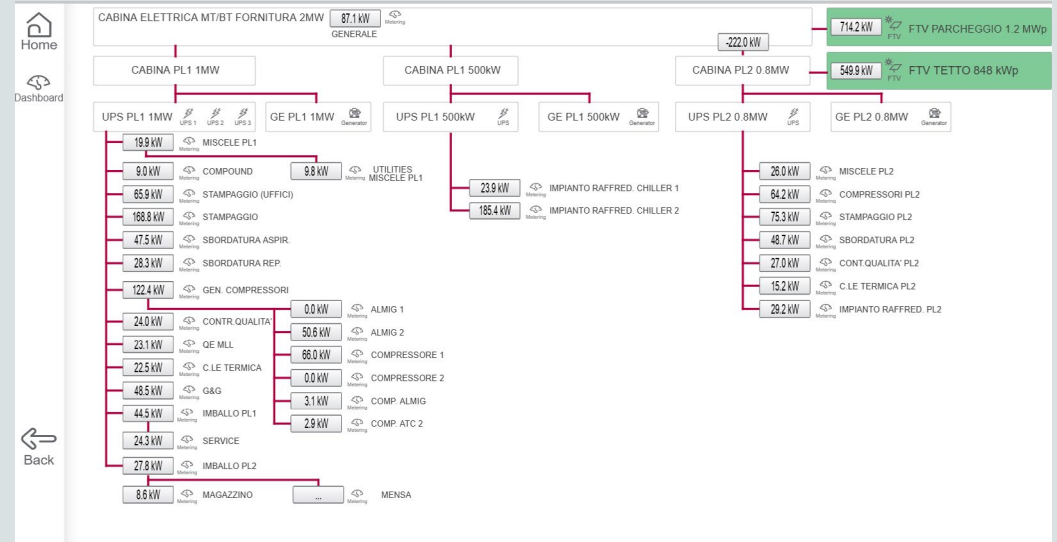
Energy - Technological focus

Target efficiency of photovoltaic systems

During 2025, energy efficiency initiatives were expanded, in line with the investment plan in the **Transition 5.0** area. The main actions concerned:

- The implementation of a new energy monitoring system (hardware and software) integrated into the **Schneider Electric EcoStruxure** ecosystem, which enables real-time analysis of energy consumption by energy-intensive utilities and technological systems, thereby facilitating smart energy management.
- The adoption of the new **GPS 4.0 XL** Moulding Station, which features high operational performance and advanced digital architecture. This investment made it possible to enhance the production process, ensuring precise control of process parameters and greater efficiency in the moulding cycle.

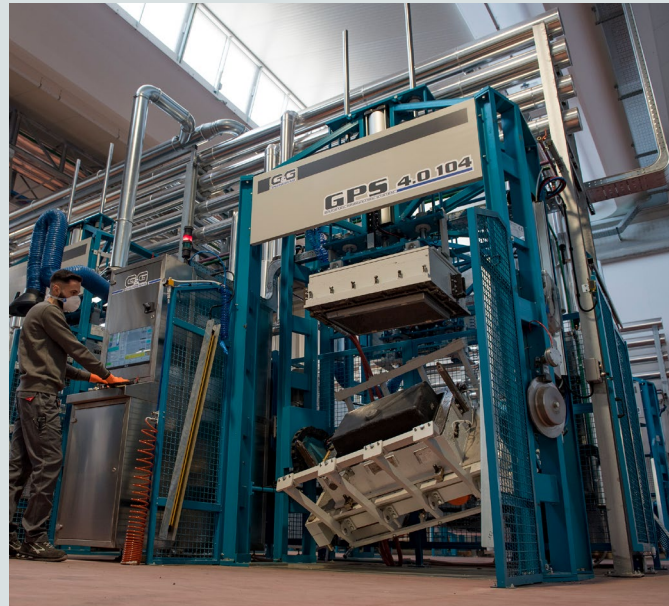
These measures, aimed at optimising Plant 2 and consolidating the production process, lay the foundations for a structural improvement in the company's energy performance over the medium to long term.



Environmental



We are improving
the efficiency of
our production processes



Environmental



Climate change Emissions

In 2025, Elleci consolidated its decarbonisation efforts in line with its climate neutrality goals for 2030 and 2050, achieving key milestones in energy efficiency and self-production. With the second photovoltaic system now fully operational, the company significantly increased its energy self-sufficiency, reaching a level in 2025 in which 30% of its total electricity needs are covered by self-produced renewable energy (equivalent to 1,867,419 kWh of self-consumption).

This result was achieved during a year of significant industrial expansion, marked by the consolidation of operations at the new production plant. Despite the natural increase in energy consumption associated with the production ramp-up phase, the integration of advanced technologies made it possible to optimise operational performance.

The strategy continues with the goal of further expanding

self-production capacity, confirming the full validity of the Road to 2030 plan. The company also continues to strengthen its monitoring of Scope 1, 2, and 3 emissions, ensuring that its environmental reporting is increasingly accurate and aligned with international standards.



Environmental



Climate change Emissions

For Elleci, adopting photovoltaics is not just a current energy solution, but reflects a broader vision of sustainable innovation and energy transition. The investment in advanced technologies and practices has enabled the company to maximise the effectiveness of its environmental initiatives and contribute to the development of a low-carbon industrial system.

In 2025, emissions reporting focused mainly on Scope 1 and Scope 2, for which comprehensive and accurate monitoring was possible. In particular:

- **Scope 1:** includes direct emissions from the combustion of natural gas in thermal power plants for heat production, from the use of the generator set and from fossil fuels for the company's fleet.

--**Scope 2:** concerns indirect emissions associated with the use of electricity from the national grid, partially offset, as already highlighted,

by self-production from photovoltaic systems.

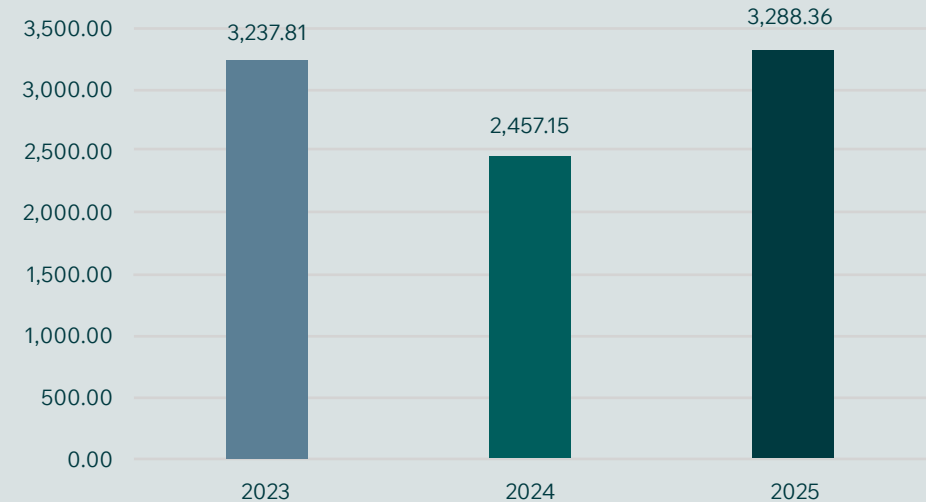
For 2025, Elleci continued the process of mapping Scope 3 emissions, with the goal of expanding the of reporting perimeter in line with international standards (GHG Protocol and ESRS). Despite the considerable effort devoted to reporting activities, the information currently available has not been sufficiently complete or verifiable to allow for a formal and reliable quantification in this report. In line with the principles of accuracy and transparency, Elleci decided not to include an estimate of Scope 3 emissions for 2025, reaffirming its commitment to refining its reporting methodology for future years.

To bridge this gap, Elleci is fully committed to implementing an operational roadmap, promoting the gradual involvement of the supply chain in data collection and sharing. Nevertheless, implementing this

approach requires active collaboration from suppliers and an adequate level of maturity in reporting systems throughout the value chain. For this reason, the timing of data collection could also depend on external factors, despite Elleci's ongoing commitment to this effort: **-Focus on Hotspots:** We will prioritise calculating emissions associated with the raw materials that have the greatest impact (quartz, resins, PMMA).

-Supply chain collaboration: We will extend the primary data collection approach - which has already been successfully tested for product certifications - to strategic suppliers, ensuring modular and verifiable integration in the coming years.

Total greenhouse gas emissions GHG [tCO₂eq]



	2023	2024	2025
	tCO ₂ eq	tCO ₂ eq	tCO ₂ eq
Scope 1 GHG emissions	990.29	1,108.36	1,183.74
Scope 2 GHG emissions	2,247.51	1,348.79	2,104.62
Total GHG emissions	3,237.81	2,457.15	3,288.36

¹ In the representation of Scope 2 gross GHG (Greenhouse Gas) emissions, in accordance with the provisions of RA45 – ESRS E1 Reg. EU 2772, carbon credits purchased from third parties (GO) were excluded from the calculation.



Climate change

Emissions

Scope 1

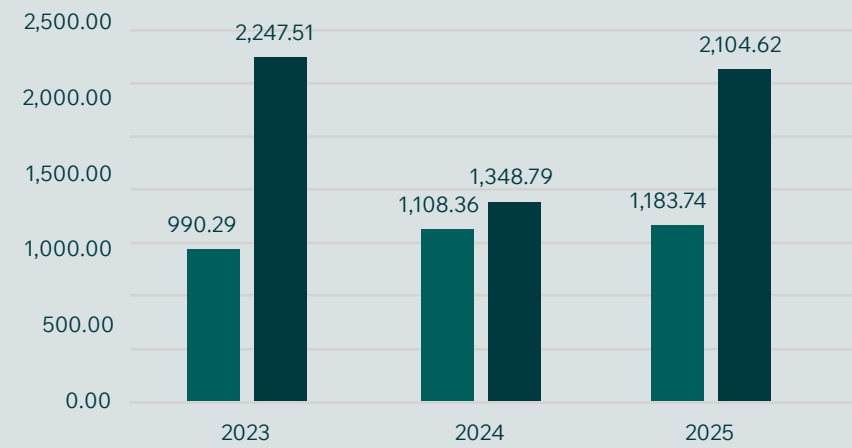
Within the area of SCOPE 1 emissions, the combustion of methane gas in the thermal power plant remains the largest item. In 2025, direct emissions reached 1,183.74 tCO₂eq (compared with 1,108.36 tCO₂eq in 2024). The increase is attributable to the new production plant becoming fully operational. This growth trend was limited thanks to the significant technological development of the moulding machines and, in particular, the advanced mould temperature control systems. The synergy between technological improvements and the improved efficiency of the new facility enabled Elleci to maintain excellent performance in Scope 1, while continuing its research efforts aimed at progressive decarbonisation and elimination of fossil fuel use, in line with the Road to 2030 strategy.

Scope 2

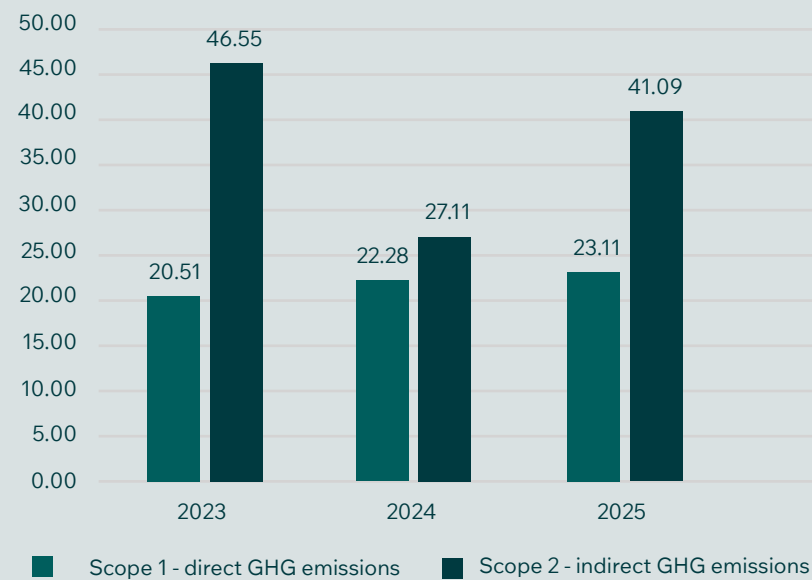
In 2025, Scope 2 greenhouse gas emissions totalled 2,104.62 tCO₂eq. This figure reflects the fact that the new plant is now fully operational, which led to a natural increase in total electricity consumption. It is important to underline that the change from the previous year is also linked to a specific strategic decision regarding the supply mix: unlike in 2024, in 2025 we decided not to purchase Guarantees of Origin (GO). This decision is a direct result of the success of our investment plan: having independently reached the 30% threshold for energy from renewable sources (a strategic goal and key regulatory requirement for energy-intensive companies), Elleci decided to focus its resources on increasing its self-production capacity. The commissioning of the second photovoltaic system confirms the validity of this approach, which prioritises

investment in owned assets and energy independence over reliance on external market instruments. The consolidation of this strategy - a cornerstone of the Road to 2030 plan - now enables us to meet 30% of our total electricity needs with self-produced energy (equivalent to 1,867,419 kWh), confirming our commitment to an industrial model that combines production expansion with the ecological transition.

Greenhouse gas emissions GHG - tCO₂eq



Normalised GHG emissions broken down by scope - tCO₂eq/M€





Climate change

Emissions - Road to 2030 – 2050

Our company has adopted a gradual and sustainable approach to decarbonisation. The use of photovoltaics not only reduces our carbon footprint, but marks the first of many steps that bring us closer to the EU's goals for greater sustainability by 2030 and complete decarbonisation by 2050.

SBT – Science-Based Targets

Our decarbonisation journey will be submitted for recognition under the SBTI (Science-Based Target Initiative) scheme. This confirms our commitment to significantly reduce greenhouse gas emissions in accordance with scientifically accepted standards. This path reflects our determination to contribute significantly to the fight against climate change and to meet global commitments to keep global warming within acceptable limits.

SBT – Science-Based Targets			
Ambitious goals We have set ambitious emission reduction targets based on scientific approaches that take into account global needs to limit climate warming.	Verifiability and transparency Our efficiency improvement programme is structured to ensure the verifiability and transparency of our actions, complying with the rigorous SBT methodologies for reporting and measuring emissions reductions.	Involvement of business functions We involve all business functions to ensure an integrated approach to achieving efficiency goals. Cooperation between departments is essential to maximise the impact of our initiatives.	Innovation and adoption of clean technologies We invest in innovation and adopt clean technologies to improve the efficiency of our processes. This not only reduces emissions, but also strategically positions us to embrace a resilient and sustainable business model.

Adherence to the Science-Based Targets principles underscores our commitment to being an active part of the solution to global climate challenges. The efficiency improvement programme we have undertaken is a concrete demonstration of our commitment to sustainable and environmentally friendly business growth.

Environmental



Climate change

Emissions - Focus on green areas

Every tree and every plant we grow is part of our commitment to preserving and improving the environment. For this reason, we intend to strengthen our commitment to mitigating our environmental impact by undertaking new planting projects aimed at offsetting emissions.

In particular, we have set ourselves two main goals that we intend to pursue in the short term:

- Request authorisation from local authorities to manage a green island near the production area, where we will plant giant bamboo.
- Double the green areas we manage. This is the ultimate goal we hope to achieve by 2030.

Elleci has always invested in the care of green areas both within the production site and in the surrounding area. We believe that they are not only important for aesthetic reasons, but also represent our tangible commitment to environmental sustainability.



Environmental



Climate change

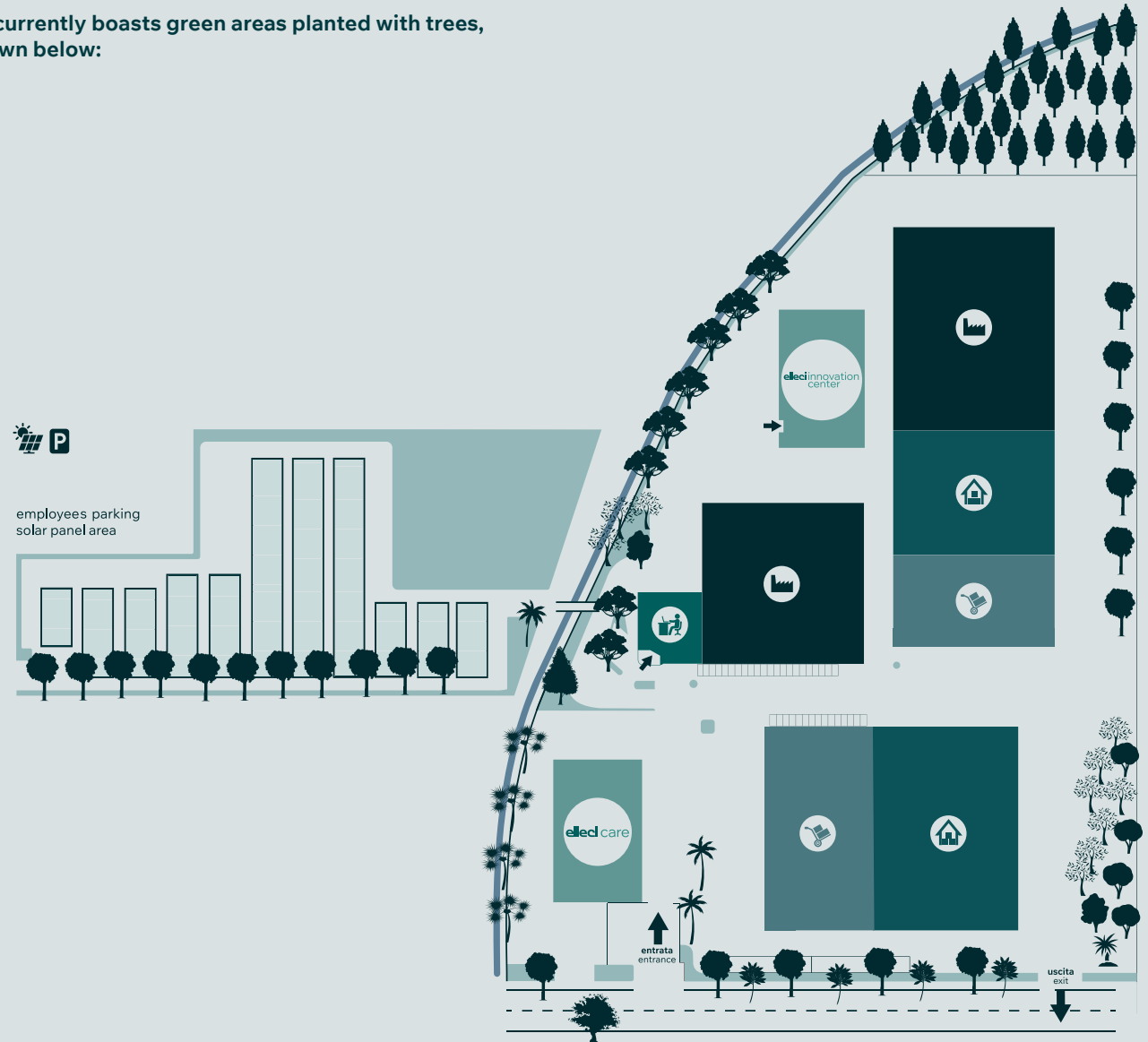
Emissions - Focus on green areas

Total CO₂ absorbed: 20,659 kgCO₂/year

 8 HOLM OAKS	 1 COCOS PLUMOSA (Queen Palm)
 17 OLIVE TREES	 10 CHAMAEROPS PALMS (European Fan Palm)
 2 CUNONIA CAPENSIS (Red Alder)	 2 COCOS NUCIFERA PALMS (Coconut Palm)
 6 FICUS AUSTRALIS (Australian Fig)	 1 MAPLE
 1 YUCCA	 6 BAY TREES
 1 EVERGREEN MAGNOLIA	 1 DRACAENA
 76 CAMPHOR TREES	 270 BLACK POPLARS

Total number of tall trees: 402

Elleci currently boasts green areas planted with trees, as shown below:



Environmental



Climate change

Emissions - Product Certifications

In 2024, Elleci took an important step forward in its commitment to environmental transparency by publishing its first Environmental Product Declarations (EPD), in accordance with ISO 14025:2006 and EN 15804:2012+A2:2019/AC:2021, for three product lines: Duratek washbasins, Granitek sinks and Keratek sinks.

This commitment was reaffirmed and renewed in 2025, demonstrating the company's commitment to maintaining transparent and up-to-date communication regarding the environmental impacts of its products. The EPDs have been registered with the international Environdec programme (International EPD® System) and represent a certified and verified third-party tool for communicating the environmental impacts associated

with the entire product life cycle in an objective, comparable and transparent manner, according to the Life Cycle Assessment (LCA).



KERATEK



Info and documents on the official EPD website

[Keratek](#)

GRANITEK



Info and documents on the official EPD website

[Granitek](#)

DURATEK



Info and documents on the official EPD website

[Duratek](#)

Environmental

Materials

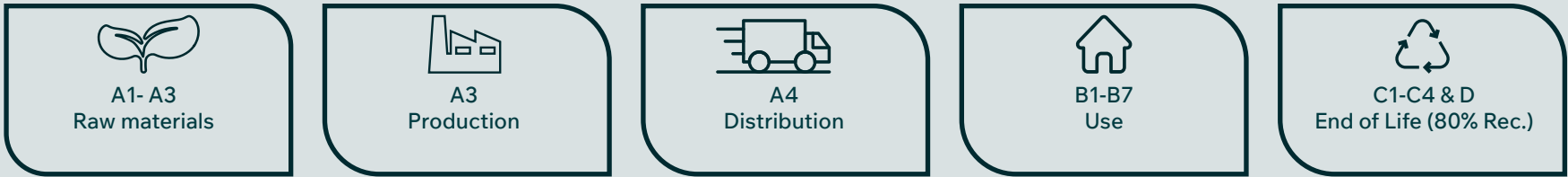
Environmental Product Declarations (EPD)

Innovation

During 2025, Elleci consolidated the development of Environmental Product Declarations (EPDs) for the Keratek®, Granitek®, and Duratek® product lines. The certification process initiated continued in 2025. A scientific approach based on the Life Cycle Assessment (LCA) methodology was adopted to accurately measure environmental impacts throughout the product’s entire Life Cycle, ensuring standardised data per functional unit of 1 kg.

LCA: Cradle to Grave

The method adopted: Life Cycle Assessment (LCA)



The results: official EPD certificates (functional unit: 1 kg)

KERATEK 5.65 kg CO₂ eq Carbon Footprint (Phases A1-A3)	GRANITEK 4.82 kg CO₂ eq Carbon Footprint (Phases A1-A3)	DURATEK 5.48 kg CO₂ eq Carbon Footprint (Phases A1-A3)
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For Elleci, obtaining EPDs is a key strategic lever for creating shared value. By providing objective, verifiable, and internationally comparable environmental data, the company ensures maximum transparency toward the market. This information clarity actively supports customers in their eco-design choices and sustainable purchasing decisions, responding promptly to the growing demands imposed by ESG protocols and responsible finance. At the same time, the findings from these analyses guide investments in research and development, providing a solid information base for identifying new opportunities to reduce environmental impacts and for implementing increasingly circular procurement strategies.

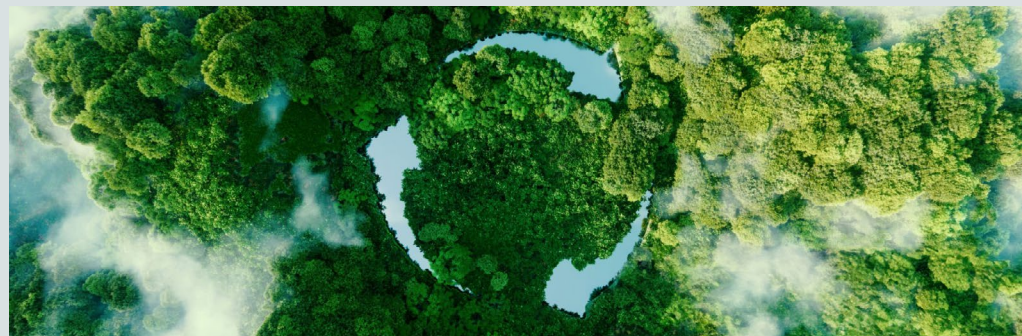
Environmental



Water

Responsible water management is a fundamental part of Elleci's sustainability strategy. Our production facilities adopt solutions aimed at water circularity and waste reduction, with the aim of minimising the environmental impact associated with industrial processes.

The responsible use of this precious resource is even more important in the current context, marked by the start-up of the second production plant. The consolidated data for 2025 confirm the effectiveness of the company's strategic approach: despite full industrial operations, there was a first significant reduction in water consumption compared to the peak in 2024, validating the success of the circularity and reuse projects undertaken. The following section analyses the trend of the main indicators recorded in the three-year period 2023–2025.





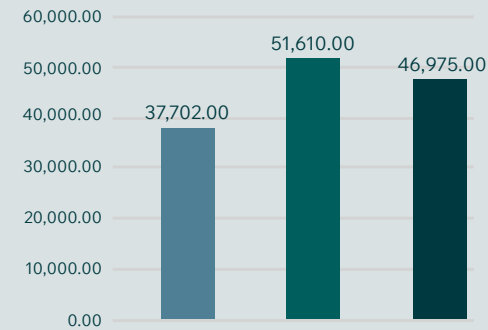
Water

Current analysis

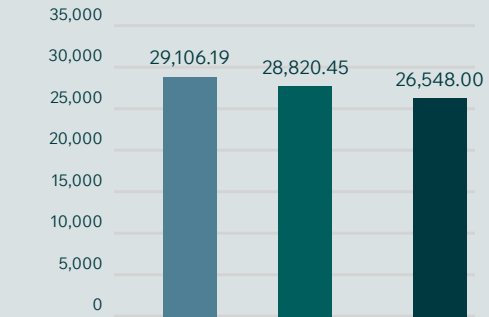
An analysis of the data for the 2023–2025 three-year period shows that, following the peak recorded in 2024 coinciding with the start-up of the second production plant, a trend of improvement in water performance has begun. In detail, water consumption stood at 8,595.81 m³ in 2023 and 22,789.55 m³ in 2024, before falling to 20,427.00 m³ in 2025. At the same time, water discharge followed a similar trend, falling from 29,106.19 m³ in 2023 and 28,820.45 m³ in 2024 to 26,548.00 m³ in 2025.

The decline in volumes recorded in 2025, despite full industrial operations, is a tangible sign of the effectiveness of the efficiency improvement and water recovery projects launched, validating the company's commitment to an increasingly responsible use of this resource.

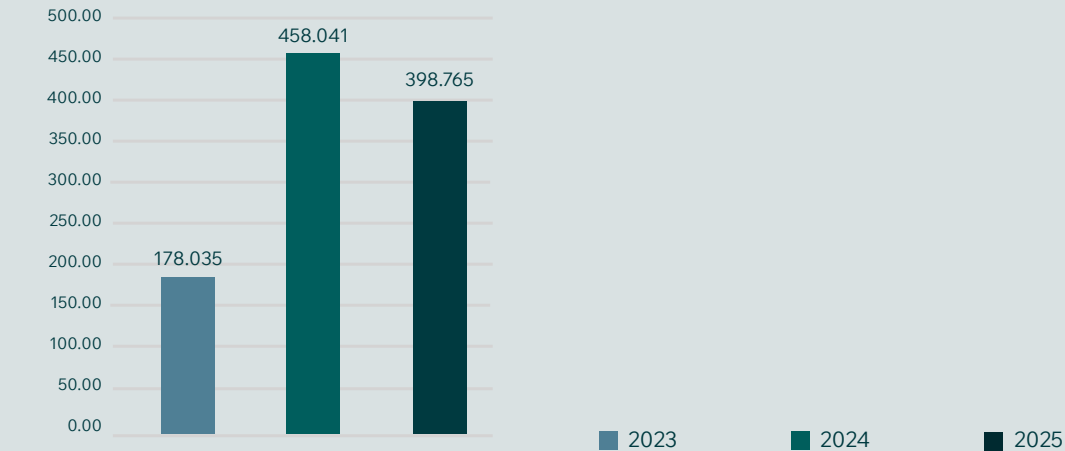
Use [m³]



Water discharge [m³]



Water intensity [m³]

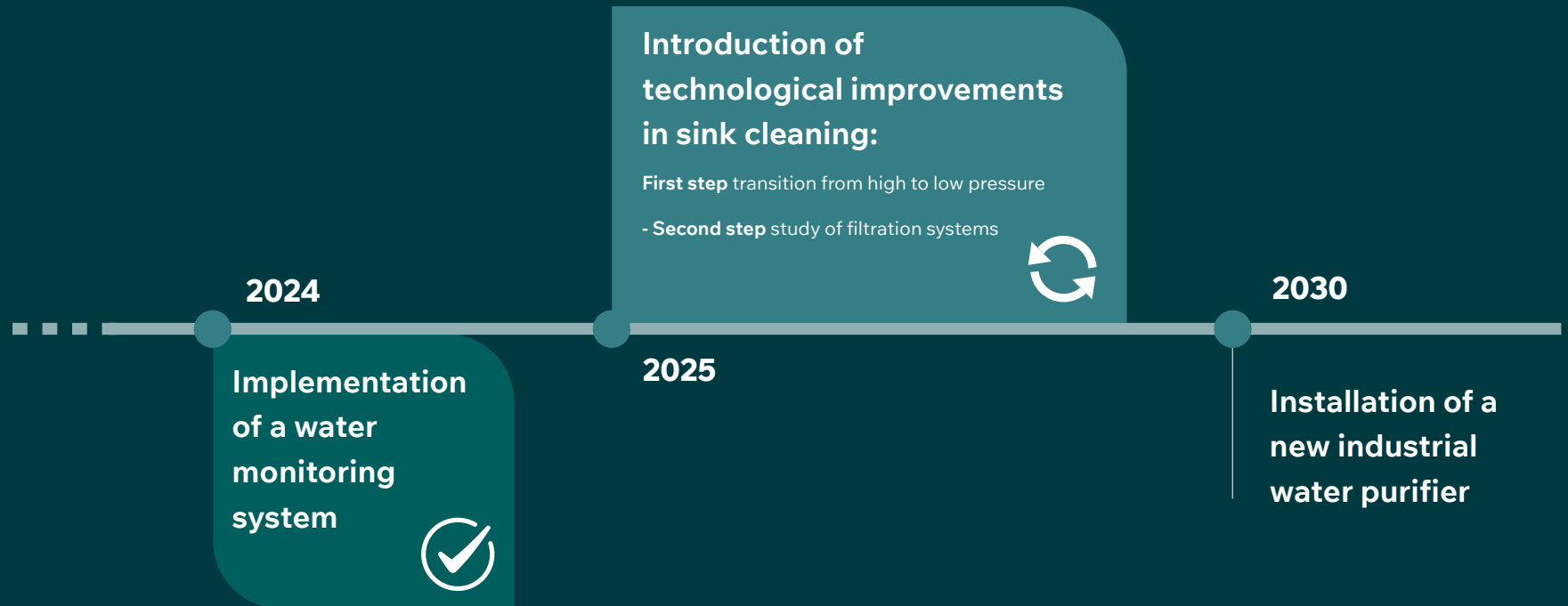


Environmental



Water Road to 2030

In response to the need to reduce water consumption and promote sustainable water resource management, we are developing the implementation of measures aimed at monitoring consumption and technological solutions that enable a reduction in water use and the reuse of water drawn.



Environmental



Water Road to 2030

In order to achieve the goals set out above, the measures we have implemented during 2024 and intend to implement in the near future consist of the following:

Project 1

Installation of flow meters



To fully understand water consumption by user, flow meters have been installed at strategic points in the company's water network. This has provided accurate data on actual water consumption and identified any inefficiencies so that targeted corrective measures can be taken.

Project 2

Introduction of technological improvements in sink cleaning:



In order to maximise internal water reuse in sink washing operations, specific technological improvements will be implemented. This commitment is aimed at achieving full recovery of the resource through the implementation of closed-loop systems and state-of-the-art filtration solutions, ensuring its sustainable and responsible use.

In particular, in 2024, two new sink washing systems were installed, designed from the engineering stage to be ready for the implementation of a closed-loop water recovery system. This system, which continued to undergo testing during 2025, is designed to maximise the internal reuse of water in production cycles, with plans to gradually

expand its use to the entire machinery installed base. An initial positive result of this approach is already evident in the sink washing department, where water consumption fell from 19,210 m³ in 2024 to 15,590 m³ in 2025. In addition to this operation, an experimental project has also been launched to modify high-pressure motors with low-pressure solutions and introduce a filtering system to optimise the quality of process water. The goal is to verify the possibility of reducing water consumption while maintaining the quality standards of the production cycles.

Project 3

Installation of a wastewater treatment system

A treatment system dedicated to the treatment of wastewater from users will be installed. This treatment system will be able to completely purify the water, making it suitable for irrigation. The treated water will then be used entirely for irrigation, reducing the need for fresh water use and promoting sustainable water resource management.

The implementation of this plan will enable us to significantly reduce water use while promoting more efficient and sustainable water management. Specifically, we hope to achieve a 50% reduction in water use for production by 2030.



Environmental

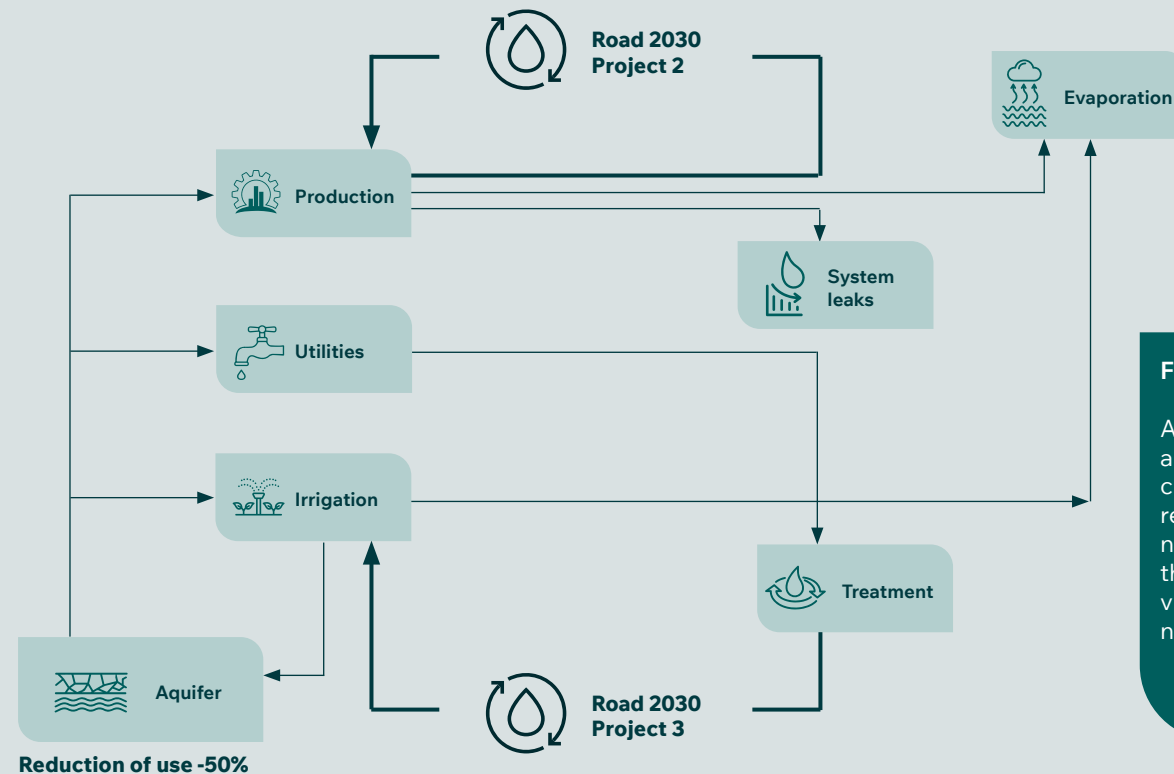


Water

Water cycle

We are focusing our efforts on optimising the water cycle with the aim of reducing total water consumption and minimising groundwater extraction. Our investments in this area are focused on studying technologies that can be implemented in our production system, enabling water treatment and reuse in production processes.

By reducing water waste and maximising its reuse, we not only improve the environmental sustainability of our operations, but also reduce costs and contribute to the conservation of water resources. The current and prospective water cycle is shown below. We hope to achieve full implementation of the prospective water cycle in 2030, the year in which we have set ourselves the target of a 50% reduction in consumption.



Focus on Pollutants

All our water discharges are subject to rigorous checks, in line with current legislation, and do not contain pollutants that could harm the environment or local water networks.

Environmental



Use of resources and circular economy

Raw materials

The use of sustainable materials is a fundamental aspect of environmental sustainability in the industrial sector. We are investing in the integration of renewable and recyclable materials, as well as in reducing the use of natural resources. This commitment represents a key step in our mission to move towards a more sustainable business model. Our strategy aims not only to use sustainable materials, but also to reduce the overall impact of our activities on the environment, actively contributing to the creation of a more eco-sustainable and responsible production cycle.



Environmental

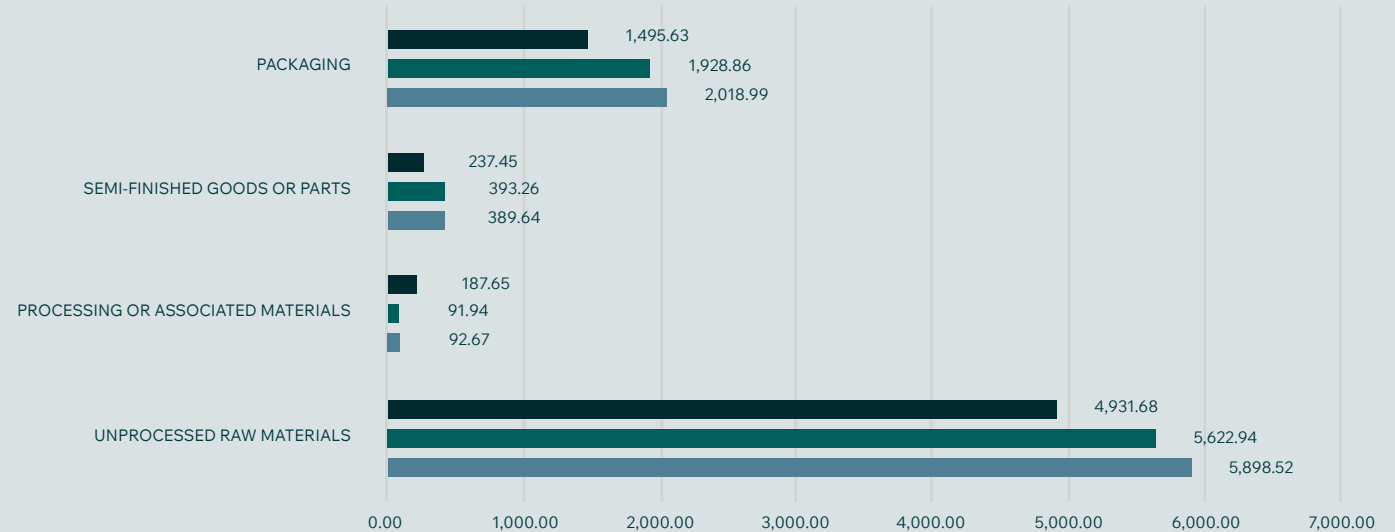


Use of resources and circular economy

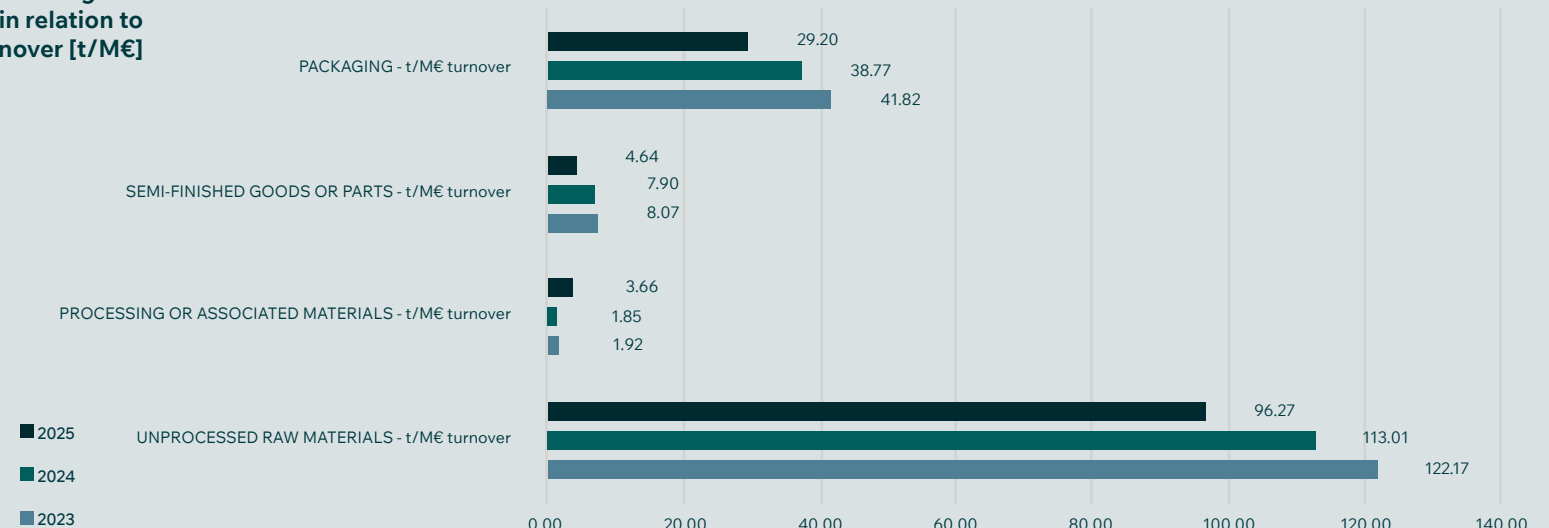
Raw materials

Over the past three years, procurement figures have shown a clear downward trend, with total procurement falling from 8,342.34 tonnes in 2023 to 6,852.41 tonnes in 2025. This decrease is attributable to the company's strategic focus on improving resource efficiency, particularly with regard to raw materials and packaging.

Incoming raw materials [t]



Indicator of incoming raw materials in relation to turnover [t/M€]



Environmental



Use of resources and circular economy

Raw materials

Reduction in packaging

The trend toward reducing packaging was consolidated during the 2023–2025 three-year period, confirming the effectiveness of the efficiency improvement strategies adopted. The environmental impact reduction - from 2,018.99 tonnes in 2023 to 1,495.63 tonnes in 2025 - is the direct result of ongoing structural and design initiatives, including:

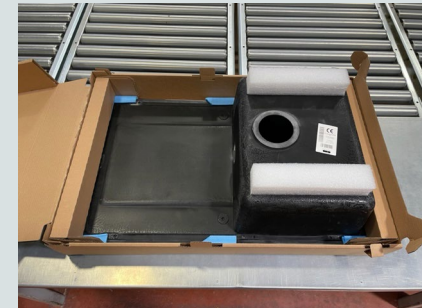
- Growing project relating to the sale of ultra-slim packaging, introduced with a commercial policy aimed at reducing packaging components in order to simplify logistics and reduce the use of materials.
- Implementation of nesting arrangements to optimise the layout of products within packaging.

- Study of the logistics flow to eliminate redundancies and improve transport efficiency.
- Adoption of a policy to optimise volumetric space, integrated into the design of new product lines: products have been redesigned with reduced height and depth, allowing packaging to be reduced by up to 13% compared to previous versions.

Other materials

- Unprocessed raw materials recorded a 16.4% decrease compared to 2023, going from 5,898.52 tonnes to 4,931.68 tonnes in 2025, consistent with a rationalisation of production processes and optimisation of the raw material mix.
- Associated processing materials increased compared to 2023, from 92.67 to 177.35 tonnes.
- Semi-finished goods showed a decrease compared to 2023, falling from 389.64 to 230.01 tonnes.

These changes reflect the current operational and managerial needs of the new plant.



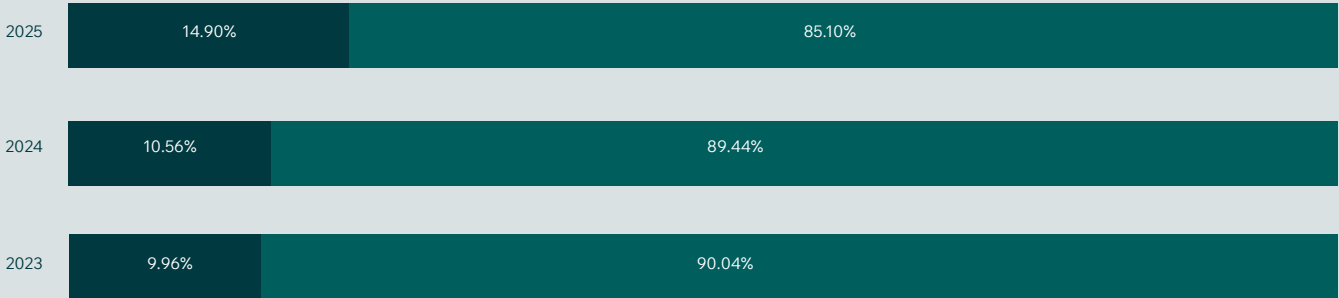
Environmental

Use of resources and circular economy

Raw materials

During the 2023–2025 three-year period, Elleci recorded a gradual and significant increase in the proportion of renewable and recycled materials incorporated into its production cycle. This increase was driven primarily by initiatives undertaken in the packaging sector, where the transition to single-material solutions made from recycled paper and the launch of virtuous reuse cycles substantially improved the overall circularity index. This ongoing and structured commitment confirms the central role of packaging as a driver for reducing environmental impact and promoting resource use efficiency, in line with the strategic sustainability goals outlined in our Road to 2030.

Percentage of incoming renewable materials



Incoming renewable materials [t renewable material/M€ turnover]



■ Renewable
■ Non-renewable

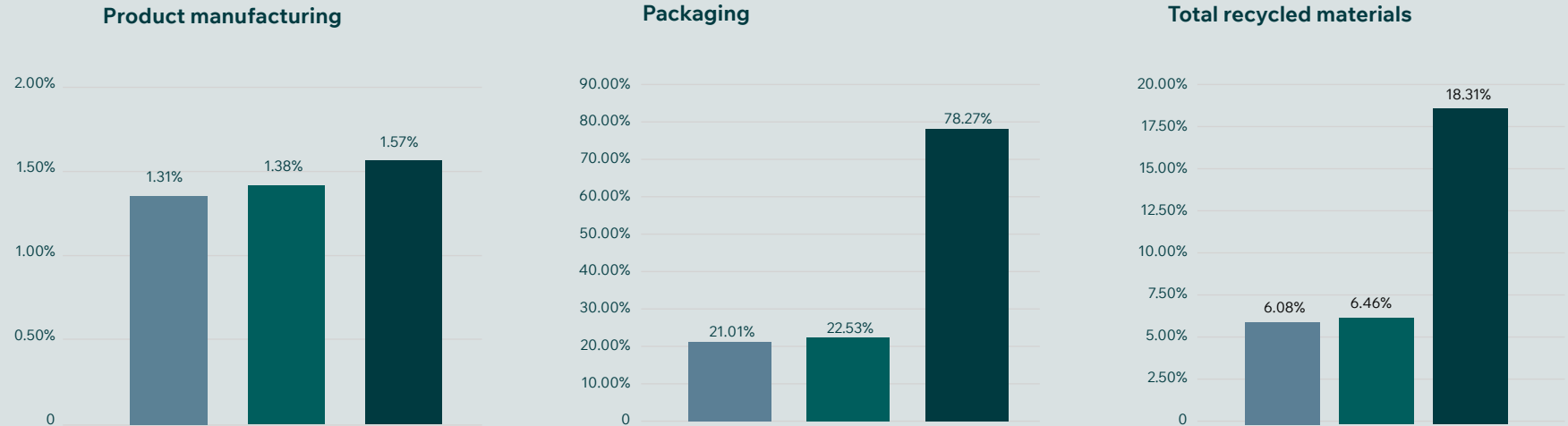
Environmental



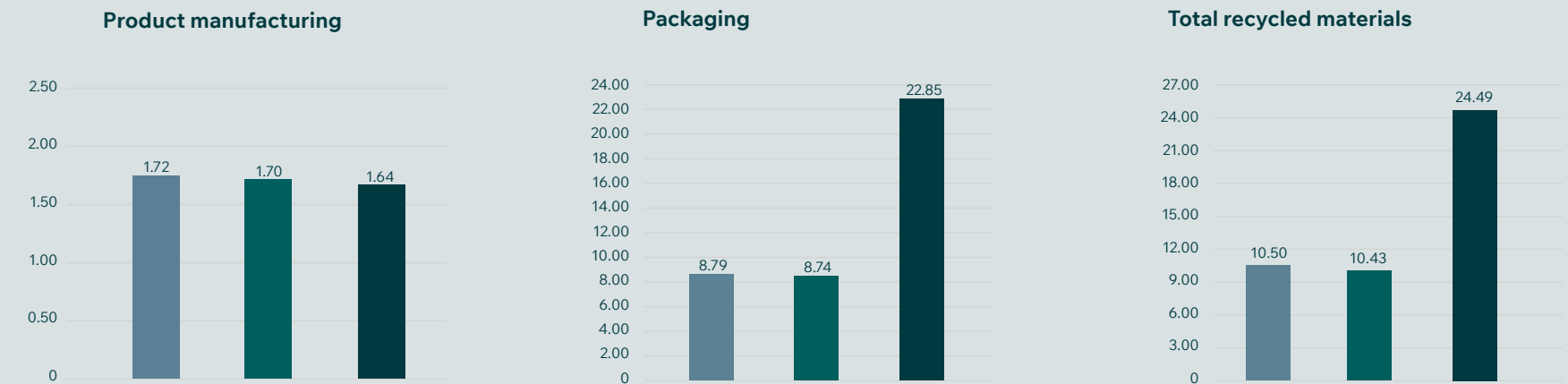
Use of resources and circular economy

Raw materials

Recycled materials
[kg recycled/
kg incoming materials]



Recycled materials
indicator compared
to turnover
[tonnes recycled/
M€ turnover]



■ 2023 ■ 2024 ■ 2025

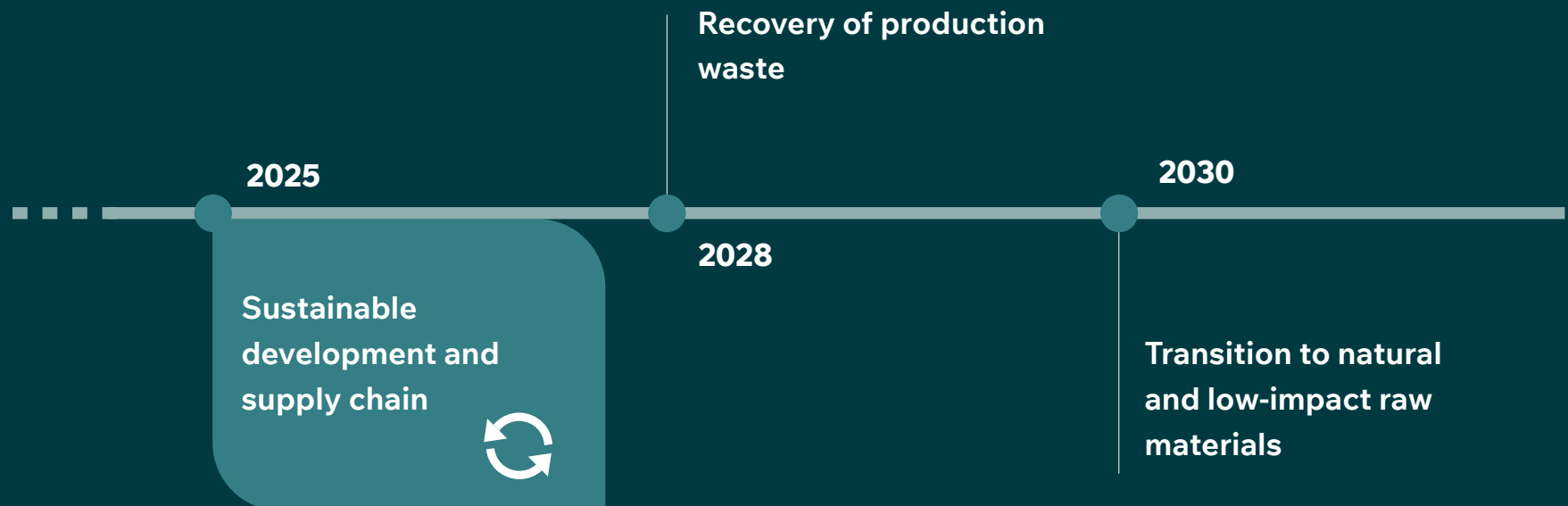
Environmental



Use of resources and circular economy

Raw materials - Road to 2030

Following this strategic approach, the Innovation Centre has embarked on **two ambitious projects** which, although pursuing different lines of research, will lead to the creation of a fully green sink in the medium term. The projects involve the introduction of **recycled raw materials** into our formulations and the gradual replacement of virgin raw materials with **raw materials of natural origin**.



Environmental



Use of resources and circular economy

Raw materials - Road to 2030

2025 Sustainable development and supply chain



Elleci continues to promote the use of **bio-based and recycled raw materials**, in line with its environmental goals. However, **there are still difficulties in finding suppliers** that can meet the company's quality and quantity standards, especially in the **ESG area**.

Current critical issues

- **Limited responsiveness from suppliers** to sustainability inputs slows down the development of new solutions with low environmental impact.
- In particular, the search for bio-based and recycled materials is still

hampered by poor alignment and low innovation in the supply chain.

Role of the supply chain

The active involvement of supply chain partners will be essential to the success of these initiatives, as they are called upon to share their vision, investments and commitment to the development of innovative and sustainable raw materials.

2028 Recovery of production waste

Over 90% of waste from the production process will be recovered and reintroduced into the process.

2030 Transition to natural and low-impact raw materials

Elleci continues its journey towards the gradual replacement of non-renewable quartz, focusing on alternative raw materials of natural origin, developed with environmental sustainability and circularity in mind. Innovative materials – Green lines

- All Green lines, developed specifically to meet environmental criteria, already achieve 100% use of low-impact materials, specially designed with bio-based, recycled or regenerated components.
- Traditional production – Progressive integration
- Elleci is gradually integrating the same sustainability principles into

its traditional production chain, with an achievable short- to medium-term goal of:

- 30% “green” content, thanks to the introduction of alternative raw materials and partnerships with innovative suppliers.

Environmental



Use of resources and circular economy

The goals represented on the timetable are achievable thanks to the gradual introduction into the production cycle of high-performance technological solutions that optimise multiple aspects mainly concerning the type of raw materials used in the formulation of materials.

Raw materials

1. Introduction into the formulation of recycled PMMA and MMA raw materials

This project focuses on the possibility of using recycled raw materials to reduce environmental impact and promote sustainability. The Elleci Innovation Centre is focusing on identifying, recovering and transforming recyclable materials into valuable resources for industrial production. Our goal is to reduce carbon emissions, conserve natural resources and promote sustainable economic development through the responsible use of recycled raw materials. Ultimately, we aim to create a lasting positive impact on the environment and society by promoting a circular economy and greater environmental awareness.

2. Reuse of production waste in the production cycle to replace virgin quartz

Our research centre is embarking on a path through which we hope to recover part of the waste material produced in the various production phases, which is currently sent to collection centres for recovery. The study is analysing the possibility of subjecting production waste to a shredding and grinding cycle in order to obtain particles that can be reused as a substitute for the virgin quartz currently used in the production cycle. There are numerous challenges to overcome in order to formulate a high-performance product made from recycled materials, and we have set ourselves the goal of achieving this by 2027.

3. Introduction to the formulation of naturally occurring quartz

In addition, we are undertaking an ambitious research project with an external Research Body aimed at analysing the possibility of replacing, at least partially, the use of quartz extracted from quarries with additional materials of natural origin that are completely renewable. The project is currently in its initial phase of analysis and selection of raw materials that can be used in the formulation process.



Environmental

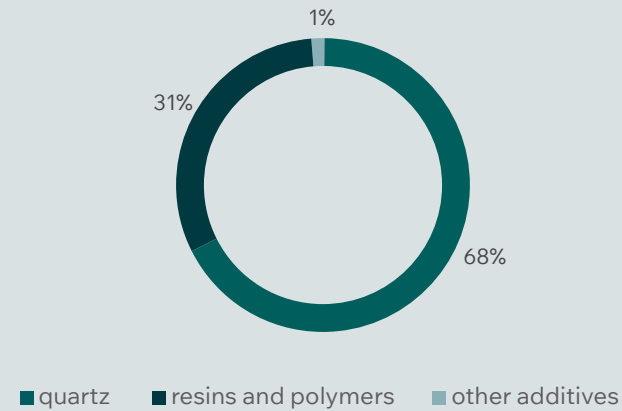


Use of resources and circular economy

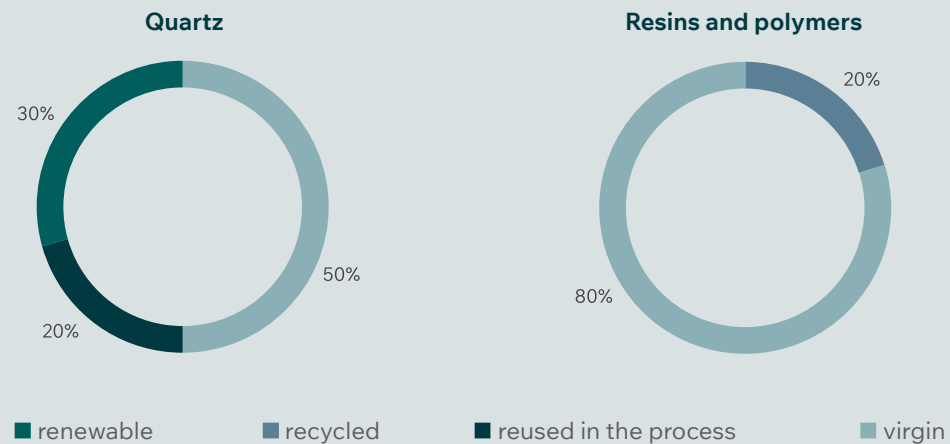
Raw materials

Achieving the goals set by the above-stated projects means completing a revolution in the formulation of materials used to manufacture sinks by 2030. The following are the goals we hope to achieve for each of the macro-components of the production recipe.

Current composition of the formula made with non-recycled, non-renewable and non-recyclable materials



2030 goals for the composition of the formula



Environmental

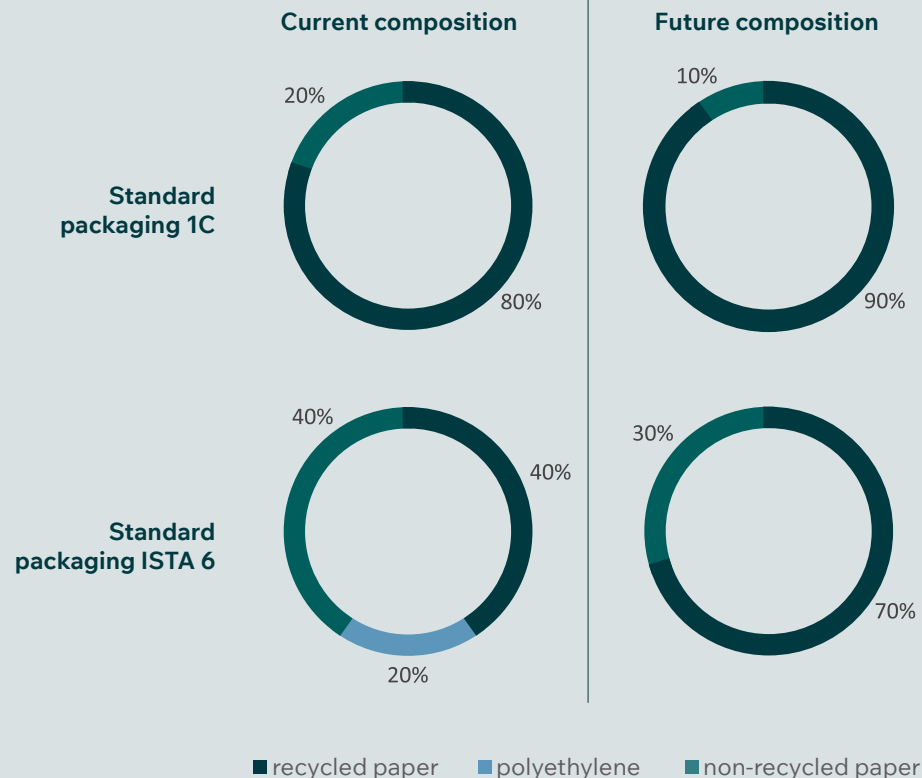


Use of resources and circular economy

Raw materials

At Elleci, we are implementing an ambitious project to make our packaging more sustainable. Since 2017, we have been a member of the ISTA (International Safe Transit Association), an

association that helps us guarantee the safety and quality of our packaging through rigorous testing. We are currently focusing on two important areas:



Transition to recycled materials for standard 1C

We are committed to converting our 1C cardboard to a fully recycled variant made exclusively from cardboard without polyethylene. Elleci is continuing an important project to optimise its 1C packaging, with the aim of reducing its environmental impact and promoting the circular economy. Plastic components are being replaced with recycled paper materials, contributing to a reduction in plastic consumption in favour of more sustainable and easily recoverable solutions. A circular economy project for paper is currently being studied, aimed at creating a virtuous cycle of cardboard recovery and reuse:

- Elleci returns used boxes to the supplier, where they

are regenerated or replaced. - In return, the company receives clean, reusable cardboard, reducing its dependence on virgin raw materials and optimising the entire logistics process.

Use of recycled cardboard for ISTA 6 standards

Our ISTA 6 packaging for drop shipping currently uses 40% recycled cardboard. Studies and tests are continuing to increase this percentage, with the aim of maximising the use of sustainable materials. Compared to other standards, such as 1C, the ISTA 6 standard is less flexible, as it imposes strict resistance and performance requirements to ensure product integrity during transport. These constraints make the

integration of recycled materials more complex, particularly due to the need to maintain a certain percentage of polyethylene in the packaging structure to ensure the required mechanical properties. Despite these limitations, Elleci has embarked on a path of research and collaboration with suppliers to:

- drastically reduce the amount of plastic in ISTA 6 packaging;
- identify innovative solutions that allow for increased use of recycled cardboard without compromising the technical performance required by the standard.

This commitment is part of a broader vision of circular economy and packaging sustainability, with the aim of combining functionality, safety and environmental responsibility.



Environmental

Use of resources and circular economy

Waste

The total waste generated in 2025, which includes waste from all activities carried out at the plant, amounts to approximately 1,889.1 tonnes. Almost all of the waste, approximately 97.6%, is sent for recovery or reuse, while the remainder is sent for disposal.

We are continuing to optimise our production processes with the aim of identifying and reducing all sources of waste along the supply chain. At the heart of this strategy is the adoption of advanced technologies and sophisticated operating practices capable of improving overall efficiency. A key role is played by the active involvement of our people, thanks to dedicated training and awareness programmes geared towards a culture of continuous improvement and operational sustainability.

We have also introduced constant product monitoring and traceability systems, which allow us to promptly identify any inefficiencies, identify areas for improvement, and enable more effective, transparent and sustainable production performance.





Environmental

Use of resources and circular economy

Waste

In the 2023-2025 three-year period, Elleci continued to optimise its waste management, recording significant environmental performance despite the start-up of the new production plant.

2025 shows that the downward trend in production waste compared to 2023 continued, which is particularly significant given that the new PLANT was in the process of becoming fully operational. The reduction is attributable to greater efficiency in the moulding and finishing processes thanks to ongoing research and development activities and the adoption of in-line quality control technologies, which reduce non-compliance rates;

The trend toward gradually replacing mixed-material packaging with single-material paper

and cardboard solutions continues, since these facilitate a more circular approach and make it easier to recycle packaging waste.

In support of this change:

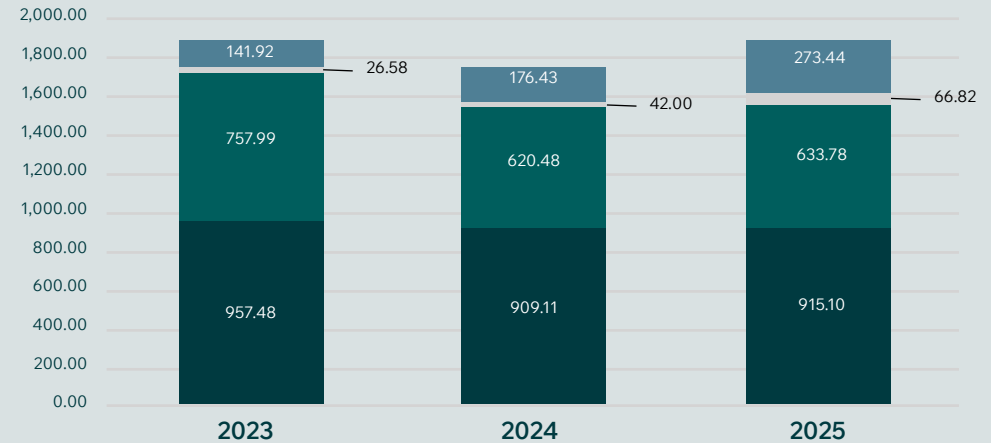
- a programme has been launched to raise awareness among operators, aimed at promoting the correct separation of materials and encouraging the conscious use of paper rather than mixed packaging;
- an economic return mechanism has been activated thanks to the sale or collection of selected paper materials, which can now be more easily sent for recycling.

This approach generates environmental benefits and, at the same time, economic efficiencies, helping to make packaging management more sustainable and circular.

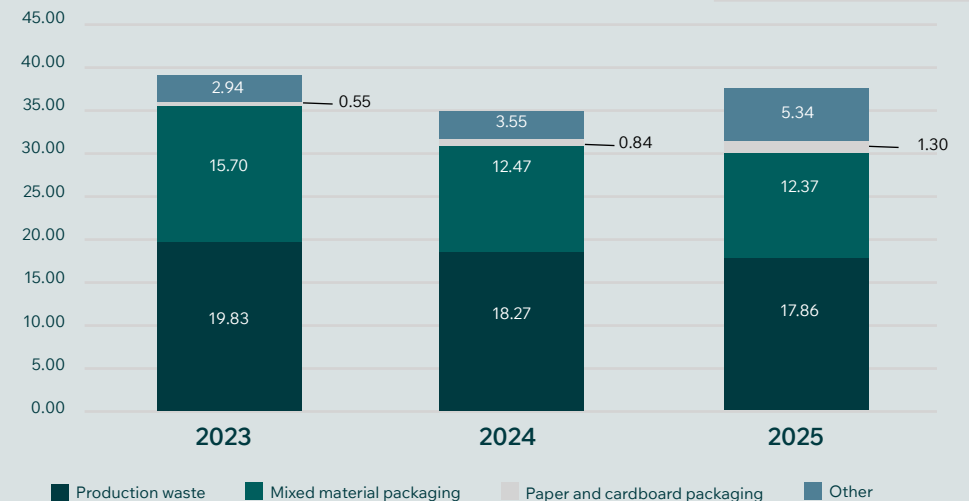
The increase in the “Other” category is mainly attributable to non-recurring waste related to the commissioning of the new plant, with a reduction expected in 2025.

In summary, 2025 represents a turning point in industrial waste management for Elleci, highlighting a substantial reduction in production waste despite the increase in plant complexity and the progressive replacement of materials with more sustainable alternatives. In summary, the data for the 2023–2025 three-year period consolidate Elleci’s position as a circularity-oriented organisation, capable of balancing industrial expansion with rigorous monitoring and a qualitative reduction in environmental impacts.

Waste produced broken down by EWC code [t]



Waste produced broken down by EWC code [t/M€ turnover]





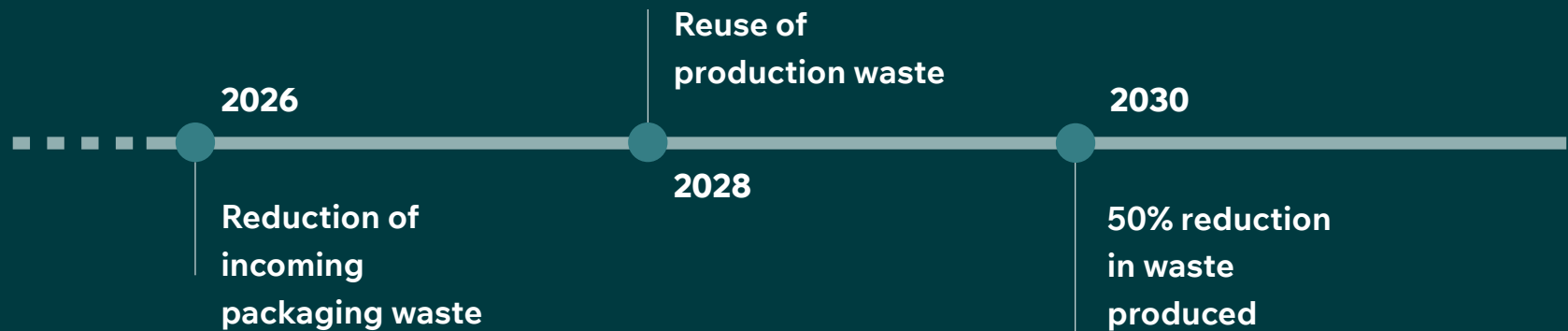
Environmental

Use of resources and circular economy

Waste - Road to 2030

In order to minimise the amount of waste sent for recovery or disposal, we have embarked on an internal research programme aimed at studying solutions that allow the reuse of specific types of waste.

To this end, development is focused on finding a system for recovering and reusing waste that will enable us to achieve our target of reducing the waste generated by the process by 50% by 2030 through reuse within the production cycle, replacing natural raw materials.



Focus on continuous improvement

The “**continuous improvement**” approach is a key element for the long-term sustainability of our organisation. This approach has the following medium-term goals:

- the **reduction of waste** through the application of advanced chemical techniques and process optimisation;
- the **study of innovative systems for the partial reuse of waste generated**, paying particular attention to solutions that reduce environmental impact and optimise the use of resources.

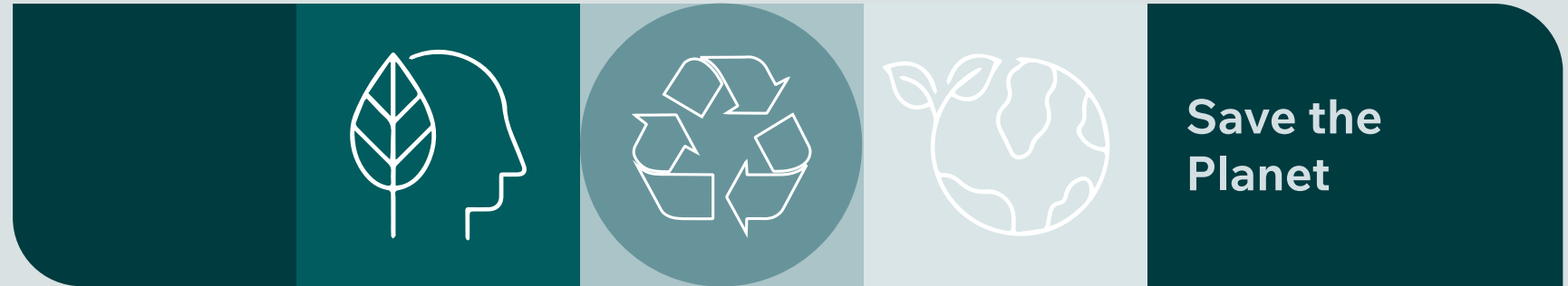


Environmental

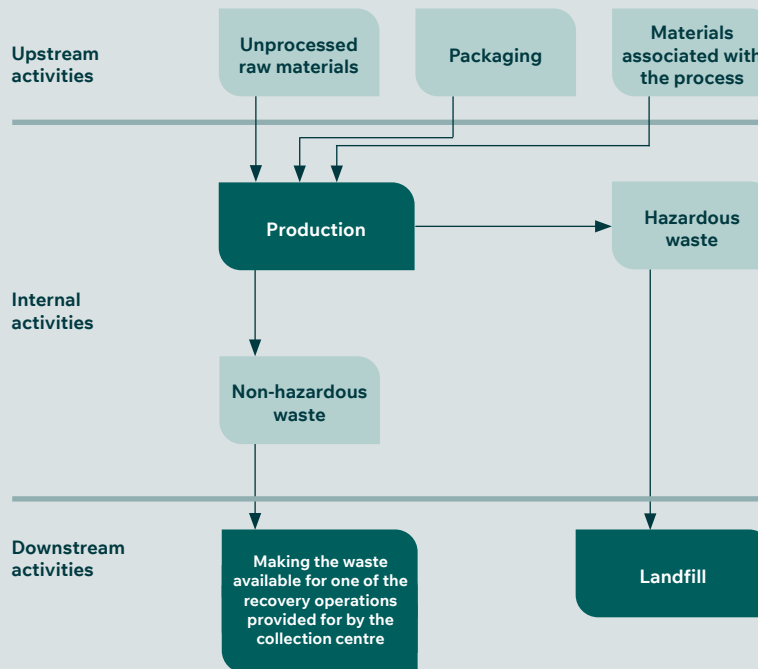
Use of resources and circular economy

Waste - Waste management

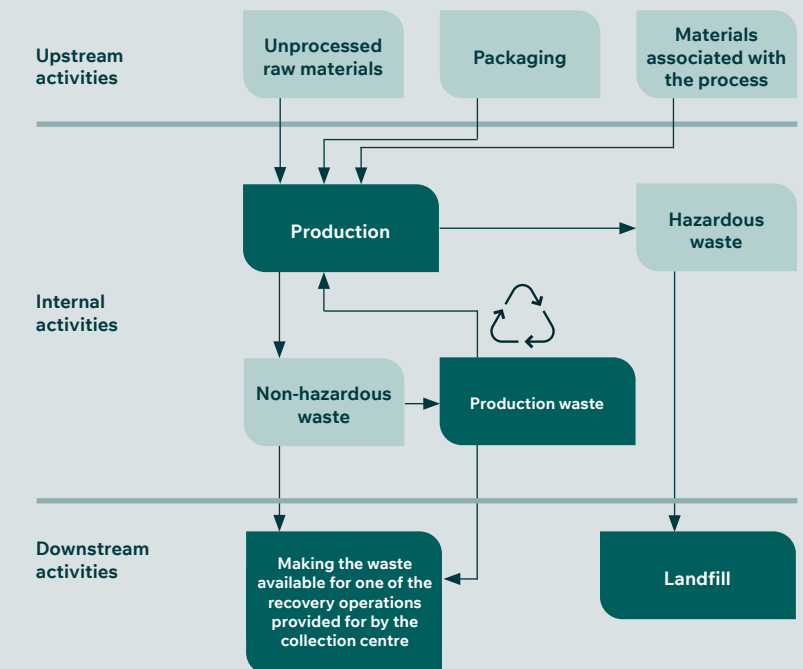
One of our ambitious projects for the near future involves implementing a production waste recovery system into the production cycle. The introduction of such a recovery system will lead to a reduction in waste and its reuse in the production cycle to replace quartz raw material. Following the implementation of this system, the waste cycle will undergo the changes shown in the following diagrams.



Pre-operation



Post-operation



04

Social



Social

We support professional growth and well-being

At Elleci, human capital has always been at the heart of the organisation: a strategic resource capable of fuelling innovation, productivity and sustainable growth.

We are deeply aware that each person contributes a unique set of skills, creativity and passion. It is precisely from the synergy of these talents that our distinctive value arises. For this reason, we are committed to promoting an inclusive, stimulating and respectful work environment, where each individual can feel valued and empowered to express their potential.

We strongly believe in open dialogue and constructive feedback as fundamental

tools for continuous improvement. Our managers are encouraged to offer constant support, recognising achievements and guiding employees towards new opportunities for growth.

Training and professional development are a cornerstone of our corporate culture. We offer structured internal growth paths, mentoring programmes and continuous training initiatives, in the belief that constant learning is the key to successfully facing future challenges.



Social

Principles

Elleci has always considered its human capital to be the beating heart of the organisation, capable of fuelling innovation, productivity and growth.



No discrimination

on grounds of gender, age, religion, ideology and ethnicity



Development and professional training

continuous improvement of skills



Work continuity

internal promotion and horizontal mobility within the company



Work-life balance

flexibility and conditions conducive to a work-life balance

Social

Hiring trends and new employees

Once the Plant's delicate start-up phase was completed, 2025 emerged as a year of strategic consolidation, with the year-end workforce remaining stable at 237 employees.

The decline in employee turnover from 27% to 18% generates three fundamental impacts that define the sustainability of Elleci S.p.A.'s workforce management:

- **Protection of Corporate Know-How:** Strengthening technical and specialised skills in production departments and offices.
- **Cost Efficiency in HR and Training:** Reduction in costs associated with continuous recruitment and the time required to train and on-board new employees.
- **Improving the Organisational Climate:** Creation of a serene, safe, and stimulating work environment.

The demographic evolution of the workforce reflect the industrial needs of the new plant. While 2024 required the immediate hiring of coordinators, specialised technicians, and shift supervisors to establish the chain of command, 2025 saw Elleci S.p.A. return to investing heavily in the next generation. The company thus brought on board additional new employees under the age of 30, placing them on internal career development paths focused on the new industrial landscape.

The high number of permanent contracts compared to fixed-term contracts highlights Elleci's commitment to promoting stable and long-lasting employment relationships, a crucial element in creating a cohesive and motivating work environment. Almost all personnel work full-time, demonstrating their full integration and dedication to the company's mission.

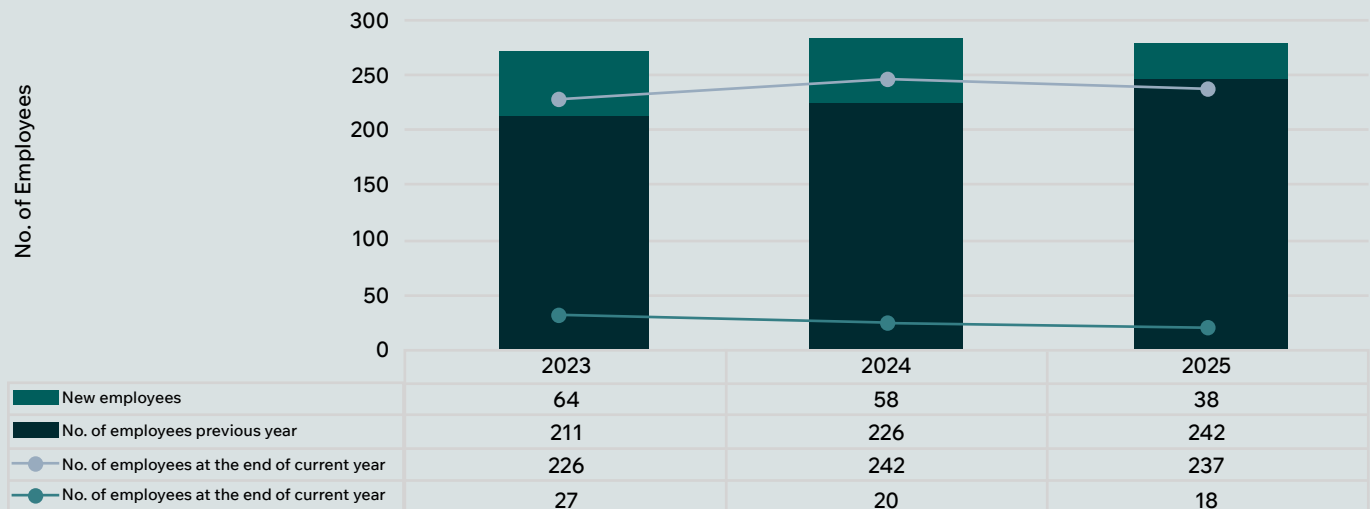
New hires over the last three years are perfectly in line with economic results and annual production.

Quantitative data on employees 2025

Total number of employees: 237

Total training hours: 20,011

Female hires: +27% vs 2024

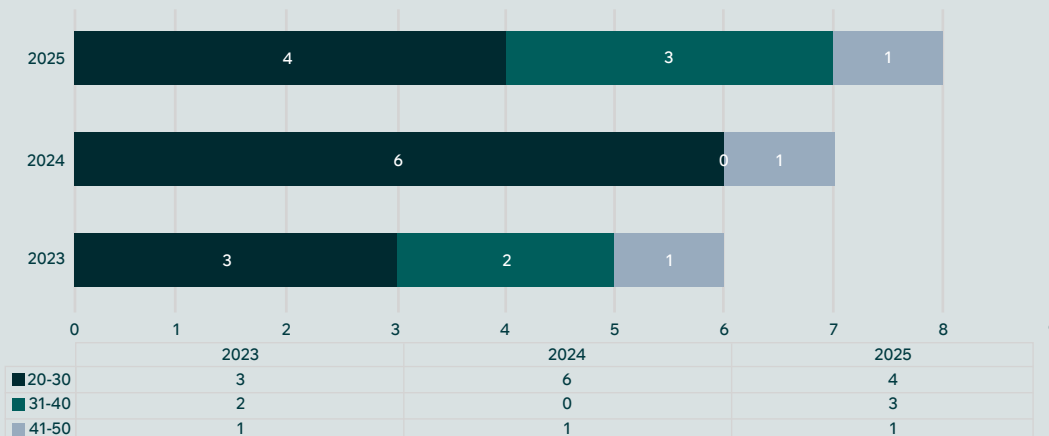


Hiring trends and new employees

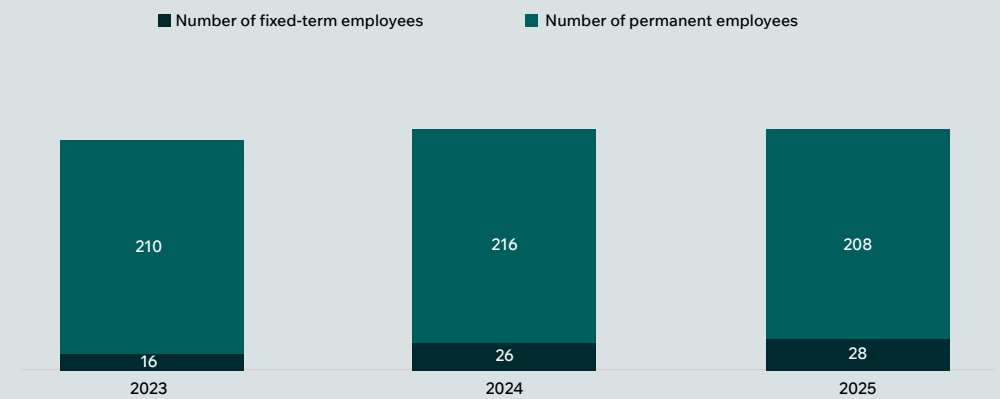
Employees and new hires by age group - men



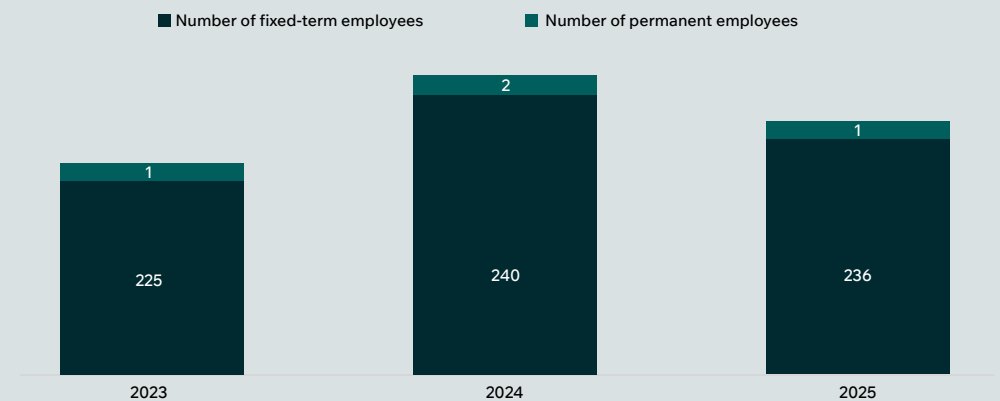
Employees and new hires by age group - women



Fixed-term/permanent employees



Full-time/part-time employees



Social

Gender equality Elleci's commitment

Elleci recognises gender equality as a strategic element of its human resources management policy and corporate social responsibility. The company is committed to ensuring equal treatment and equal opportunities for all employees, regardless of gender, promoting an inclusive working environment that complies with current regulations. This commitment is reflected not only in respect for rights and ethical values, but also in the adoption of measures consistent with the analysis of specific risks associated with different areas of operation, particularly production.

In the production area, manual handling of loads is a critical issue for the full inclusion of women, due to the high physical demands involved. In view of this, we are implementing, as already widely stated, technical and organisational measures, such as specific training, raising awareness of a culture of safety and awareness in the workplace,

the use of ergonomic support devices and the review of production processes, aimed at promoting the integration and retention of female workers in this context, ensuring safety and well-being in the workplace. In 2025, once the new plant's operations had stabilised, office hiring once again showed a clear predominance of women (6 women to 3 men). This figure underlines Elleci S.p.A.'s commitment to fostering an inclusive corporate culture by promoting women's access to professional and managerial careers.

The company is committed to constantly monitoring the effectiveness of the actions taken and promoting diversity and inclusion policies consistent with industry best practices, with the aim of ensuring an increasingly significant and sustainable gender balance in the long term.



Social

Gender equality

Elleci's commitment

Considering the current obstacles to the employment of female workers in certain production departments, it would be misleading to provide a general representation of the percentage of female employees. We felt it was more meaningful to highlight our commitment to promoting the recruitment of women in those departments where the occupational safety criteria are met.

As already stated, it is our priority to implement initiatives that are effective in introducing safe, inclusive and accessible working conditions for all our employees, regardless of gender. We are committed to pursuing the following initiatives, confident that they will be effective in achieving our goal.

Assessment of working conditions: we will conduct a thorough assessment of working conditions in the

production area to identify areas where work activities may pose a challenge for female employees.

Introduction of safety and support measures: we will implement appropriate safety measures and provide the necessary equipment and technical support to minimise the risk of injury and make it easier to move heavy loads.

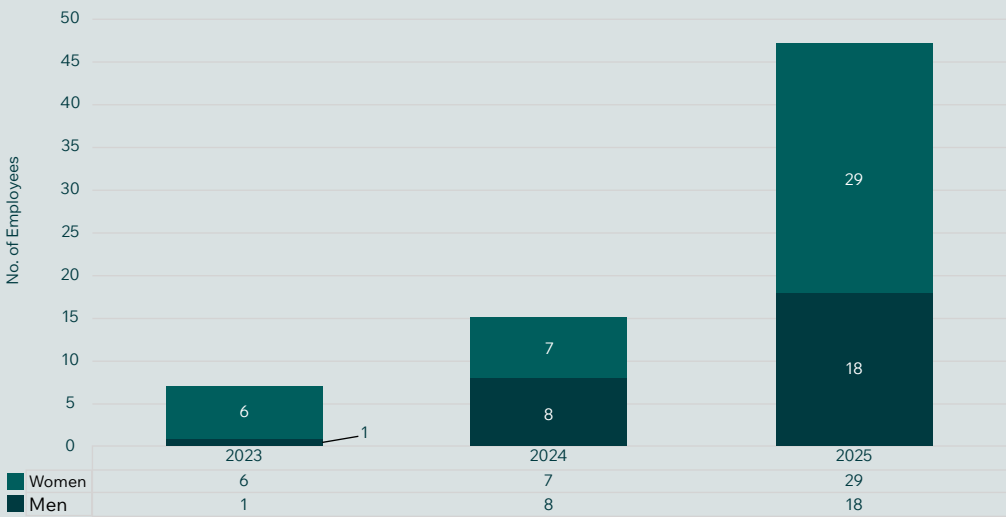
Training and awareness: we will provide specific training on safe lifting and ergonomic practices for all employees, promoting a culture of safety and awareness in the workplace.

Flexibility in work organisation: we will explore options to reduce reliance on manual lifting of heavy loads through the optimisation of production processes and the introduction of innovative solutions, where possible.

Continuous monitoring and

evaluation: we will continuously monitor the effectiveness of our initiatives and be open to employee feedback in order to make any necessary improvements and adjustments.

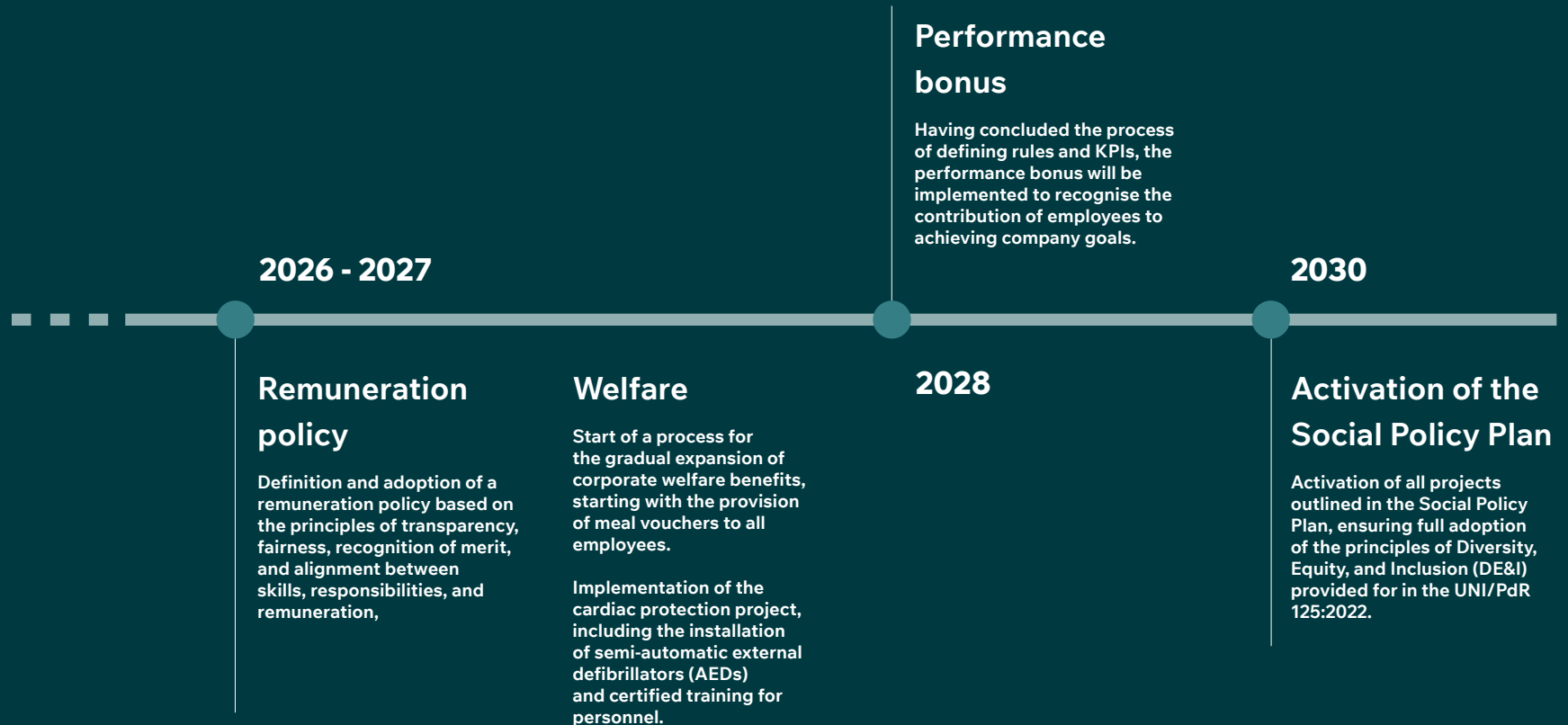
Comparison of new hires
men-women offices



Social

New social policies Road to 2030

We are working to develop policies that supplement the applicable National Collective Bargaining Agreement in order to ensure compliance with certain principles in which we believe and which we consider essential to the well-being and protection of all employees and their families. Below is our 2025-2030 roadmap, which highlights the D&I goals that will be defined in the new Company Regulations, which will include the social support measures to be implemented over the five-year period 2025-2030.



Social

Performance bonus Road to 2030

Elleci's goal is to build a fair, sustainable reward system that is aligned with corporate values, capable of generating shared value and consolidating a culture of performance within a growing organisation.

In 2024, the start of operations at a new production plant marked an important evolution in the company's organisational model. This transition necessitated a comprehensive rethinking of the management system with the aim of harmonising its operational, production and management processes. In this context, Elleci has initiated a process to define and calibrate the KPIs (Key Performance Indicators) that will form the basis of the reward system.

The KPIs will be integrated into a shared corporate framework, which will ensure consistency, transparency and traceability of results. From a management perspective, this involves reviewing information flows, performance monitoring

Elleci will establish a performance bonus aimed at recognising the contribution of its employees and promoting greater operational efficiency.

systems, as well as productivity and quality metrics. From a technical perspective, digital tools are being developed to collect and analyse production data, which will form the objective basis for performance evaluation and bonus payment. This approach aims to ensure data reliability and an objective and meritocratic assessment of the results achieved. Finally, from an HR perspective, the performance bonus is designed as a strategic lever for enhancing human capital, in line with personnel development and engagement policies. The definition of clear, shared and measurable parameters will be accompanied by internal communication and training activities to ensure full awareness and participation by all employees.



The company will complete the process of defining, calibrating, and approving the KPIs, which will officially take effect and become applicable starting in 2028.

Completing this process required a multidisciplinary approach, divided into three key aspects:

- **Operational Aspect:** the strategic review of information flows, performance monitoring systems, and metrics related to productivity and quality was completed, aligning the entire organisational structure with the same standards of excellence.
- **Technical-Digital Aspect:** advanced digital tools for the automated collection and analysis of production data was developed and implemented. This technological infrastructure will provide an objective, reliable, and irrefutable basis for measuring performance and the subsequent payment of the bonus.
- **Human Resources Aspect:** the Performance Bonus was established as a strategic tool for developing human capital, in full alignment with the policies for personnel development and engagement in Elleci S.p.A.

Social

Welfare

Road to 2030

Elleci continues to work hard to define a structured corporate welfare policy, with the aim of strengthening the overall well-being of its employees and promoting a sustainable work-life balance.

A series of measures aimed at improving the quality of working and family life and responding effectively to people's needs are currently being studied.

The first initiative, starting in January 2027, will be the provision of meal vouchers for each day worked to all employees who cannot use company canteens due to organisational and/or logistical issues.

The other key proposals under definition include:

- the possibility for each employee to take **4 hours per year of paid leave** to undergo free blood tests provided by the “**Enfea Salute**” health fund, fully paid for by the company;

- **the extension of health coverage to workers' families** through dedicated insurance packages. Among the options under consideration are the recognition of **24 hours per year of paid leave** for caring for sick family

members or for invasive diagnostic tests;

- the establishment of a **specific benefit** to support employees returning to work after a **prolonged illness** (more than three months): **one hour of paid leave per day** during the first week of return, to be used by arriving late or leaving early;

- the launch in 2026 of a **cardiac protection project**, which involves the installation of **semi-automatic defibrillators (AEDs)** at the main company sites, accompanied by **certified training** for personnel responsible for their use. This initiative aims to strengthen the organisation's response capacity in the event of health emergencies, contributing to the creation of a safer and more health-conscious working environment.

These initiatives are part of a long-term vision that aims to build an integrated welfare system consistent with the company's values of care, attention and responsibility. Elleci intends to finalise these policies in the coming financial years, as part of its Road to 2030 strategic plan, with the active involvement of social partners and all personnel.



Social

Remuneration policy Road to 2030

The Company Elleci, with reference to its Code of Ethics and in order to ensure maximum transparency in its remuneration processes towards its employees, considers it important to draw up a procedure on remuneration and compensation paid, consolidating the Company's growth path by constantly monitoring per capita profitability, with the aim of strengthening its business and accelerating a growth path towards the full application of gender inclusivity principles.

Elleci is gradually implementing a remuneration policy geared towards transparency, merit and fairness among employees, with a particular focus on overcoming any unjustified pay gaps, including from a gender perspective.

During 2024, the company continued to analyse and structure a fair and competitive remuneration system based on industry benchmarks, principles of inclusivity

and objective performance evaluation criteria. This implementation phase involves the direct involvement of Human Resources in the collection and analysis of remuneration data, with the aim of mapping any discrepancies and defining uniform guidelines for the management of remuneration.

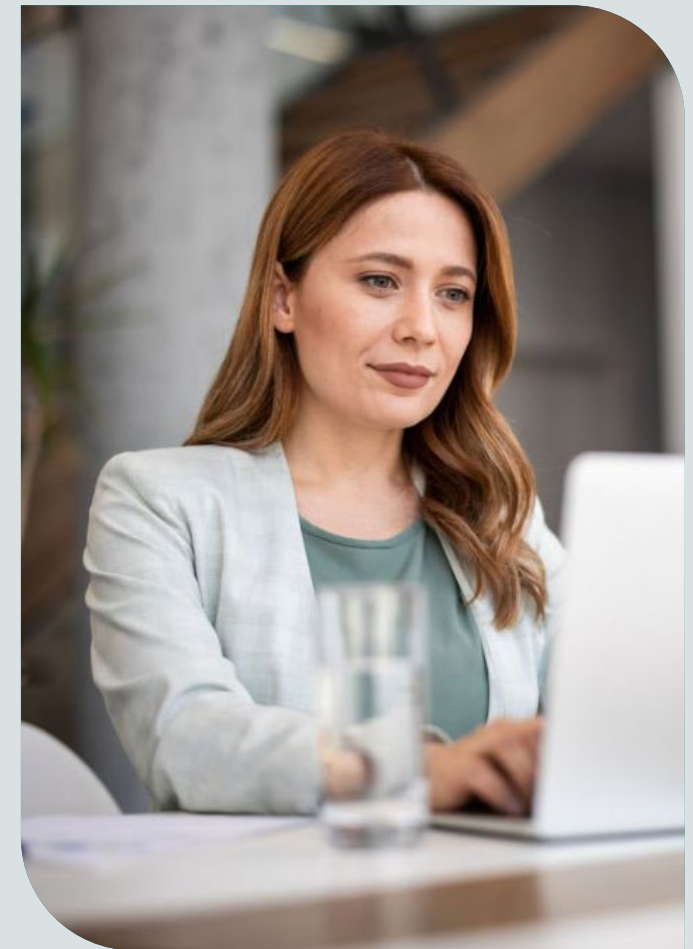
Elleci intends to consolidate this process by formalising an **internal remuneration procedure**, inspired by the principles of **UNI/PdR 125:2022**, which guarantees:

- alignment between remuneration, skills and responsibilities;
- traceability of remuneration allocation processes;
- consistency with the company's growth and sustainability strategies.

In the long term, the remuneration system will be an integral part of the people development strategy,

contributing to strengthening engagement, retaining talent and promoting a fair, transparent and performance-oriented working environment.

Elleci works constantly to eliminate any unjustified pay gap between men and women in similar or equivalent roles, ensuring that remuneration is based on merit and professional responsibilities, regardless of gender.



Social

Adoption of the principles of UNI/PdR 125:2022

Road to 2030

Elleci values gender diversity and promotes an inclusive work environment where each individual is respected and valued for their uniqueness, thus contributing to a more creative, innovative and collaborative organisational climate.

Elleci intends to continue its efforts to promote gender equality by adopting a number of key principles and committing to ensuring that men and women have equal opportunities for development and career advancement based on their skills, performance and aspirations, without discrimination based on gender. As part of promoting equal career opportunities in a Diversity and Inclusion (D&I) context, we are seeking to ensure that every person has the same opportunities for growth and professional advancement. In practice, this means that business decisions are made based on ability and merit, without being influenced by prejudice or discrimination.

To achieve this goal, we are planning to adopt policies and procedures designed to ensure fair treatment for all employees. This includes hiring policies that favour merit, objective performance reviews, and trans-

parent promotion processes. In addition, it is essential to provide regular training on diversity and inclusion to educate all team members about unconscious bias and promote a respectful and welcoming work environment for everyone. Every employee should feel valued and respected for their abilities and contributions, regardless of personal characteristics such as gender, ethnicity or sexual orientation.

Company leaders are taking on a critical role in keeping the company on track toward inclusion and diversity. They consistently adopt inclusive behaviour patterns and actively commit to creating a fair and respectful work environment for all employees. These principles are implemented through initiatives designed to ensure compliance with D&I.

Furthermore, with a strong focus on the content of the UNI/PdR 125:2022 principles,

we are working to implement gender equality criteria in terms of growth opportunities, equal pay and maternity protection. To support the implementation of this strategy, investigations continued in 2024 into the introduction of a remuneration policy aimed at increasing long-term competitiveness and ensuring the achievement of sustainable success.

Based on evidence from specific market benchmarking analyses and through the continuous involvement and consultation of all stakeholders, Elleci will support the evolution of its remuneration strategy by conducting a careful review each year in order to align the remuneration system with the Company's goals and strategy, with a view to pursuing long-term value creation.

Social

Maternity Management

Elleci intends to establish a framework to support women at Elleci before and after biological or adoptive maternity, with appropriate support and development programmes through advance planning so that they can be fully valued and supported in expressing their personal and professional abilities. In this context, the relationship of trust is an enabling lever capable of promoting continuous dialogue between women and their managers, through active involvement in decisions concerning their role in the Company and the organisation of work, sharing the path from the time of notification of pregnancy in order to balance professional prospects and enhance the changes brought about by motherhood, including through the skills acquired. In particular:

- for parents who use breastfeeding leave and need to temporarily return to their home, Elleci will accommodate their requests, subject to organisational requirements:

- the granting of ten hours of paid leave per year for the enrolment of children in nursery/kindergarten;

- the granting of three paid days per year for childcare due to illness certified by the Primary Care Physician;

- the granting of four hours of paid leave per month worked for employees who work until the ninth month of pregnancy, from the seventh month onwards;

- the right of female employees to take hourly leave to undergo medical procedures for medically assisted procreation (MAP), for a maximum of sixteen hours per year, or if taken as full days, for a maximum of two days per year.

The company policy defines and regulates, within the Human Resources department and in line with current company policies, the procedures for the development and management of

female employees on maternity leave with the aim of ensuring adequate personal and professional support in line with the needs and specific technical and professional skills of the person concerned within the relevant organisational area (e.g. production, sales, staff, etc.), during the pre- and post-maternity period and, in general, to achieve a lower rate of professional dispersion among parents.

Adoption of the principles of UNI/PdR 125:2022 Road to 2030



Social

Support for work-life balance

Elleci offers policies and programmes that support work-life balance, including parental leave, flexible working arrangements and assistance services for employees with family responsibilities, in order to enable men and women to balance their personal and professional needs in a balanced way.

One of the Company's strategic goals is to strengthen the presence of women in various departments in order to improve and increase career opportunities for women, ensuring greater gender balance, including in roles characterised by increasing organisational complexity. Similarly, the Company places great emphasis on the presence of women in mentoring and coaching programmes with the aim of developing leadership and empowerment, enabling women to be supported in their professional development.

Shared parenting

The focus on increasing the birth rate and promoting motherhood has naturally evolved towards the concept of shared parenting, linked to the constant increase in fathers' involvement and participation in family life and commitments. The consequence of this phenomenon is the strengthening of work-life adjustment mechanisms in terms of both reconciliation and sharing of family responsibilities, child-rearing and care, with policies and measures capable of fostering culturally ready contexts to balance these evolutionary and social needs.

Elleci therefore aims to define similar opportunities for development and support in dedicated management programmes for male staff, with a twofold expected benefit:

1) increase the number of male employees taking paternity leave;

2) promote the development of a culture of collaboration on care issues, because the inclusion and development of women's careers also depends on rebalancing care needs with a view to equal distribution of family responsibilities. In this context, the relevant Human Resources departments will be responsible for analysing data on shared parenting, monitoring the use of leave and paternity leave.

The course of action outlined in this Policy will be accompanied by communication initiatives, awareness-raising training programmes and active support aimed at increasing awareness at all managerial and leadership levels in order to make inclusion a consistent and pervasive cultural and managerial paradigm. The goal is to undertake increasingly personalised monitoring and attention to individuals, with widespread and multi-channel actions, in order to responsibly influence

corporate culture, relationships, work processes and business contexts.

Adoption of the principles of UNI/PdR 125:2022 Road to 2030



Social

Health and safety

Elleci’s commitment to health and safety is a fundamental aspect of its corporate culture and social responsibility.

The health and safety of its employees is a top priority for Elleci, which is committed to ensuring safe, compliant and risk-preventive work environments.

In 2025, the company recorded an accident rate of 4.9 per 1,000,000 hours worked, confirming the effectiveness of the preventive measures adopted and the ongoing focus on health and safety in the workplace. Elleci constantly promotes a culture of safety through training programmes, regulatory updates and employee awareness of the importance of adopting responsible behaviour.

In 2026, Elleci plans to extend its approach to safety by conducting a targeted internal survey on employee well-being. Aware that health and safety extend beyond the mere prevention of occupational accidents, the company intends to assess the incidence of tobacco smoking with the goal of protecting the health of non-smokers and promoting,

in the long term, healthier lifestyles among its employees.

In line with its prevention-oriented approach, in 2026 the company plans to implement a cardio protection project consisting of the installation of semi-automatic defibrillators (AEDs) in the main company areas. The project will be accompanied by certified training courses for personnel authorised to use the devices, with the aim of ensuring a timely and effective response in the event of cardiac emergencies.

This initiative is part of a broader strategic plan for safety and well-being, helping to strengthen the ability to respond in critical situations and promote an even safer, more secure and people-oriented work environment.

In addition to the projects described, 2026 will mark the launch of a major technological study for Elleci aimed at revamping its systems to further increase safety and well-being standards in its production departments, es-

tablishing it as a medium- to long-term strategic initiative. The revamping plan will be based on four pillars.

1.Machine Safety and Industrial IoT

The company plans to map and update the safety systems and/or human-machine interfaces (HMIs) at its production systems. The aim is to implement advanced technological solutions, integrating safety directly into the digital production workflow.

2.Monitoring and Air Quality in the Production Departments

With a view to continuous improvement, the project will include upgrading and improving the efficiency of the aspiration, filtration, and air exchange systems in the production departments.

3.Ergonomics and Risk Mitigation in Manual Handling of Loads (MHL)

To respond positively and effectively to the challenges of manual handling of loads (MHL), Elleci will use this study to raise ergonomic standards. The planned

actions include:

- The design of workstations according to the latest ergonomic standards.
- The introduction of mechanical aids, assisted handlers and automation systems at critical points in the logistics/production flow.

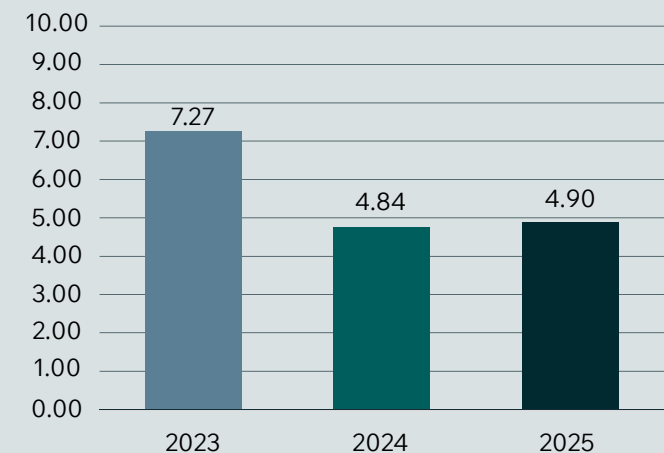
4.ATEX Structural Upgrade and Risk Mitigation

The goal of this project is not merely to comply with current legislation, but to implement structural and operational measures aimed at improving and downgrading at-risk areas.

Elleci provides regular safety training and awareness for all employees. This includes training sessions on safety regulations, the proper use of tools and equipment, and emergency management. Elleci is committed to complying with all laws and regulations relating to health and safety in the workplace, ensuring compliance with current regulatory requirements

and maintaining high standards in all its operations. Therefore, our commitment to health and safety reflects our responsibility towards the well-being of our employees and our desire to create a safe, healthy and sustainable working environment.

Accidents per 1,000,000 hours worked



Social

Health and safety

Elleci provides regular safety training and awareness for all employees. This includes training sessions on safety regulations, the proper use of tools and equipment, and emergency management. Elleci is committed to complying with all laws and regulations relating to health and safety in the workplace, ensuring compliance with current regulatory requirements and maintaining high standards in all its operations.

Therefore, our commitment to health and safety reflects our responsibility towards the well-being of our employees and our desire to create a safe, healthy and sustainable working environment.



Social

Training

Elleci is committed to promoting the professional growth of its people through the provision of training courses aimed at developing skills.

In 2025, Elleci provided a total of 20,011 hours of training to its employees.

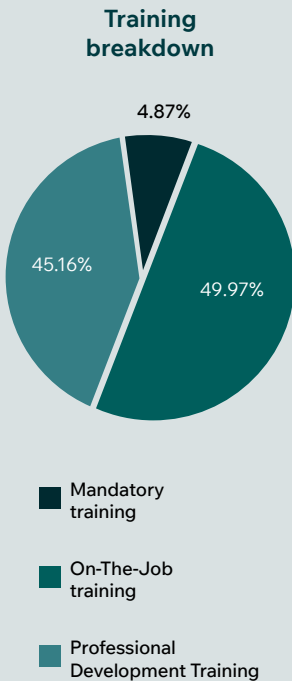
In-house training courses demonstrate the commitment to embedding specialised know-how directly in the field, with a specific focus on industrial efficiency, quality control, and logistics management.

In particular, in 2025, 9,036 hours were dedicated to professional training courses aimed at consolidating the technical and specific skills of employees. These courses include training on new technologies, industry regulations, occupational safety, digital transformation, and the new ERP system, demonstrating Elleci’s commitment to developing its human capital through the development of strategic skills, able to foster employees’ personal growth and the company’s sustainable success.

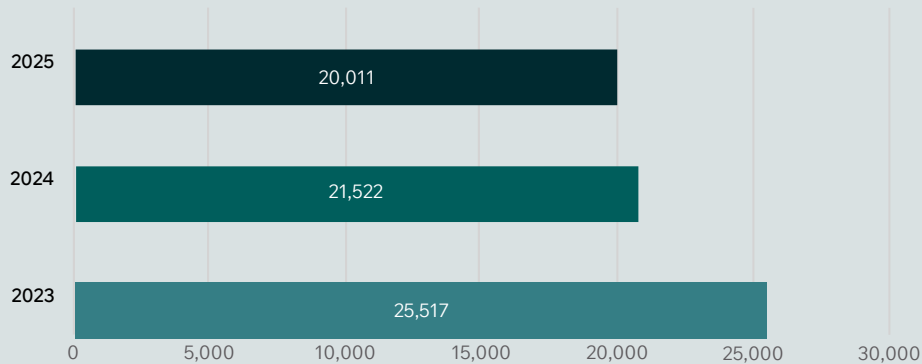
The breakdown of training hours clearly highlights this approach: the core

of the training focuses on added value and the practical growth of employees, with an equal balance between On-the-Job Training (49.97%), which is essential for direct operational training, and Professional Development Training (45.16%), which is aimed at acquiring specialised and vertical skills.

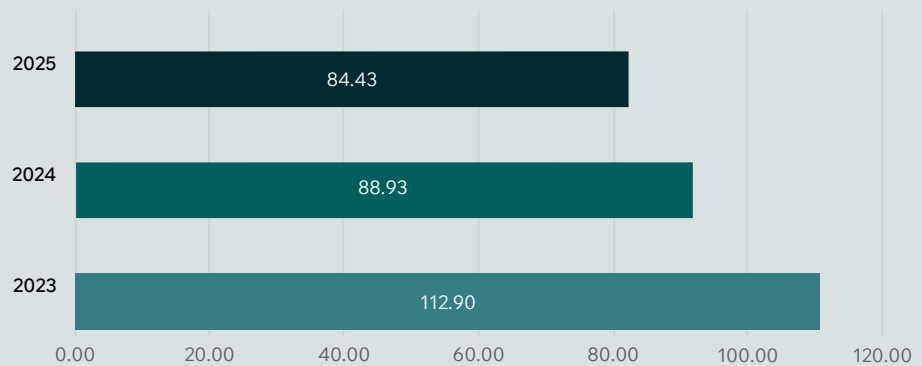
Mandatory Training accounts for only 4.87% of the total, demonstrating that the company does not limit itself to merely complying with regulatory requirements.



Total number of training hours provided to employees



Average number of training hours per year per employee



Social

Community

Elleci confirms its commitment to supporting and enhancing the local communities in which it operates, maintaining numerous social responsibility initiatives that reflect the company's values of solidarity, inclusion and sustainable development.

Work experience programme with vocational schools

Collaboration with local professional institutes on work-study programmes, which offer students practical learning opportunities and direct exposure to the world of work;

Work placement internship

Organisation of internship programmes aimed at work placement for young people, contributing to the development of new skills and facilitating their inclusion in the industrial sector;

The Family Day tradition

Promoting opportunities for social interaction and inclusion, such as the traditional Family Day and the progress of the Elleci Home project, a multifunctional facility dedicated to the inclusion and well-being of the local community;

Support for Amani

Continued support for the Amani Foundation, which has been involved since 2006 in projects focused on shelter, education, and assistance in the peripheral areas of sub-Saharan Africa.

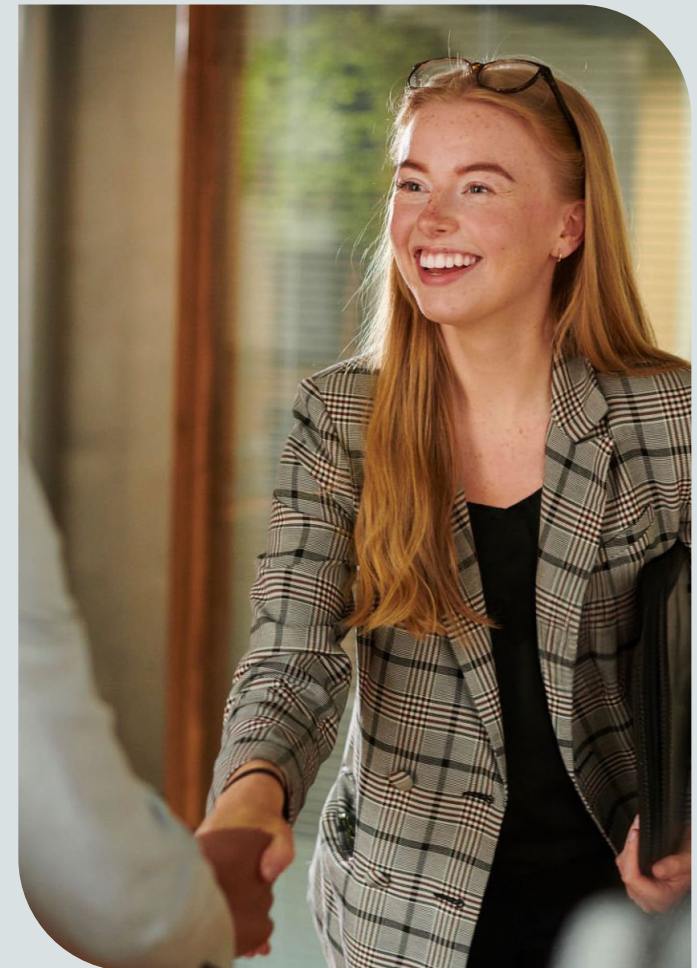
Reconstruction of the Terracina playground

Elleci is committed to rebuilding the playground in Terracina, which was damaged by natural disasters in 2021. This project demonstrates Elleci's commitment to supporting and contributing to the recovery and improvement of public infrastructure in the local community, providing residents with a safe and welcoming place for recreation and enjoyment.

Electric charging stations at the Elleci site

The installation of electric vehicle charging stations at the company's site to support sustainable mobility and reduce emissions;

Elleci thus reaffirms its commitment to corporate social responsibility as an essential element of its business model, undertaking to maintain an ongoing dialogue with the local community and to promote initiatives that generate shared value and sustainable development.



Social

Community

Family Day and Elleci Home

Elleci organises an annual Family Day to engage and celebrate employees and their families, creating an opportunity to strengthen bonds within the corporate community. In addition, Elleci is planning to build Elleci Home, a multifunctional facility dedicated to inclusion and hospitality, which will offer catering services, a gym and an auditorium for the local community. This project demonstrates Elleci's commitment to creating spaces and opportunities to promote integration and well-being for the community as a whole.



Social

Community

Elleci for Amani

The desire that drove Elleci to embark on a journey with the Amani Foundation is to give hope for a better future to hundreds of children and young people who live on the streets of the suburbs of large cities in sub-Saharan Africa, far from their families and in constant danger.

Since 2006, we have been supporting Amani in the construction of shelters, training projects, prevention programmes and medical assistance.

We want to make a concrete contribution to the creation of a fairer world, where rights and opportunities for growth are guaranteed.





05

Governance

Governance

We base our company's growth on ethical principles

For Elleci, governance is the foundation upon which to build sustainable growth, one that combines economic strength, ethical conduct, and a focus on the impacts generated for all stakeholders. The company promotes a management model focused on transparency, accountability, and the creation of shared value, based on the belief that compliance with the rules and the quality of processes are essential to ensuring long-term competitiveness and growth.

This approach is put into practice in the Code of Ethics and in the Organisational, Management, and Control Model adopted pursuant to Legislative Decree 231/2001, tools that define principles, responsibilities, and control mechanisms to support risk prevention and foster a corporate culture based on legality. The 231 Model, which is continuously updated in line with regulatory and organisational changes, is based on a structured system of operational protocols,

internal controls, monitoring activities, and independent supervision, supported by training programmes for all personnel.

Over the past year, Elleci has further strengthened its governance system by consolidating its whistleblowing channels, which were developed in accordance with current legislation and are designed to ensure maximum protection for whistleblowers, the confidentiality of information, and the prompt management of any non-compliant conduct. Promoting a culture of transparency and shared responsibility is, in fact, a key element in building relationships of trust with employees, partners, and stakeholders.

In parallel, the digital transformation initiative undertaken by the Group has helped strengthen the effectiveness of control systems and the quality of decision-making processes. The full integration of management and production systems now en-

ables greater traceability of activities, timely access to information, and more efficient management of operational workflows, promoting transparency, accountability, and data reliability throughout the entire value chain.

In this context, Elleci is gradually integrating the principles of sustainability into its governance system, promoting an approach that is increasingly focused on environmental, social, and governance (ESG) issues. The goal is to consolidate an organisational model capable of effectively addressing future challenges, valuing the contributions of people, strengthening dialogue with stakeholders, and generating sustainable and lasting value for the company and the local community.

We are committed to implementing a transparent, responsible and solid company capable of building a solid and participatory future.



Governance

Governance model

The governance of the company Elleci is structured as follows:

Shareholders' Meeting:

By law and under the Articles of Association, it has fundamental powers, including: approval of the financial statements; appointment and removal of members of the Board of Directors and the Board of Statutory Auditors; determination of their remuneration; and any other matter not delegated to other corporate bodies.

Board of Directors:

It is the body vested with the broadest powers for the ordinary and extraordinary and management of the company. In full compliance with the provisions of the law and the Articles of Association, the Board defines the company's operational strategies, monitors its performance, and oversees the effective functioning of the internal control and risk management system.

Board of Statutory Auditors:

As the controlling body par excellence, the Board of Statutory Auditors is responsible for supervising compliance by the corporate bodies with the law and the Articles of Association, compliance with the principles of sound management, as well as adequacy of the organisational, administrative, and accounting structure adopted by the company and its actual functioning.

Supervisory Body - SB

Elleci S.p.A., In accordance with the provisions of Legislative Decree No. 231 of 8 June 2001, has appointed a Supervisory Body (SB), a collegiate body with independent powers of initiative and control. The SB has the specific responsibility to supervise:

- the functioning of and compliance with the Organisational, Management, and Control Model adopted by the company, in order to prevent the commission of

the offences set forth in the Decree;

- the updating of the Model itself, proposing to the management body the necessary changes in light of changes to the organisational structure or the reference regulatory framework.

The Supervisory Body is appointed by the Board of Directors and normally has a three-year term, renewable at each expiry, in order to ensure adequate continuity of action. The SB is vested with the powers of initiative and

control necessary to ensure effective and efficient supervision of the functioning and compliance with Model. By definition, the SB is an autonomous and independent body in its assessments and activities, albeit being subject to oversight by the Board of Directors, to which it reports periodically on its activities.



Board of Statutory Auditors (from 30-03-2025)

Chairperson: Antonio Diso
Auditor: Elisabetta Capitini
Auditor: Francesco Balestrieri
Deputy Auditor: Francesco Ceccarelli
Deputy Auditor: Marco Paris
Statutory Auditor: EY S.p.A.

Supervisory Body (SB)

Chairperson: Mr. Stefano Ucci
 Mr. Marco Tavani
 Mr. Costantino Iaboni

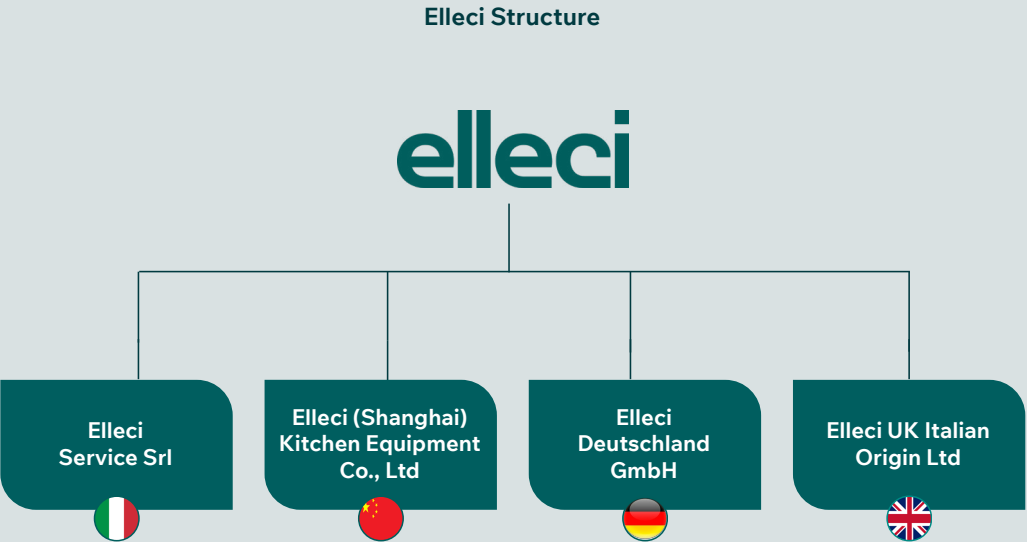
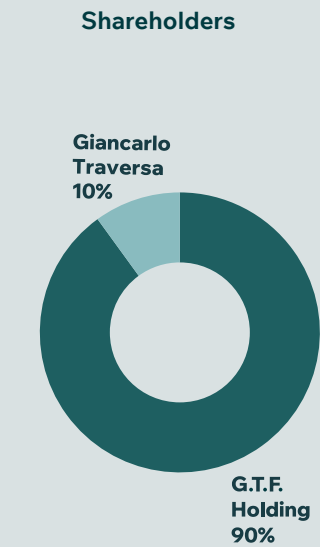
Auditing Firm



Governance

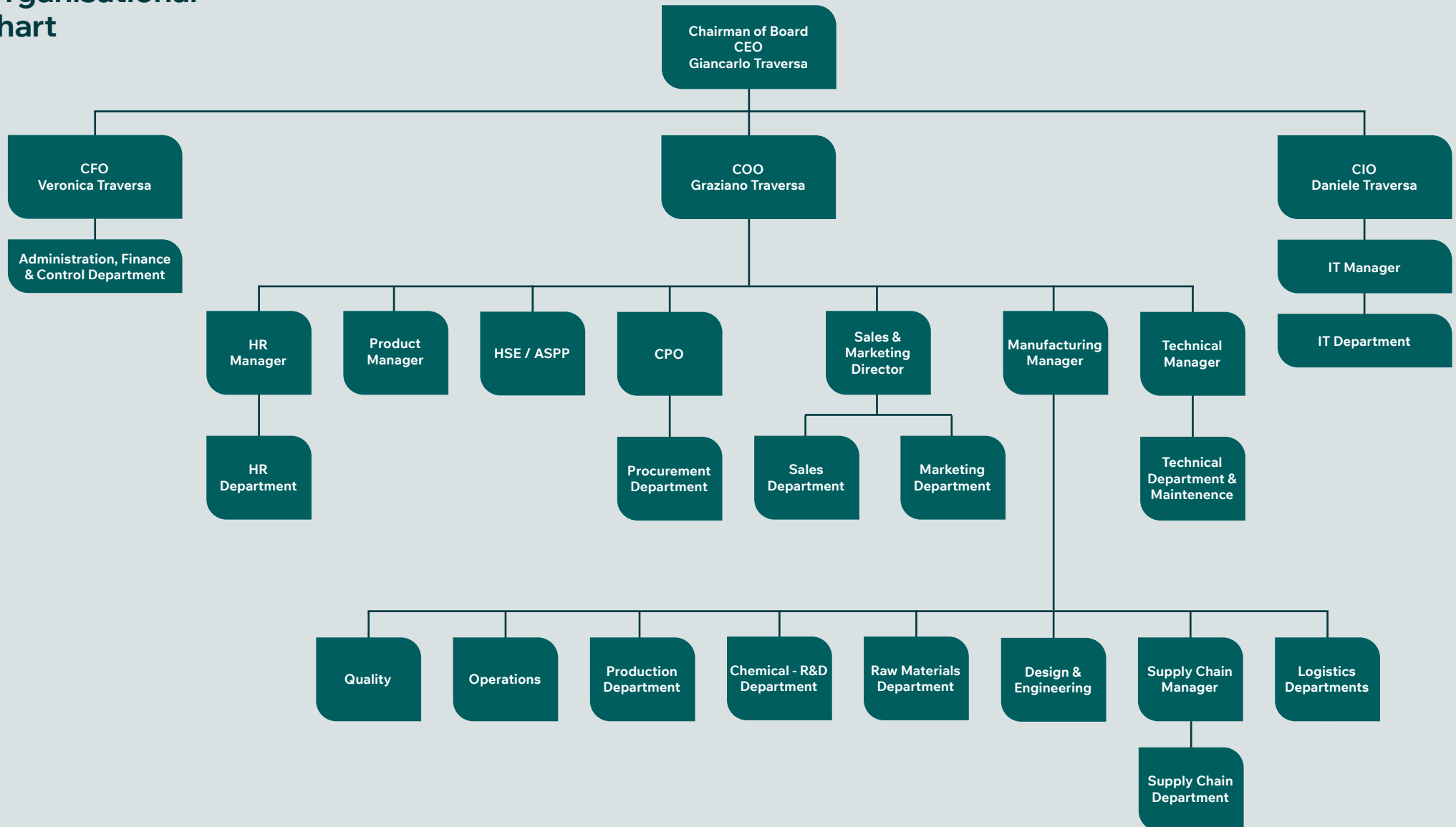
Relationships with other companies

The corporate structure re-defined in 2023, with the creation of Giancarlo Traversa Family Holding S.r.l., is also confirmed for 2025.



Governance

Organisational chart



Governance

Management of financial resources

As part of Elleci's financial strategy, diversifying its financial structure across multiple credit institutions is a key lever for risk management and safeguarding the company's stability. This conscious choice allows for effective distribution of exposure, ensuring operational continuity even in uncertain or unstable economic contexts. Maintaining active relationships with a number of banking partners also allows us to access a wider range of financial services and instruments, improving the efficiency of operations and

enhancing the use of available resources. The soundness of this approach is reinforced by careful monitoring, which involves the constant assessment of the conditions offered by the various institutions and the adoption of disciplined cash flow management. In this manner, the diversification policy not only supports the company's economic and financial resilience, but also helps to strengthen its ability to adapt to market developments.

Diversification is a prudent practice that contributes to our financial strength.



Governance

Awards and recognitions



2021

**Award for the
promotion of Italian
products worldwide**

“RD Editore”

2021

**Recognition for
innovation and driving
force behind Italian
industry**

“Intesa Sanpaolo”

2021 - 2022

**Top financial
award for
performance,
financial reliability
and sustainability**

“Il Sole 24 Ore”

2024

**Award for family
businesses
representing
entrepreneurial
excellence**

“Il Sole 24 Ore”

Governance

Focus Whistleblowing

Prevention is protection: the strength of an ethical organisation

Elleci recognises whistleblowing as a fundamental tool for protecting legality, preventing irregularities and strengthening a corporate culture based on ethics and transparency. The possibility of reporting illegal behaviour or behaviour contrary to the principles of our Model 231 and Code of Ethics is not only a regulatory obligation for us, but also a strategic choice of responsibility and governance.

For this reason, we have adopted a procedure in accordance with Italian Legislative Decree 24/2023, which extends protection to all individuals who interact with Elleci, including:

- employees, managers and members of corporate bodies;
- collaborators, consultants, business partners, suppliers and customers;
- shareholders, public bodies and other stakeholders in relation to the company.

The procedure guarantees maximum confidentiality and prohibits any form of retaliation. The identity of the whistleblower may only be disclosed with their consent, and any discriminatory measures, such as dismissal, demotion or professional isolation, are null and void and punishable.

To ensure a safe and transparent working environment, we have set up diverse, easily accessible reporting channels designed to protect anonymity where requested: registered letter in a triple sealed envelope, confidential telephone line managed by trained staff, internal post box for written reports and secure email or dedicated online platform.

Reports may concern:

- violations of national or European Union regulations;
- conduct contrary to the Code of Ethics, Model 231 or other company policies;
- improper practices, fraud, conflicts of interest or

misuse of company resources; - facts that may constitute a criminal offence or damage the company's reputation. Where reports are found to be defamatory or instrumental, disciplinary sanctions and, where appropriate, criminal sanctions will be imposed, in accordance with the guarantees afforded to the reported person and the reporter.

We firmly believe that an effective, secure and well-structured whistleblowing channel not only protects the organisation, but also strengthens people's sense of belonging and engagement, improving the quality of the internal climate and mutual trust.

For Elleci, every report is an opportunity to improve. Whistleblowing is not just an obligation to be fulfilled, but a concrete form of active participation in company life, a demonstration of care for the integrity of our work and an essential pillar of our

commitment to transparent, responsible and sustainable governance.

Providing employees with a channel to report concerns helps create a corporate culture based on trust and transparency.



Governance

Focus Anti-corruption

Control, transparency and integrity: the pillars of our corporate culture.

As part of its commitment to transparent, responsible and ethical business management, Elleci has adopted a structured approach to preventing corruption, integrated into its Organisational Model in accordance with Italian Legislative Decree 231/2001. This model provides for specific procedural measures aimed at identifying, monitoring and mitigating risks associated with unlawful conduct, with particular reference to corruption and incitement to corruption between private individuals.

An analysis of business processes has identified the procurement phase as one of the areas most exposed to the risk of corruption, due to the possibility of establishing non-transparent relationships or relationships based on patronage with external counterparties. For this reason, Elleci has strengthened its control measures throughout the entire purchasing cycle, defining strict

rules for every decision and expenditure commitment, to be adopted according to a codified and fully traceable approval process.

In particular, strict compliance with internal authorisation powers is required, together with the retention of documentation supporting the entire process of acquiring goods and services. Suppliers are selected in accordance with criteria of transparency, efficiency and cost-effectiveness, without any possibility of favouritism or unjustified preferential treatment. External collaborators, professionals and consultants must be selected on the basis of a careful assessment of their technical and professional requirements, in line with the company's goals and in compliance with budget constraints.

During contract negotiations, conduct based on fairness and integrity is also required. Business opportunities must be submitted

to the internal approval process, involving the relevant departments in accordance with current company procedures. The purchasing department carries out an initial check on the supplier's compliance, followed by technical and operational validation by the two Chief Executive Officers, who also exercise financial authorisation control and legal supervision of the proposed contract. The entire process is supported by an integrated management system, which ensures the traceability and monitoring of all authorisation levels.

The procedure requires that all decisions and expenditure commitments by the Company must comply with the company rules expressly laid down for the acquisition of goods and services.



Governance

Focus Stakeholder involvement

Elleci recognises the central role of stakeholders in pursuing responsible, ethical and sustainable business growth. For this reason, it pays particular attention to structured dialogue and the transparent sharing of its values, principles and goals with all internal and external stakeholders. Our commitment to stakeholder engagement translates into concrete, systematic and continuous actions that involve the entire organisation and the ecosystem of relationships in which we operate.

One of the main tools in this process is the Organisational, Management and Control Model pursuant to Italian Legislative Decree no. 231/2001, which represents for Elleci not only a guarantee of regulatory compliance, but also an opportunity to promote a culture of legality, responsibility and integrity. The Model is an integral part of the company's value system and is adopted

with the aim of preventing crime by promoting virtuous and transparent behaviour throughout the value chain.

Disclosure of the model to employees and members of corporate bodies

Its disclosure is handled with care: all employees, managers and members of corporate bodies are provided with a copy of the Model through formal and traceable channels, accompanied by training sessions, briefings and dedicated information materials. Understanding of the Model and Code of Ethics, as well as the related operating procedures, is verified over time through periodic updates and awareness-raising activities, to ensure full compliance with and effective application of the principles expressed.

Disclosure of the model to external collaborators and partners

External collaborators, consultants, business partners, suppliers and, in general, all those who work in the name or on behalf of the Company are also recipients of careful communication of Model 231 and the Code of Ethics. These individuals are formally informed of the contents and ethical obligations to which they are bound, in order to create a cohesive and responsible network of individuals who share the same corporate values. In particular, a clause acknowledging and accepting the rules of conduct is included in contracts, thus consolidating the alignment between corporate culture and the conduct of external partners.

We are committed to ensuring that the Governance Model is widely shared both internally and externally of the organisation.



Governance

Focus Stakeholder involvement

Transparency is a strategic choice of shared responsibility with regard to sustainability goals.

Transparency is a strategic choice for Elleci. In this area too, the company has implemented a structured policy for the disclosure of its sustainability report. The previous year's financial statements were distributed to all stakeholders through direct channels, such as sending them to partners, customers, suppliers and consultants, and indirect channels, such as publication in full on the company website. The online accessibility of the document has amplified its reach, allowing free, timely and permanent consultation by any interested party.

The digital publication initiative aims to encourage greater stakeholder participation in the life of the company, enabling them to monitor environmental, social and governance performance and contribute feedback and comments to the definition of future strategic priorities. The interaction generated by

this communication channel strengthens the sense of shared responsibility for sustainability goals and creates the conditions for truly participatory governance.

In addition, Elleci has launched a series of information and training activities on Italian Legislative Decree 231/2001 and the implications of the Model, aimed not only at staff but also at external stakeholders involved in sensitive processes or exposed to risk. The goal is to ensure widespread and informed knowledge of the relevant regulations, expected behaviour and the consequences of violations, thereby promoting an increasingly ethical, safe and collaborative corporate environment.

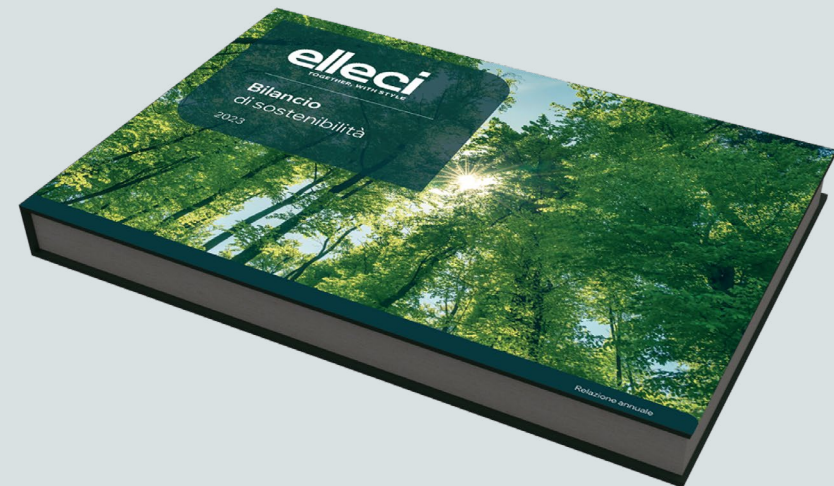
The function of the Supervisory Body, which has been specifically set up, also extends to promoting and coordinating communication and training activities, as

well as verifying the effectiveness of information flows and reporting channels, in accordance with the provisions of the Model.

Its responsibilities also include collecting and analysing comments and reports from stakeholders in order to identify areas for improvement and ensure that the internal control system is constantly updated.

Through this integrated approach to stakeholder engagement, Elleci aims to build relationships based on mutual trust, shared goals and active participation in the creation of sustainable value. The culture of respect, transparency and legality is an asset that the company is committed to preserving and passing on every day, so that all people and organisations involved in its work can feel part of a shared, responsible and lasting growth path.

The 2025 sustainability report has been distributed to all stakeholders and published online for free and timely consultation by any interested party.



Governance

Focus

Communicating values through design: Milano Design Week 2026

A brand experience between the Salone and the Fuorisalone

The Milano Design Week 2026 was an important opportunity for Elleci to strengthen its position on the international design scene, establishing itself as an influential, innovative brand focused on the evolution of industry trends. With a dual presence at the Salone del Mobile - EuroCucina, through products displayed at its partners' stands, and at the Fuorisalone, at the Flagship store in Via Fatebenefratelli 21 - the company developed an integrated communication strategy aimed at various audiences: from industry professionals and business partners to the global design community. In this context, the Flagship store in the heart of the Brera district was transformed into a space for interaction and brand narration. Going beyond its traditional role of exhibition space, the showroom was conceived as a dynamic hub, designed to foster dialogue with

professionals and stakeholders and offer a first-hand experience of the values that guide the company. The exhibition concept, "A Living Narrative," stems from a reflection on contemporary living, understood no longer as a single, unifying space, but as an environment capable of accommodating different functions, languages, and experiences. Through its product installations, Elleci interpreted the concept of "plurality as identity", developing a journey structured around two complementary dimensions that reflect the evolution of its design philosophy. Taking centre stage, the Opera project - a manifesto of empathetic and sensory design - embodied the introspective, quiet, and contemplative nature of the home, where simplicity and emotional comfort are expressed in a pure and soft form, capable of welcoming and inspiring. In contrast, Mixology - a hyper-workstation dedicated

to bar tending - opened up a relational and performative dimension, interpreting the kitchen as a place of social interaction, creativity, and the blending of different worlds, thereby expanding the very concept of the domestic experience. This dual interpretation of living came to life through a programme able to evolve throughout the day: during the daytime, it highlighted materials, design solutions, and stylistic innovation; in the evening, the Flagship store became a stage for gatherings, live performances, and networking opportunities dedicated to the community. The entire initiative reaffirmed Milano Design Week as a strategic platform for networking and communication, helping to consolidate Elleci's position among the leading players in contemporary design through a vision that successfully combines technological innovation, aesthetic sensibility, and design culture.



Governance



Milano Design Week 2026 in the heart of the Brera Design District



Governance



Milano Design Week 2026 in the heart of the Brera Design District

The **Èlite Kitchen Book** is not just a catalogue. This is the Manifesto with which Elleci expresses its vision of contemporary design: a universal language in which technological innovation, materials research, the study of colour, and the harmony of forms come together to create connections between people and spaces. A publishing project that interprets living as a sensory and emotional experience, where aesthetics, functionality, and comfort come together to enhance the quality of life.

Colour emerges as a defining element of identity, while organic shapes and nature-inspired hues create home environments that convey a sense of well-being and serenity.



Governance

Focus

Tax and legal strategy

In an increasingly complex and interconnected global economic environment, Elleci assigns a central role to the management of tax and legal issues, considering them strategic levers for ensuring integrity, transparency and sustainability in the long term. This vision is based on the principle of responsibility, which guides every business decision and translates into the conscious and structured management of all tax areas: extraordinary transactions, tax administration and litigation, tax incentives, international taxation and VAT.

Particular attention is paid to tax compliance, recognised as a particularly complex area requiring constant vigilance and a systematic approach. These activities are overseen by the AFC (Administration, Finance and Control) Team, which plays a key role in ensuring that the company's operations comply with current tax regulations. The team acts with competence and experience,

supervising internal processes and ensuring the timely fulfilment of tax obligations. Given the dynamic nature of the regulatory framework and the growing complexity of tax issues, Elleci also draws on the expertise of qualified external tax consultants, whose support is strategic in dealing with specialist or particularly sensitive areas. The collaboration between the AFC Team and external advisors allows us to take a proactive approach to tax management, whistleblowing complementary skills and strengthening compliance. Another area of focus is transfer pricing, where Elleci has chosen to strengthen its position by signing a unilateral Advance Pricing Agreement (APA) with the tax authorities. The adoption of the APA allows for the advance definition of criteria for determining intra-group transfer prices, reducing the risk of litigation and promoting greater certainty regarding the correct application of the regulations.

This strategic choice helps to consolidate the collaborative relationship with the tax authorities and allows the company to optimise the use of resources, avoiding disputes and ensuring a constant focus on the development of its core business and the achievement of its economic sustainability goals. Elleci's constant focus on optimising the opportunities provided by regional and national tax incentives confirms the company's commitment to adopting responsible tax practices, maximising the benefits deriving from public policies and reinvesting them in the sustainable development of its industrial model. Since 2017, Elleci has successfully participated in the National Industry 4.0 Plan, which has enabled it to implement advanced digital technologies and innovative production processes, significantly improving productivity, competitiveness and overall efficiency.

This path has generated positive impacts not only for the company, but also for the local economy and employment.

During 2024, Elleci began the process of qualifying an investment project under Transition 5.0, concluded during 2025.

During 2026, the company is embarking on a process under the New Transition Plan 5.0 (Hyper-Depreciation), taking advantage of the opportunities offered by the new national incentive program for tangible and intangible capital assets. This process represents a further step in the company's strategy to combine technological innovation, environmental sustainability and energy efficiency.

The internal AFC team coordinates tax compliance activities and, with the support of qualified consultants, proactively addresses complex challenges such as digital and ecological transition.

Governance

Focus Digital transformation

An organisational model supporting digital transformation: Oracle NetSuite ERP now fully operational

The innovation process launched by Elleci in 2024 stems from a desire to redesign the company's information flows and operational processes. A decisive step in this process was reached at the end of 2025 with the full implementation of Oracle NetSuite, the new cloud-based management system that integrates various business functions into a single platform, strengthening efficiency, control, and information sharing.

The success of the roll-out was made possible by a structured governance framework and the significant involvement of all functions involved, from management to the operational teams. The Administration, Finance, and Control (AFC) department played a central role, leading the definition of requirements and the validation of processes, and ensuring that the new system was consistent with the company's organisational and control standards.

The distinctive feature of the new set up is the integration between the ERP system and the applications that support production and logistics operations. This interconnection now provides access to real-time data and metrics, improving process traceability, coordination between offices and production, and the ability to make timely and informed decisions.

01. Master Data Uniqueness
All master data (customers, items, suppliers and bills of materials) are centralised. Through constant synchronisation, the ERP system updates the plant: a visual tick system immediately confirms to the departments that the alignment has been completed.

02. Fulfilment Paperless Order Flow
Sales contracts are entered automatically. As soon as an order is entered, it is forwarded to production: the logistics system generates

the Picking Lists in real time, eliminating any waiting time before picking begins.

03. Control Interconnected Factory
Bill of Materials extraction to track materials and semi-finished product. The system generates labels and lot numbers to ensure traceability throughout the supply chain. The metrics (times, scrap, components) are digitised on the production line for cost control.

04. Accounting Instant Invoicing
Upon shipment, printing the shipping document triggers the automatic recording of the logistics transaction in the system. This input immediately releases the issue of the electronic invoice, completing the process without the need for manual entries.

“For Elleci, digital transformation is not a technological goal in itself, but rather the driving force behind establishing transparent business processes, clearly defined responsibilities, and relationships built on the utmost trust, both internally and externally.”



Governance

Developments 2025 Sustainability Management

During 2025, Elleci took significant steps to consolidate sustainability as a strategic and cross-cutting lever in its business model. As part of this process, structured procedures have been launched to systematically integrate material ESG issues into corporate strategies, operational processes and throughout the entire value chain. This approach has made sustainability a central element not only in production choices, but also in product development, process management and resource optimisation, generating value for all stakeholders. Looking ahead to 2026, Elleci will continue on this path by further strengthening its alignment with European ESRS standards, integrating environmental, social and governance issues even more effectively into its strategic choices, investments and development plans.

The goal is to consolidate an increasingly responsible and resilient business model focused on creating sustainable value in the long term.

Our sustainability strategy is based on the following pillars

Environmental



In the environmental field, we have set ourselves the following goals to be achieved by 2030:

- 50% reduction in CO₂eq emissions through increased energy efficiency in production facilities and the installation of renewable energy production plants, as well as the procurement of energy produced from renewable sources guaranteed by certificates of origin;
- 50% reduction in water consumption in production;
- 50% reduction in waste generated by the production cycle;
- introduction of 50% renewable, reused and recycled raw materials in product formulation.

Social



The timeline for the goals, which envisages the implementation of all the projects proposed in the social sphere by 2030, is divided into the following steps:

- definition of the remuneration policy (2026–2027);
- definition of a policy aimed at implementing a corporate welfare plan, starting with the provision of meal vouchers to all employees (2027)
- definition of the rules governing the performance bonus (2027);
- verification of results achieved and disbursement of the performance bonus (2028);
- adoption of the D&I principles set out in Guidelines UNI/PdR 125:2022 (2030).

Governance for sustainability



In 2025, activities initiated in line with the commitments outlined in the 2023 Sustainability Report continued, with the aim of strengthening the focus on ESG issues within the corporate governance system. The actions undertaken during the year represented an essential preparatory phase, focused on scenario analysis and the development of guidelines; this technical and methodological foundation paved the way for subsequent formal updates to the company's regulatory instruments, with particular reference to the Code of Ethics and the Organisation, Management, and Control Model pursuant to Legislative Decree 231/2001.

This phase saw the start of mapping, assessment and priority-setting activities, with the aim of establishing a governance structure

capable of ensuring effective and transparent management of environmental, social and governance issues. The model under development is designed to ensure clarity in processes, controls and responsibilities, promoting a corporate culture based on sustainability.

The Board confirmed its intention to gradually delegate the supervision of ESG issues to dedicated committees, whistleblowing the specialist skills needed to address the complexity and cross-cutting nature of these areas. In this context, the Corporate Governance and Sustainability Committee has launched preliminary guidance and monitoring activities, supporting the definition of a strategic framework for integrating sustainability into corporate decisions.

The entire process will continue over the next few years, with the aim of translating what has been developed in this phase into a formal update of the company's regulatory and management tools.

Governance

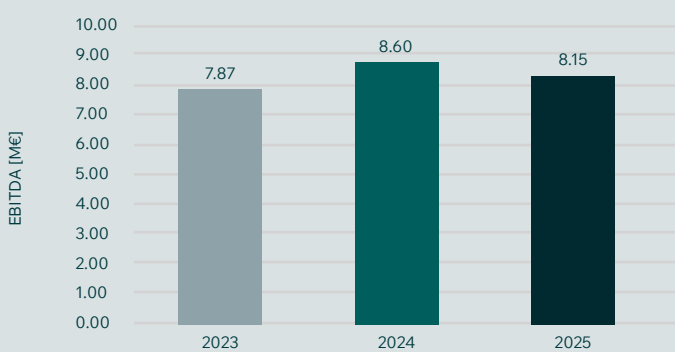
Operations & Economics Highlights

The international economic context in 2025 was characterised by sharply divergent trends across the various macro-regions. While the U.S. market continued to show solid stability, other advanced economies recorded a gradual slowdown. In China, the prolonged downturn in the real estate sector held back domestic consumption, while global trade remained vulnerable to uncertainty due to ongoing geopolitical tensions and fears of protectionist measures originating in the United States. These factors triggered a period of high volatility in the energy sector, leading to a slight increase in oil prices and more pronounced increases in natural gas prices. In response to this scenario and to varying inflation rates across different countries, the major central banks opted for a very cautious approach to monetary easing, implementing modest and

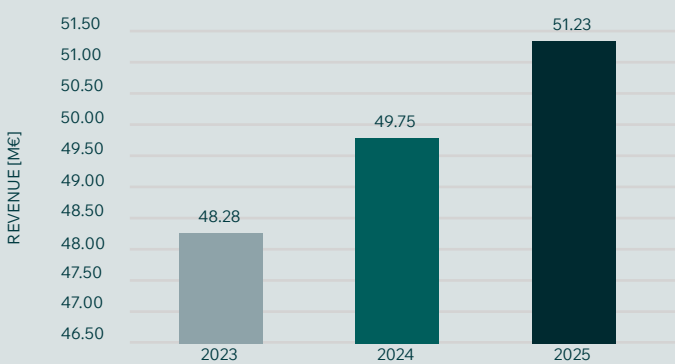
gradual reductions in interest rates. In this context of macroeconomic instability, Elleci S.p.A. successfully continued to implement its strategic development plan. Revenues from normal operations totalled €51,225,689, marking a year-on-year increase of approximately +3.0% compared to 2024. In terms of operating profitability, the Company reported EBITDA of €8,147,176. The operating and financial performance recorded confirms the soundness and strength of the business measures adopted by management. The results highlight the effectiveness of both the policies aimed at streamlining operations and reducing structural costs, and the continued efforts to optimise manufacturing processes. Despite the complexity of the industry in question, Elleci demonstrated a high degree of flexibility and the ability to maintain

its profit margins, reaffirming the competitiveness of a business model strongly focused on technological innovation and high-quality standards.

EBITDA [M€]



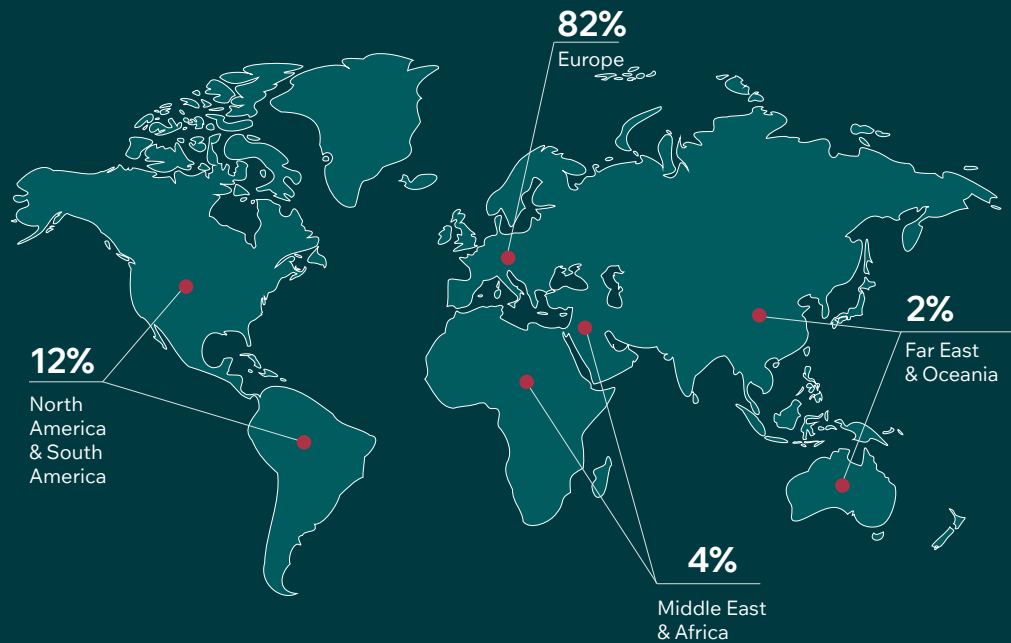
REVENUE [M€]



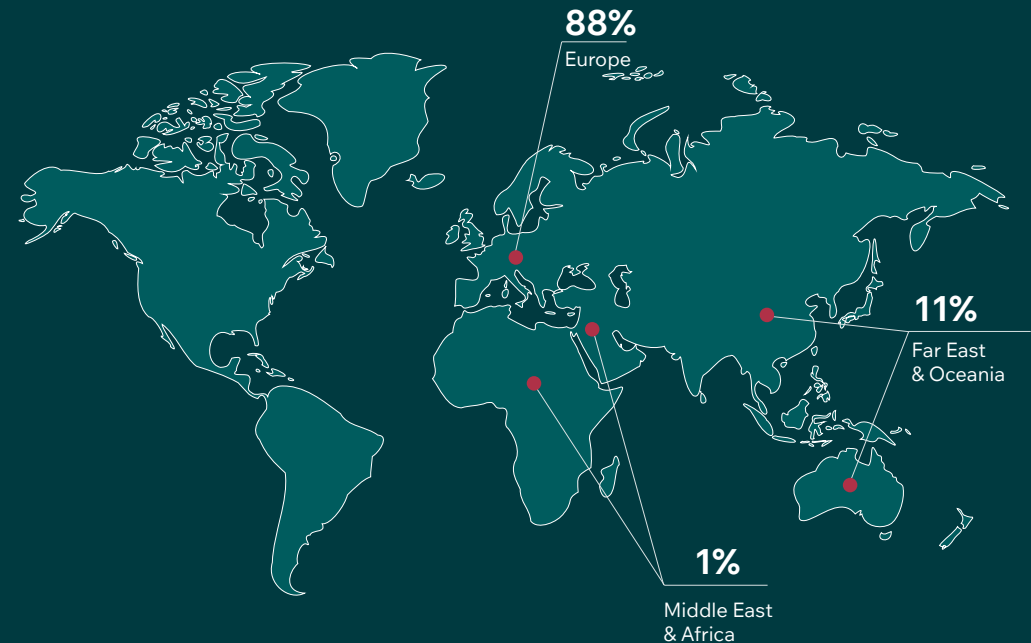
Governance

Operations & Economics Highlights

Revenues by geographical area 2025



Raw material costs by geographical area 2025



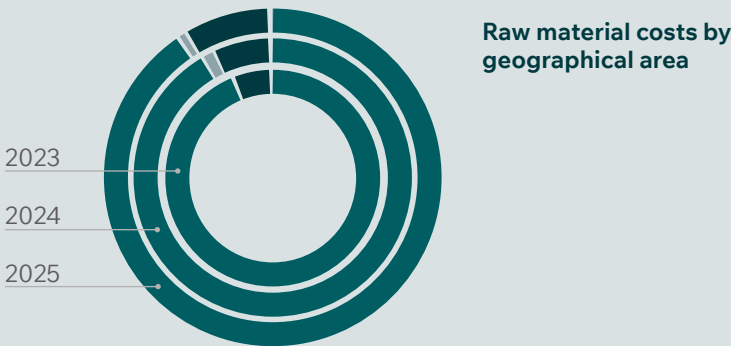
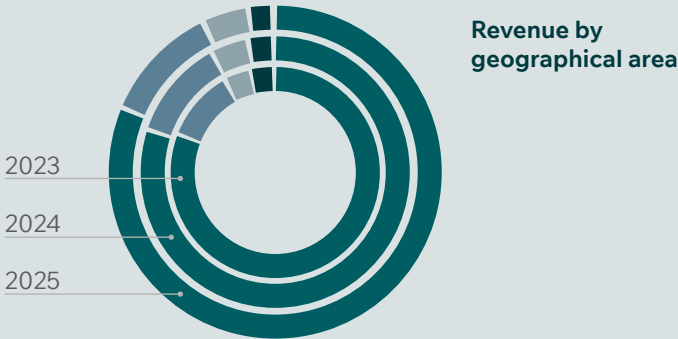
Governance

Operations & Economics Highlights

During the 2023–2025 three-year period, Elleci’s core business remained firmly anchored in European markets, which consistently generated over 80% of total revenue, accounting for exactly 82% in 2023 and 2025 and 81% in 2024. This approach has a direct impact on the breakdown of expenses for the purchase of raw materials, which are concentrated primarily in Europe. However, there has been a gradual decline in the continental share, which fell from 91% in 2023 to 89% in 2024, reaching 88% in 2025. This trend points to a gradual shift toward geographic diversification of suppliers. The Americas segment, which includes North and South America, accounts for a steady 11% to 12% of revenue but incurs no direct raw material costs, remaining at 0% throughout the entire period and confirming that production activities are centralised in Europe. In contrast, the Far East and Asia region shows an opposite trend. Despite a slight decline in revenues, which fell from 3% in the 2023-2024

period to 2% in 2025, there has been a steady increase in its share of supply costs, which rose from an initial 9% to 10% in 2024, reaching 11% in 2025. This trend reflects a strengthening of business relations with Asian partners. Finally, the Middle East and Africa region plays a minor but stable role in terms of revenue, accounting for 4% in each year. Starting in 2024, it shows an initial share of 1% of the total value of raw materials, a figure that is also confirmed in 2025, underlining the start of an expansion of the supply network. Overall, Elleci reaffirms its international focus, aimed at gradually optimising its global logistics network while maintaining its strategic, manufacturing and commercial hub in Europe.

- Europe
- Middle East & Africa
- North America & South America
- Far East & Oceania



	2023		2024		2025	
	Revenue by geographical area	Raw material costs by geographical area	Revenue by geographical area	Raw material costs by geographical area	Revenue by geographical area	Raw material costs by geographical area
Europe	82%	91%	81%	89%	82%	88%
North America & South America	11%	0%	12%	0%	12%	0%
Middle East & Africa	4%	0%	4%	1%	4%	1%
Far East & Oceania	3%	9%	3%	10%	2%	11%

*There must be a better way to make
the things we want, a way that
doesn't spoil the sky, or the rain or
the land.*

Paul McCartney





Elleci.com